ANTECEDENTS AND OUTCOMES OF CUSTOMER ENGAGEMENT BEHAVIOR IN THE AIRLINE BRAND FAN PAGES

CHUAH HUI WEN

UNIVERSITI SAINS MALAYSIA

2019

ANTECEDENTS AND OUTCOMES OF CUSTOMER ENGAGEMENT BEHAVIOR IN THE AIRLINE BRAND FAN PAGES

by

CHUAH HUI WEN

**Thesis submitted in fulfillment of the requirements
for the degree of
Doctor of Philosophy**

March 2019

ACKNOWLEDGEMENT

Pursuing a PhD and writing some chapters of this thesis during my academic visit to Germany is one of the most wonderful dreams I could hardly imagine since young. It has been a priceless journey and I thank God for bringing me this far. The completion of this thesis is a miraculous defining moment that will surely not to be forgotten in my life and it would not be made possible without the assistance of many amazing people whom I would like to sincerely express my deepest gratitude to, and I am profoundly indebted to.

First and foremost, I would like to sincerely thank my parents and my sister for their love, care, and prayers. Without their constant encouragement, I would never have had the strength and courage to reach beyond what I thought I was capable of achieving. It is genuine pleasure to convey my deep sense of thanks to my principle supervisor, Professor T. Ramayah, for his immeasurable support, professional guidance, and unsurpassed knowledge. It is indeed a great privilege to be under his supervision. Not forgetting my field supervisor, Professor Philipp A. Rauschnabel of the Universität der Bundeswehr München (Germany), I am thankful for his gracious advices and assistance at many critical moments since we knew each other in 2015. He offered me many personal and professional opportunities for my development, including the chance to gain international experience as a visiting scholar at the Darmstadt University of Applied Sciences (h_da). His highly motivated and dedicated characters have made him a great role model for me to move forward to become a successful academic.

I would also like to express my heartfelt gratitude to my internal examiners, Dr. Marini Nurbanum Mohamad and Dr. Normalini Md Kassim, as well as my external

TABLE OF CONTENTS

LIST OF TABLES

LIST OF FIGURES

Page

LIST OF ABBREVIATIONS

AI	Artificial Intelligence
AVE	Average Variance Extracted
BCa	Biased-Correlated and Accelerated
BFP	Brand Fan Page
BK	Baron and Kenny
CAGR	Compound Annual Growth Rate
CB-SEM	Covariance-based SEM
CMB	Common Method Bias
CMV	Common Method Variance
CR	Composite Reliability
CSR	Corporate Social Responsibility
FFCs	Full-Fledged Carriers
fsQCA	Fuzzy Set Qualitative Comparative Analysis
HTMT	Heterotrait-Monotrait Ratio
IS	Information Systems
LCCs	Low-Cost Carriers
MAS	Malaysia Airlines
NADI	National Aerospace and Defense Industries
NGO	Non-Governmental Organization
OBC	Online Brand Community
OLS	Ordinary Least Squares
PLS-SEM	Partial Least Squares Structural Equation Modeling
ROI	Return on Investment

RSS	Really Simple Syndication
SEM	Structural Equation Modeling
SMM	Social Media Marketing
SNS	Social Networking Site
S-O-R	Stimulus-Organism-Response
SPSS	Statistical Package for Social Science
SRMR	Standardized Root Mean Square Residual
U&G	Uses and Gratifications
VIF	Variance Inflation Factor

ANTESEDEN DAN HASIL KELAKUAN PENGLIBATAN PELANGGAN DI HALAMAN PEMINAT JENAMA PENERBANGAN

ABSTRAK

Interaksi yang dinamik, mudah diperoleh, dan interaksi masa nyata yang diperoleh melalui media sosial telah merevolusikan amalan pemasaran dan tingkah laku pengguna; ia menawarkan cara baru untuk mengumpulkan dan berkongsi maklumat dan yang paling penting, membuka peluang penglibatan dan kolaborasi baru. Walaupun peluang yang tersedia di media sosial adalah tidak terbatas, syarikat sering menghadapi cabaran dalam memanfaatkan peluang ini untuk melibatkan pelanggan dan mempengaruhi kelakuan mereka. Untuk mengeksploitasi keupayaan media sosial dan manfaat yang berkaitan, memahami perkara yang merangsang tingkah laku penglibatan pelanggan adalah penting. Demi mencapai tujuan tersebut, kajian ini membangunkan satu kerangka teoretikal untuk menjelaskan anteseden dan hasil tingkah laku penglibatan pelanggan di halaman peminat jenama penerbangan (BFPs), berasaskan pelbagai premis teori dan literatur. Model kajian dinilai menggunakan Kuasa Dua Terkecil Separa – Pemodelan Persamaan Struktur (PLS-SEM) dengan sampel sebanyak 368 peminat halaman Facebook syarikat penerbangan di Malaysia. Empat penemuan utama diperolehi. Pertama, kepuasan pelanggan terhadap penggunaan BFP dan persepsi jenama terdahulu melengkapi dan berinteraksi antara satu sama lain dalam membentuk penglibatan pelanggan dengan BFP terdahulu. Dengan kata lain, persepsi jenama terdahulu menyederhanakan perkaitan ini. Kedua, penglibatan pelanggan dengan BFP sebelum pendedahan kepada aktiviti tanggungjawab sosial korporat (CSR) mempengaruhi tingkah laku penglibatan mereka pada masa depan. Ketiga, kesesuaian CSR dengan jenama yang dianggap sebagai

'rangsangan' kepada tingkah laku penglibatan pelanggan dan integrasi jenama dalam diri merupakan mekanisme asas psikologi (pengantara) yang memudahkan proses ini. Keempat, tingkah laku penglibatan pelanggan mempengaruhi perilaku pelanggan secara dalaman (kesetiaan) dan secara luaran (kewarganegaraan). Implikasi teoretikal dan praktikal hasil kajian turut dibentangkan dan dibincangkan.

ANTECEDENTS AND OUTCOMES OF CUSTOMER ENGAGEMENT BEHAVIOR IN THE AIRLINE BRAND FAN PAGES

ABSTRACT

The dynamic, ubiquitous, and real-time interaction enabled by social media has revolutionized marketing practices and consumer behavior; offering new ways to gather and share information and most importantly, opening new engagement and collaboration possibilities. Although the possibilities provided by social media seem to be endless, companies often find it challenging to leverage these opportunities to engage with customers and influence their behaviors. To fully exploit the capabilities of social media and the associated benefits, understanding what stimulates customer engagement behavior is imperative. To this end, this study develops a theoretical framework to elucidate the antecedents and outcomes of customer engagement behavior in the airline brand fan pages (BFPs), grounded in various theoretical premises and literatures. The model was assessed using partial least squares-structural equation modeling (PLS-SEM) with a sample of 368 fans of the Malaysian airline Facebook pages. Four key findings are derived. First, customers' prior gratifications of BFP uses and brand perceptions complement and interact with each other in shaping customers' prior engagement with the BFPs. In other words, prior brand perceptions moderate this relationship. Second, customers' engagement with the BFPs prior to the exposure to corporate social responsibility (CSR) activities carries over to influence their (future) engagement behavior. Third, perceived CSR-brand fit acts as a 'stimulus' for customer engagement behavior and self-brand integration is the underlying psychological mechanism (mediator) that facilitates this process. Fourth, customer engagement behavior significantly influences customers' in-role (loyalty) and extra-

role (citizenship) behaviors. Theoretical and practical implications of these findings are presented and discussed.

CHAPTER 1

INTRODUCTION

1.1   Background of the Study

"Social media has become a primary tool for higher levels of fan engagement, directly driving lead generation through interaction and content sharing that is especially relevant to media companies."

— Johni Fisher, CEO, Looppa, Buenos Aires

Social media has profoundly changed the way in which people, communities, and/or organizations communicate, interact and even decision-making in their life (Ngai, Tao, & Moon, 2015; Sabate, Berbegal-Mirabent, Cañabate, & Lebherz, 2014; Wu, Xie, Xiao, & Xie, 2018). Social media is "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of user-generated content" (Kaplan & Haenlein, 2010, p. 61). While social media platforms possess a voluminous amount of user-generated data, Artificial Intelligence (AI) helps analyze these big data to identify trending topics, hashtags, and consumer behavior patterns (Misirlis and Vlachopoulou, 2018). Several leading social media such as Facebook, Twitter, and LinkedIn have started utilizing AI to gather actionable insights that helped to provide personalized experiences and enhance deep learning capabilities (Smith, 2018).

On the other hand, consumers not only seek, create, and share information/content, but they also can interact and collaborate with other like-minded consumers on the social media platforms (De Vries, Peluso, Romani, Leeflang, & Marcati, 2017; Hall-Phillips, Park, Chung, Anaza, & RathFod, 2016; Lee & Ma, 2012). Due to the inherent advantages of vast reach, real-time, and multi-party communications, as well as high information transparency, social media has

experienced unprecedented growth in user numbers (Laroche, Habibi, Richard, & Sankaranarayanan, 2012; Luo, Zhang, & Liu, 2015; Risius & Beck, 2015). For example, Facebook, the first social network has achieved a breakthrough of one billion registered accounts by serving 2.2 billion active users every month since July 2018 – making it one of the most popular sites (Statista, 2018). Moreover, Facebook is the most successful social networking sites (SNSs) (See-To & Ho, 2014) with a market value of $524.32 billion as of 14 August 2018 (YCharts, 2018).

The proliferation and continued growth of SNSs have attracted the interest of companies to leverage this new medium to engage and interact with their customers (De Vries & Carlson, 2014; Hudson, Huang, Roth, & Madden, 2016). Such interactions can create value for brands through customers' purchase behavior, willingness to provide recommendations and data for market research, as well as taking part in the new product development, all of which are embedded in the notion of 'customer engagement value' (Kumar et al., 2010). Hence, it is not surprising that about 50 of the top 100 global brands have operated customer communities online, in anticipation that customers who join their online brand communities (OBCs) will become more engaged and have stronger relationships with those brands, leading to better financial outcomes for the companies (Manchanda, Packard, & Pattabhiramaiah, 2011; Schultz, 2017). In addition, the SMI-Wizness Social Media Sustainability Index 2011 indicated that 250 major corporations tapped on social media to convey their sustainability initiatives and 100 of them devoted resources to that mission (Yeomans & Warner, 2011).

Likewise, global airlines brands such as Emirates, Qatar Airways, Singapore Airlines, and Cathay Pacific Airways, have created OBCs in the form of brand fan pages (BFPs) to release product news, promote new offerings, communicate and build

relationships with their customers. They have also utilized this platform as a corporate social responsibility's (CSR) communication channel – they promote and report the CSR activities on their BFPs. The hype for seeking public recognition for societal contributions is motivated by the belief that customers will reward the firms' CSR initiatives by exhibiting higher brand identification, commitment, and loyalty (Cha, Yi, & Bagozzi, 2015; Choi & La, 2013; Engizek & Yasin, 2017; Huang, Cheng, & Chen, 2017).

Apparently, social media has altered the business landscape and redefined the way firms connect with their customers (Karahanna, Xu, & Zhang, 2015; Rishika, Kumar, Janakiraman, & Bezawada, 2013; Wu et al., 2018). Insites Consulting surveying 399 European and U.S. companies found that nearly half of the companies (42.1%) had fully utilized social media tools to consolidate their business strategies though the majority of the companies (88.2%) were in the inception phase of implementation (Insites Consulting, 2011). Furthermore, Forrester Research (2014) forecasts continuous growth for European marketers' social media spending at a 10.5 percent compound annual growth rate (CAGR) from €2.6 billion in 2014 to €4.3 billion in 2019.

Notwithstanding the increased interest of firms to embrace social media to engage with customers, there is much skepticism about its efficacy (Rishika et al., 2013). In fact, embarking on social media initiatives does not guarantee business success and most businesses (76%) fail to reap what they have invested (Karahanna et al., 2015; Sterling, 2017). Although some marketers find success in their social media implementations, they find it challenging to effectively engage their fans through the creation of popular brand contents and activities (Swani & Milne, 2017). Therefore, 90 percent of marketers are in need of better social tactics and are eager to know how

to best engage customers on social media (Social Media Examiner, 2016). Scholars and practitioners alike increasingly acknowledge the importance of probing into the topic of customer engagement (Hollebeek, Conduit, & Brodie, 2016). This is evident in the Marketing Science Institute's recognition of customer engagement as a top research priority, calling for more research on "What are the most effective strategies to drive deeper and lasting customer engagement with the firm?" and "How do social media and other marketing activities create engagement?" (Marketing Science Institute, 2014; 2018).

Customer engagement is the intensity of a customer's participation and connection with a brand on the Facebook fan page (Vivek, Beatty, & Morgan, 2012). It involves specific interactive experiences between customers and the brand, and/or other members of the fan page (Brodie, Ilic, Juric, & Hollebeek, 2013). On the other hand, customer engagement behavior refers to a customer's behavioral manifestations that have a brand or firm focus, within and beyond transactions, resulting from motivational drivers (Gummerus, Liljander, Weman, & Pihlström, 2012; Van Doorn et al., 2010). Although customer engagement has not been satisfactorily explored in the social media environment, the concept has received increasing scholarly attention (Carlson, Rahman, Voola, & De Vries, 2018; Dessart, Veloutsou, & Morgan-Thomas, 2015; Harrigan, Evers, Miles, & Daly, 2017a; Wallace, Buil, & De Chernatony, 2014), and is deemed as an effective acquisition and retention strategy for creating and sustaining the competitive advantage, which is fundamental to future business success (Cheung, Shen, Lee, & Chan, 2015; Hollebeek, Juric, & Tang, 2017; Kunz et al., 2017).

As the social media technologies have provided radically new ways of interacting, they have largely shifted control over brands to consumers (Hutter, Hautz, Dennhardt, & Füller, 2015; Weiger, Wetzel, & Hammerschmidt, 2017) and have

transformed consumers from being passive conferees of marketing cues to active creators (Hanna, Rohm, & Crittenden, 2011; Hollebeek, 2013). Consumers today are co-marketers, co-designers, and co-producers of the brands (Kandampully, Zhang, & Bilgihan, 2015; Sotiriadis & Van Zyl, 2013); they co-create everything from product or service design to promotional message (Beckers, Van Doorn, & Verhoef, 2018; Hanna et al., 2011). By engaging customers in these non-transactional, voluntary activities, they develop strong emotional bonds and are more willing to serve as brand ambassadors (Sashi, 2012; Tsimonis & Dimitriadis, 2014). Thus, it is conceivable that the interactive and collaborative nature of social media has the potential to trigger a range of citizenship behaviors (e.g., service firm facilitation, referrals, helping behaviors) that goes beyond traditional market-ascribed consumer behaviors (e.g., customer loyalty). To date, however, the relationship between customer engagement behavior and customer citizenship behavior remains under-researched. Therefore, the purpose of this research is twofold: first: to present an integrative framework to explain how to engage customers in the airline BFPs in strategic and meaningful ways; and second, to examine the outcomes of customer engagement behavior, including those that within and beyond customers' in-role behavior.

1.2   Research Problem

As the competition continues to intensify and the costs of acquiring new customers are high, service organizations are constantly seeking innovative ways to increase customer loyalty and the airline industry is no exception (Chen, 2012; Chen & Hu, 2013). The airline industry in Malaysia has undergone rapid transformation with the liberation of Malaysian aviation sector, resulting in neck-and-neck competition among airline carriers (Ong & Tan, 2010; Wong & Musa, 2011). With increasing

operating costs, slim profit margins, and ever-growing competition, the long-term success of airline companies hinges on the ability to retain and engage with customers (Hapsari, Clemes, & Dean, 2017; Singh, 2016). The consequences of having disengaged customers (e.g., negative word-of-mouth, anti-brand communities, and brand attack) can be harmful to the firm's future prospects (Bowden et al., 2017; Juric, Smith, & Wilks, 2016). These sabotaging behaviors could significantly reduce the firm's possibilities of acquiring new customers at later stages, or increase the costs of doing so (to rescue brand reputation) (Latimer, 2018; Lopez, Redondo, & Olivan, 2006).

Despite the practical relevance, academic inquiry into customer engagement behavior in the context of airline BFPs is sparse to-date (Van Asperen, De Rooij, & Dijkmans, 2018). Consequently, little is known about the effectiveness of BFPs in building customer-brand relationships (Hudson et al., 2016; Jahn & Kunz, 2012; Zheng, Cheung, Lee, & Liang, 2015). In particular, some unanswered questions remain: What are the motivations behind and values customers pursue in return for their engagement with the airline BFPs? How the motivational factors interplay with brand-related factors in determine customer engagement? The nascent customer engagement literature has provided airline managers with little guidance on how to optimize their BFPs to engage with customers and improve customer lifetime value. As a result, airline companies struggle to assess whether their investments in establishing and maintaining BFPs actually lead to positive behavioral and economic outcomes (Maecker, Barrot, & Becker, 2016).

The operations of air transport have caused substantial environmental, social and economic impacts, including air pollution, noise pollution, climate change, biodiversity loss, and waste generation. Moreover, the airline industry is facing the

issue of service failure or breakdown (e.g., seat denials, flight delays/cancellations, and baggage mishandling) that may result in decreased customer confidence and satisfaction, and increased negative word-of-mouth publicity (Bamford & Xystouri, 2005; Nikbin et al., 2016; Suzuki, 2004). Thus, airline companies have been under increasing pressure to undertake various CSR initiatives to mitigate these negative impacts (Chen, Chang, & Lin, 2012; Cowper-Smith & De Grosbois, 2011). For instance, MAS organized a walkaton and carnival called 'MH Walk-A-Fund' to raise fund for charity in 2013 (Malaysia Airlines, 2013). In 2015, MalindoAir collaborated with MERCY Malaysia to bring medical practitioners and relief aid to the victims of the earthquake in north Kathmandu (MalindoAir, 2015). To show their commitment to environmental issues, AirAsia initiated the 'Green24' campaign aiming at conserving energy, raising awareness on climate change effects, and educating the public on environment sustainability (AirAsia, 2016b).

Despite substantial investments in CSR, consumers will not blindly believe in CSR initiatives as genuine move and hence may not reward the firm (Becker-Olsen, Cudmore, & Hill, 2006). Supporting this assertion, Schroder and McEachern (2005) found that young consumers in the United Kingdom expect the fast-food restaurants to be socially responsible, but they are skeptical about the CSR activities being promoted. Becker-Olsen et al. (2006) pointed out that the suspicion is not provoked merely by a firm being profit-oriented, but rather by a discrepancy between corporate mission and CSR actions. However, there is a limited understanding of how perceived CSR-brand fit contributes to customer engagement behavior and the underlying psychological process. The current research aims to bridge this knowledge gap.

While measuring the return on investment (ROI) of social media efforts is essential, it is far more important for companies to think about what kind of 'marketing

objectives' (e.g., customer engagement) the social media activities would meet and what are the payoffs of customer investments in social media relationship in the long run. This is because once consumers are engaged and integrated with the brand, they are more likely to exhibit various voluntary behaviors that support the companies (Hoffman & Fodor, 2010). For example, offering peer-to-peer product recommendations, providing feedbacks for product innovations and improvements, and helping other customers, are not required of them, but nonetheless are beneficial for the companies (Groth, 2005; Hoffman & Fodor, 2010; Kumar et al., 2010). These voluntary behaviors, also known as citizenship behaviors, can be used as proxy benchmarks to measure the effectiveness of social media efforts. The rewards of these citizenship behaviors will ultimately reflect in bottom-line results (Hoffman & Fodor, 2010). However, compared to customers' in-role behavior (e.g., loyalty), the extra-role behavior (e.g., citizenship) as an outcome of customer engagement behavior has received less scrutiny, and thus merits further investigation (see e.g., De Vries & Carlson, 2014; Harrigan et al., 2017a; Jahn & Kunz, 2012; Zheng et al., 2015).

1.3   Research Questions

The preceding sections have highlighted the importance of understanding how customer engagement behavior can be fostered and the corresponding behavioral outcomes. Therefore, this thesis examines the interplay between gratifications of BFP uses, brand perceptions, perceived CSR-brand fit, and self-brand integration in contributing to customer engagement behavior in the context of airline BFPs. To provide a clear direction to guide the research process, the following questions are proposed to resolve the research problem:

How can customer engagement behavior be fostered? And what are the antecedents and outcomes of customer engagement behavior in the airline BFPs?

In addressing the research questions, the following sub-questions are outlined:

1. How do prior gratifications of BFP uses affect customers' prior engagement with the airline BFPs?

2. How do prior brand perceptions affect customers' prior engagement with the airline BFPs?

3. To what extent do prior brand perceptions moderate the relationship between prior gratifications of BFP uses and prior engagement with the airline BFPs?

4. To what extent does customers' engagement prior to the exposure to the CSR activity carry over to influence their (future) engagement behavior?

5. How does perceived CSR-brand fit affect customers' self-brand integration and engagement behavior?

6. How does self-brand integration influence customer engagement behavior?

7. To what extent does self-brand integration mediate the relationship between perceived CSR-brand fit and customer engagement behavior?

8. How does customer engagement behavior influence their loyalty and citizenship behaviors?

1.4 Research Objectives

Based on the research questions, the research objectives are as follows:

1. To examine the impact of prior gratifications of BFP uses on customers' prior engagement with the airline BFPs.

2. To investigate the impact of prior brand perceptions on customers' prior engagement with the airline BFPs.

9

3. To study the moderating effect of prior brand perceptions on the relationship between prior gratifications of BFP uses and customers' prior engagement with the airline BFPs.

4. To determine whether customers' engagement prior to the exposure to the CSR activity has a 'spillover' effect on their (future) engagement behavior.

5. To clarify how perceived CSR-brand fit influences customers' self-brand integration and engagement behavior.

6. To investigate the impact of self-brand integration on customer engagement behavior.

7. To determine whether self-brand integration serves as a mediator for the relationship between perceived CSR-brand fit and customer engagement behavior.

8. To examine the impact of customer engagement behavior on their customer loyalty and citizenship behavior.

1.5   Significance of the Study

This study is of both theoretical and practical significance, each of which is discussed in detail in the following section.

1.5.1   Theoretical Significance

This research strives to contribute to the extant customer engagement and social media literatures in five ways. First, this study illustrates how uses and gratifications (U&G) theory synergizes with branding theory to in promoting customer engagement in social media based brand communities in general, and BFPs in particular. Hence, integrating these two theoretical premises improve the OBC

literature's robustness while expanding our understanding of the interplay between U&G- and brand-related mechanisms in building customer engagement.

Although Van Doorn et al. (2010) asserted that different categories of antecedents can interact with each other to affect customer engagement, most prior studies have solely focused on the main effect. For example, Jahn and Kunz (2012) examined customer engagement in multiple BFPs, and identified different values such as functional and hedonic contents as the motives for fan-page usage and participation. Apart from the U&G-related factors, researchers (e.g., Dessart et al., 2015; De Vries & Carlson, 2014; Wirtz et al., 2013) found that customer engagement in the social media platform is driven by the brand-related factors such as brand satisfaction and brand trust. By explicitly examining the moderating role of prior brand perceptions in the relationship between prior gratifications of BFP uses and customers' prior engagement with the BFPs, this study not only responds to the call by Van Doorn et al.'s (2010) but also affords a deeper understanding of how (un)favorable brand perceptions help enhance or impede the effect of gratifications of BFP uses on customer engagement. Furthermore, this study advances the current state of the literature by proposing a more parsimonious model – as a result of specifying higher-order constructs for BFP gratifications and uses and brand perceptions.

Second, this study applies the S-O-R framework to understand consumer reactions to social media marketing (SMM) activities – e.g., CSR activities on the social media platforms – and the underlying mechanism. While prior studies have extended the applicability of the S-O-R framework to the social media environment, they have predominantly investigated the design characteristics of the OBCs/BFPs; for example, information quality, system quality, and interactivity, as the environment stimuli (e.g., Carlson et al., 2018; Islam & Rahman, 2017). However, companies are

increasingly embracing social media channels such as Facebook, Twitter, and YouTube to communicate their CSR efforts and to invite consumers to participate in the CSR activities (Ali, Jimenez-Zarco, & Bicho, 2015). This gives rise to the need to examine SMM activities as the external stimuli. To this end, this study explores how and to what extent the congruence between a firm and its CSR activities (perceived CSR-brand fit) facilitates the integration of a brand into a consumer's self (self-brand integration), which in turn leads to strengthened customer engagement behavior. Therefore, the findings of this study help validate the role of SMM activities (e.g., CSR activities) as the stimulus (S) and the role of self-brand integration (organism) as the psychological mechanism that translates perceived CSR-brand fit into customer engagement behavior (response), thus further enrich previous S-O-R research.

Third, this study offers cross-fertilization between CSR and customer engagement behavior by establishing a link between these two managerially important constructs. While past research has attempted to broaden the conceptual application of customer engagement behavior to CSR (e.g., Jarvis et al., 2017; O'Brien, Jarvis, & Soutar, 2015), no known studies to date have examined the impact of perceived CSR-brand fit on customer engagement behavior, not to mention the mediating variables. Furthermore, prior customer engagement studies emphasize the self-identify aspect in building consumers' self-brand connection, with limited research focusing on the life and intrinsic reward aspects (Harrigan, Evers, Miles, & Daly, 2017b; Moliner, Monferrer, & Estrada, 2018). As previously mentioned, self-brand integration represents a 'macro' level of self-brand connection, referring to the ability of a brand to help consumers construct their self-identities and make their lives meaningful. Therefore, empirical investigations are noteworthy given the contemporary literature has neither theorized nor verified the role of perceived CSR-brand fit in strengthening

customer engagement behavior and the mediating role of self-brand integration in facilitating the process.

Fourth, this study creates new knowledge as it examines both the customers' in-role (loyalty) and extra-role behaviors (citizenship) as the outcomes of customer engagement behavior. While customer loyalty as the consequence of customer engagement behavior has been well established in the literature (see e.g., De Vries & Carlson, 2014; Dessart et al., 2015; Jahn & Kunz, 2012), evidence regarding the relationship between customer engagement behavior and customer citizenship behavior remains anecdotal (see e.g., Pansari & Kumar, 2017; Van Doorn et al., 2010; Wirtz et al., 2013). This study intends to bridge this gap by providing a much-needed empirical evidence. Therefore, the findings of this study will provide future insights by showing that the payoffs of engaging customers are not confined to the expected ones (e.g., increased customer loyalty), but also in the form of voluntary resource contributions such as recruiting new customers, providing feedbacks for product development and enhancement, that are valuable for the firms' competitiveness.

Fifth and finally, this study advances our theoretical understanding of customer engagement behavior through developing and empirically testing a more holistic model explaining how to foster customer engagement behavior in the airline BFPs. Thus, this study heeds the call by a number of researchers (e.g., De Vries & Carlson, 2014; Jahn & Kunz, 2012; Van Doorn et al., 2010) for more exhaustively identifying the antecedents and outcomes of customers engagement behavior in the BFPs within specific industries. The proposed model is theoretically derived from a synthesis of the U&G theory, S-O-R framework, branding, CSR, and customer engagement literatures. Through empirical testing of the conceptual model, the findings of this study will shed insights not only on how to strategically engage customers via the synthesized effect

of U&G- and brand-related factors, but also the way to engage them meaningfully through CSR activities. Therefore, a more complete picture of customer engagement formation process is acquired.

1.5.2 Practical Significance

Apart from the theoretical implications, this study also strives to provide valuable practical implications to managers who wish to exploit BFPs to develop intimate long-term relationships with their customers. However, setting up a BFP and getting more traffic data (e.g., the number of visits) is not sufficient to improve customer relationships. Rather, central to the success of a BFP is to completely integrate, engage, and immerse users in an active and lively community (Chan et al., 2014; Jahn & Kunz, 2012). Bearing this in mind, this research intends to contribute to managers' effective design of social media engagement strategies for a successful customer relationship management. The findings of this study have three practical implications.

First, this study helps airline managers to better understand the motivations that underlie customer engagement in the airline BFPs and what kinds of gratifications they desire to obtain. This study specifies gratifications of BFP uses as a higher-order construct formed by six lower-order constructs: functional value, hedonic value, economic value, social interaction value, brand interaction value, and self-concept value. Such specifications allow airline managers to figure out which value components are the most influential in forming customers' BFP use and gratification perceptions which is based on the relative weight of each component. In turn, airline managers can allocate resources and steer marketing efforts to improve the specific

components to maximize U&G and enhance the corresponding impact on customer engagement.

Second, this study advances airline managers' understanding of the interaction effect between gratifications of BFP uses and brand perceptions in the quest for enhancing customer engagement in the OBCs. The findings of this study will reveal why some people are engage less in the BFPs. The insights attained from this study will help airline optimally manage customers with negative brand perceptions and design engagement strategies anchored in their value expectations.

Third, the study offers actionable recommendations for airline manager in terms of crafting SMM activities (e.g., CSR programs) that will be appreciated by customers. Rather than blindly embracing CSR as a corporate mandate, airline companies should closely attend to the fit between the CSR initiatives and their core businesses and also customers' psychological states in order to improve customer engagement behavior.

All in all, the findings of this study will provide practical guidelines for airline managers on how to effectively engage customers in the BFPs through the triple convergence of U&G, brand, and CSR mechanisms. It is believed that these three mechanisms will complement each other and constitute the essential ingredients for a successful customer engagement strategy in the airline BFP context.

1.6   Scope of the Study

The current research is motivated by the quest to answer the question "What are the antecedents and outcomes of customer engagement behavior in the airline BFPs?". To accomplish this, the present study examines (1) how prior gratifications of BFP uses and prior brand perceptions jointly determine customers' prior

engagement with BFPs, and how prior brand perceptions moderate this relationship; (2) whether the intensity of customers' engagement with BFPs prior to the exposure to the CSR activities carries over to influence their (future) engagement behavior; (3) the psychological process that underlines the relationship between perceived CSR-brand fit and customer engagement behavior – in other words, how self-brand integration mediates this relationship; and (3) whether customer engagement behavior leads to more favorable behavioral outcomes that fall within (e.g., loyalty) and beyond customers' in-role behaviors (e.g., citizenship).

The scope of this research is confined to the OBCs initiated by Malaysia's major airlines — which include MAS, AirAsia, Firefly and Malindo Air. Data was collected from individuals who had followed the Malaysian airline brands on the Facebook fan pages via web-based questionnaires.

1.7   Definition of Key Constructs and Terms

To facilitate comprehension of the research model of this study, Table 1.1 presents definitions for the constructs of interest and key terms examined in this study.

Table 1.1

Definition of key constructs and terms

Construct/Term	Definition
Airline's Facebook brand fan pages (BFPs)	An official Facebook fan page that is hosted by an airline company (self-defined).
Customer loyalty	A customer's repeat purchasing behavior that is accompanied by the emotional commitment or expression of a favorable attitude toward the brand (Yoo & Bai, 2013).
Customer citizenship behavior	Voluntary and discretionary (consumer) behaviors that are not required for the successful production and/or delivery of the service but that, in the aggregate, help the service organization overall (Groth, 2005).

Table 1.1 *(continued)*

Construct/Term	Definition
Customer engagement behavior	A customer's behavioral manifestation toward a brand and its online community, within and beyond transactions, resulting from motivational drivers (Gummerus et al., 2012; Van Doorn et al., 2010).
Self-brand integration	A brand's ability to express consumers' actual and desired identities, its ability to connect to life's deeper meanings and provide intrinsic rewards, and frequent thoughts about it (Batra et al., 2012).
Perceived CSR brand-fit	The perceived congruence between a CSR initiative and the brand (Du, Bhattacharya, & Sen, 2010), in that the congruity is derived from corporate mission, products, target markets, technologies, attributes, brand concepts, or other key association (Ham & Han, 2013; Simmons & Becker-Olsen, 2006).
Customers' prior engagement with the BFPs	The intensity of a customer's participation and connection with a brand in the Facebook fan page (Vivek et al., 2012). It involves specific interactive experiences between customers and the brand, and/or other members of the fan page (Brodie et al., 2013).
Prior gratifications of BFP uses	A customer's perception of the ability of the BFP to fulfill their functional, hedonic, economic, social interaction, brand interaction, and self-concept needs (Papacharissi & Rubin, 2000).
Prior brand perceptions	A customer's overall perception of a brand based on a set of attributes, which include brand satisfaction, brand trust, and brand identify (So, 2013; Veloutsou, 2015).

1.8 Structure of the Thesis

This thesis is organized into five chapters. The present and first chapter sets the scene for this research not only by providing the background of the study, but also identifying the research problem, outlining the research questions and objectives, illustrating the significance of the study, providing a brief description of the methodology used, as well as presenting the definitions for the key constructs and terms.

Chapter 2 establishes the theoretical foundation for this research by reviewing the extant literature on customer engagement behavior and other constructs of interest. Building upon multiple theories (i.e., U&G theory and S-O-R framework) as well as

the literature on branding, CSR and customer engagement, a theoretical framework and the hypotheses thereof are proposed to delineate the antecedents and outcomes of customer engagement behavior.

Chapter 3 covers the research methodology deployed in this study. This chapter commences with the choice of research setting and its rationale. This is followed by the discussion on research paradigm, research design, population and sampling choice, data collection procedure, questionnaire design, measurement instruments, pretesting of questionnaire, preliminary data assessment, as well as the choice of statistical analysis software.

Chapter 4 presents the statistical results of this research, which include the respondents' profile, preliminary tests, measurement and structural model assessments. Chapter 5, which is the final chapter, is set to conclude this research. This chapter starts with a recapitulation of the study, followed by a discussion of the findings as well as the theoretical and practical implication drawn from these findings. It also addresses the research limitations and provides suggestions for future research.

CHAPTER 2

LITERATURE REVIEW

2.1   Introduction

This chapter begins with a discussion of Web 2.0, social media and online brand communities (OBCs), which followed by a review of the customer engagement (behavior) concept. Next, the key antecedents and outcomes of customer engagement behavior are identified and delineated. Finally, the theoretical foundation that underlines this research is provided, paving the way for the research model and hypotheses development.

2.2   Web 2.0, Social Media and Online Brand Communities

The term Web 2.0, social media, and OBCs are often used equivocally and interchangeably — because they are inextricably linked (Berthon, Pitt, Plangger, & Shapiro, 2012; Constantinides & Fountain, 2008). The term Web 2.0 was first coined by Darcy DiNucci in her 1999 article "Fragmented Future" (DiNucci, 1999). It was then popularized by Tim O'Reilly in his 2005 article "What is Web 2.0?" According to Berthon et al. (2012), Web 2.0 is:

> A series of technological innovations in terms of both hardware and software that facilitate inexpensive content creation, interaction, and interoperability, and that put the lay user — rather than the firm — center stage in terms of design, collaboration, and community on the World Wide Web (p. 262).

A much simpler definition of Web 2.0 is "the second generation of Web-based services that emphasize online collaboration and sharing among users" (Öz, 2015, p. 1005). Web 2.0 is an umbrella term which contains a range of new technological

applications, such as blogs, really simple syndication (RSS), wikis, mashups, tags, folksonomy, and tag clouds (Coombs, 2007; Murugesan, 2007). Of these, social media is the product of Internet-based applications building on the ideological and technological foundations of Web 2.0, that facilitate interaction, collaboration and sharing of content among users whom geographically dispersed (Baumöl, Hollebeek, & Jung, 2016; Berthon et al., 2012; Kaplan & Haenlein, 2010; Universal McCann, 2008). These applications come in various forms and serve different purposes (Xiang & Gretzel, 2010). Mangold and Faulds (2009) suggested classifying social media into 15 categories: SNSs; creativity works sharing sites (e.g., video sharing sites, photo sharing sites, music sharing sites, content sharing combined with assistance, and general intellectual property sharing sites); user-sponsored blogs; company-sponsored websites/blogs; company-sponsored cause/help sites; invitation-only social networks; business networking sites; collaborative websites; virtual worlds; commerce communities; podcasts; news delivery sites; educational materials sharing; open source software communities; and social bookmarking sites.

In his book "The Social Media Marketing Book", Da Zarella focused on the eight most popular social media sites: blogs (e.g., Blogger); microblogs (e.g., Twitter); SNSs (e.g., Facebook, LinkedIn); media-sharing sites (e.g., YouTube, Flickr); social bookmarking and voting sites (e.g., Digg, Reddit); review sites (e.g., Yelp and TripAdvisor); forums (e.g., Adobe Forums); and virtual worlds (e.g., Second Life) (Zarrella, 2010). These SNSs differ in the degree of social interactivity and cues, context richness, temporal structure, reach of communication, hierarchy and control established by site administrators (Munar & Jacobsen, 2014). Accordingly, Kaplan and Haenlein (2010) have classified social media based on their affordances for 'social presence/media richness' and 'self-presentation/self-disclosure'. Collaborative

projects (e.g., Wikipedia) and blogs score lowest in the 'social presence/media richness' dimension. This is because they are often text-based and only allow for a relatively simple exchange. On the medium level are content communities (e.g., YouTube) and SNSs (e.g., Facebook) which, in addition to text-based communication, allow users to share pictures, videos, and other forms of media. On the highest level are virtual social (e.g., Second Life) and virtual game worlds (e.g., World of Warcraft), which attempt to replicate all the features of face-to-face interactions in a virtual environment. With respect to the 'self-presentation/self-disclosure' dimension, blogs score higher than collaborative projects, as the latter used to focus on specific content domains. In a similar vein, SNSs allow for more self-disclosure than content communities. Finally, virtual social worlds require a higher level of self-disclosure than virtual game worlds, as the latter are regulated by strict guidelines.

Zhu and Chen (2015) have developed a typology of social media based on two important characteristics, namely nature of connection (profile-based vs. content-based) and level of customization of messages (customized vs. broadcast). Using profile-based versus content-based and customized versus broadcast as the two defining features, Zhu and Chen (2015) created a two-by-two matrix that categorizes social media into four types: relationship, self-media, creative outlets, and collaboration. Relationship-driven social media is profile-based and consists mostly of customized messages. This includes services such as Facebook, LinkedIn, Whatapps, and WeChat that enable users to (re)connect, communicate, build and/or maintain relationships. Another kind of profile-based, yet allow broadcast messages is self-media. Examples are Twitter and Weibo, which allow users to broadcast their updates and others to follow. Creative outlets consist of sites that are content-based and offer broadcast messages to the whole audience. These comprise services that facilitate

individuals' sharing of interests, creativity, and hobbies. For example, video sharing website YouTube; the picture sharing website Flickr, Instagram, and Pinterest; and the recipe sharing app Foodily. Collaboration channel is another type of content-based social media which customizes the messages to user demands. These include channels such as Quora, Reddit, Yahoo! Answers that allow users to collaboratively find answers, advice, reach consensus among certain topics, and find the most interesting news and content.

Recently, tech giants, such as Apple, Google and Microsoft, have created various engagement ranging from mobile apps (e.g., App Store, Google Play, and Window Phone Store) to physical devices (e.g., Apple Watch, Google Glass, and Microsoft HoloLens) (Breidbach, Brodie, & Hollebeek, 2014). Concomitantly, e-commerce giants like Amazon, Alibaba, and eBay have gradually transformed into social commerce — that is, social media-enabled sales channels (Baumöl et al., 2016; Wu & Li, 2018). Marsden (2010, p.4) conceived social commerce as "the monetization of social media with e-commerce", meaning that social commerce is a new form of e-commerce integrating social media features into conventional commercial facilities to promote social interaction and motivate purchase (Baethge, Klier, & Klier, 2016; Farivar, Turel, & Yuan, 2017; Lin, Li, Yan, & Turel, 2018). Distinct from traditional e-commerce that focuses solely on the efficiency of transactional processes, social commerce delivers a more socially-rich and collaborative online shopping, which is leveraged by increased interaction with other community members (Baethge et al., 2016; Huang & Benyoucef, 2017; Yang, Li, Kim, & Kim, 2015). Social commerce can be an important source of information, wherein consumers can share their usage experiences and opinions about products/services and seek other consumers' advices

and recommendations, enabling them to make more informed and accurate purchase decisions (Huang & Benyoucef, 2017; Lin et al., 2018; Lu, Fan, & Zhou, 2016).

With the advancements in web technologies and social media, many new business models have emerged, among which are OBCs — either firm- or consumer-initiated — on the social media platform (Gummerus et al., 2012; Laroche et al., 2012; Lu, Zhao, & Wang, 2010). Firm-hosted communities are communities that are established and managed by companies that own those brands; in contrast, consumer-initiated communities are communities that are voluntarily developed by their members on the electronic bulletin boards, shared-interest websites, and SNSs (Gruner, Homburg, & Lukas, 2014; Jang, Olfman, Ko, Koh, & Kim, 2008; Mahrous & Abdelmaaboud, 2017; Miller, Fabian, & Lin, 2009).

By definition, an OBC is "a specialized, non-geographically bound community based on structured set of social relationships among admirers of a brand" (Muniz & O'Guinn, 2001, p. 412), representing triangular relationships that connect a focal customer to the brand and to other customers (Hammedi, Kandampully, Zhang, & Bouquiaux, 2015). From the customer's perspective, OBCs provide platforms for individuals with shared enthusiasms to exchange their ideas, opinions and information about particular brands, as well as to help others solve product- or brand-related issues (Hammedi et al., 2015; Kuo & Feng, 2013; Mahrous & Abdelmaaboud, 2017; Zhang, Hu, Guo, & Liu, 2017). When OBC members engage jointly in group actions to accomplish collective goals, they develop mutual consciousness, rituals and traditions, and a sense of moral responsibility (Bagozzi & Dholakia, 2006; Muniz & O'Guinn, 2001).

From the firm's perspective, OBCs not only become new conduits to advertise and products and services (Wu et al., 2018), but also additional channels to diffuse

product knowledge (Thompson & Sinha, 2008); to communicate and receive customers' feedbacks on the existing offerings (Andersen, 2005; Chan et al., 2014); to learn about and influence customers' evaluations of new offerings and competitive actions (Algesheimer, Dholakia, & Herrmann, 2005; Laroche et al., 2012); to observe customers' behaviors and garner insights into their individual preferences (Dwivedi et al., 2018; Wu et al., 2018); to engage customers in the innovation process and co-create value with them (Carlson et al., 2018; Hajli et al., 2017; Zhang, Lu, Torres, & Chen, 2018); and to establish linkages between current and prospective customers and strengthen the relationships with them through participation in the activities together (Andersen, 2005; Hook, Baxter, & Kulczynski, 2018; Sung, Kim, Kwon, & Moon, 2010). This is the bright side of OBCs. However, there is also a dark side. The identification with an OBC can result in inter-group stereotyping, 'trash talking' rival OBCs, and also schadenfreude, which refers to gloating at the misery of rival brands and their users (Hickman & Ward, 2007). In addition, freedom of expression in OBCs has given users the opportunity to communicate their dissatisfaction and spread their hostile emotions, which may tarnish a brand's reputation (D'Errico & Paciello, 2018; Rauschnabel, Kammerlander, & Ivens, 2016).

Recognizing the advantages of OBCs as a powerful, interaction engagement platform for brand communication (Bowden et al., 2017), airline companies have created OBCs in the form of BFPs on SNSs (e.g., Facebook and Twitter). Of these, Facebook is the most popular SNS worldwide, with 2.2 billion monthly active users as of July 2018 (Statista, 2018). The leading position of Facebook can be explained by its diverse and innovative features (e.g., Facebook advertising, Facebook brand pages, Facebook applications, social plugins) to cater the needs of different users ranging from application developers to advertisers and to business and personal users (Cvijikj