

Leadership Branding for Sustainable Customer Engagement

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Abstract—The purpose of this paper is to examine the inter relationships among various leadership branding constructs of entrepreneurs in small and medium sized enterprises (SMEs). We employ a quantitative structural equation modeling through a new leadership branding engagement model comprises constructs of leader's or entrepreneur's personality, branding practice and customer engagement. The results confirm that there are significant relationships between the three constructs and the major fit indices indicate that the data fits the proposed model. The findings provide insights and fill in the literature gaps on statistically validated representation of leadership branding for SMEs across new economic regions of Malaysia that may implicate other economic zones with similar situations. This study extends the establishment of a leadership branding engagement model with a new mechanism of using leaders' personality as a predictor to branding practice and customer engagement performance.

Keywords—Leadership Branding, Malaysia Brands, Customer Engagement, SME Branding.

I. INTRODUCTION

AMIDST the dynamism of technological and economic realm, entrepreneurs face challenges in consistently influencing and engaging with its customers. Although quality, innovation and product superiority are the entry tickets for effective branding and engagement, what makes a brand strong are the image, associations, and personality, translated as emotional benefits to customers. Large and multinational firms could afford the appointment of brand ambassador or celebrity endorsements. Contrast this to small and medium sized enterprises (SMEs) in an emerging economy. They normally rely on the dominant role of the founders as the leader as well the brand spoke persons. Consequently, the brand personality becomes synonymous with the entrepreneur's personality. However, there is a legitimate concern. Are Asian entrepreneurs not 'maverick' enough to boldly embody the personality of their brands?

In Malaysia, most of the local-based SMEs are successful only in the limited local market but uncompetitive for bigger international or global market. Malaysian businesses in general lack branding appreciation and suffer from branding misconceptions [1]. Branding is often wrongly referred to as an exercise involving the launching or changing of company logo, design style, colour scheme and corporate slogans. However the fundamental strategic developments that involve the leadership, process, people, and programs for fundamental customer engagement and value creation purposes are often ignored.

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There are two obvious problems resulted from this misconception. First is the inability to realize the real value of branding or its intangible benefits for long term competitiveness and sustainable customer engagement. Second is the failure to grow brand through the leadership resources for a company performance and value.

Unlike branding issues on big businesses which have gained wider academic coverage, the interest on SME branding is still in early stage of recognition and attention. However, although few in numbers, recent in its development, and mostly based on cases from advanced nations, the previous studies on small businesses branding have shed some lights in the field and suggested the pivotal role of branding for small businesses and SME entrepreneurs [2], [3], [4], [5]. Although it is noted that many emerging countries are starting to embrace branding strategy to achieve marketing maturity, visibility and efficiency [6], there is still a literature gap on leadership branding and its relation to customer engagement. In particular, there is no statistically validated measure of branding efforts amongst SME leaders and their impacts on customer engagement performance.

This paper aims to shed further lights to the existing gaps on leadership branding and its relation to customer engagement. Our effort hopefully could lend a satisfactory guideline for stakeholders to maneuver their policies and programs to assist the entrepreneurs. Within the sphere of this paper, customer engagement refers to how well customers are connected to a particular brand. It relies a lot on the leadership and branding activity of an organization and requires a lot of entrepreneurial and innovative efforts. Leadership branding is about integrating the personality or personal brand of the leaders to the brand or branding of the business. After all branding is "an economical way to 'reproduce' oneself, as an entrepreneur and also as a leader -an efficient and simpler way to lead" [7]. Simply put, businesses can benefit significantly by leveraging on the leadership quality of the business owners or entrepreneurs for their branding and customer engagement activities.

II. LEADERSHIP BRANDING OF SME IN MALAYSIA

A brand is not just a distinguishing name, logo term, sign or symbol intended to identify goods or services but rather a complex mixture of tangible and intangible attributes and associations that leads to awareness, reputation and prominence in marketplace for an intended relationship. It involves all the touch points between customers and the company. In consistent with prominent literature [8], [9], [10], [11] this research views that brand is the most powerful tool

for customer engagement. Brand is also about consumer goodwill resulting from favorable perceptions, associations, and satisfactions with the brand experience [12]. Many times it is larger than the product itself. Brand building is a distinguishing character for modern marketing with the idea to move the product beyond commodities, to reduce price sensitivity and to accentuate differentiation [8]. In similar patterns, “brands engender survival and success of entrepreneurial entities within its subtleties and complexities [13].

In the context of this research, branding is of leaders’ or entrepreneurs’ conceptions, viewpoints and practices in building their brands. This is in line with literature definition that branding is a management stance focusing on shaping the perceptions of society towards the value of products [14] and “endowing products and services with the power of brand equity” [9]. It is also pertinent to note that the meaning of branding should not be limited to the development of tangible differentiator such as logo, design, and symbol or product name. More importantly, it must include the developments of intangible assets that define the relationship between company and customers at every possible touch points. This includes emotional benefits, perceptions, associations, experience, personality, image, awareness, communication, satisfaction and performance. It also involves the whole organization including the people, the structure, the program and the market environment to work together in a well integrated manner to the advantage and profitability of the organization [15], [12]. In the context of Asian companies, [10] emphasized that companies could no longer rely on low cost and manufacturing prowess as competitive advantages. To move forward, they must be able to build strong brands and leveraging efficiently on available resources for effective customer engagement. Entrepreneurs or leaders of the organizations are strong internal resources for parsimonious attempt in building strong brand in SME.

Despite the government encouragements, SMEs in Malaysia are still seen averse in their customer engagement efforts, partly due to lack of appropriate guidance and knowledge. It is not surprising as marketing in SME has been regarded as a difficult issue for more than 20 years, yet the theoretical development in the field is rather limited and mostly qualitative in nature [16]. With the absence of a systematic approach for SME’s marketing [17] smaller businesses have tendencies to rely on classical marketing models meant for bigger players [18].

Leadership branding is about leveraging on leadership attributes to improve the efficacy of attaining business results [19]. Microsoft and Apple serve as examples of organizations with ‘branded’ leaders to garner investors’ and customers’ confidence. In Malaysia, with an exception of a few companies such as Air Asia and cosmetic producers, a brand is hardly associated with the leader.. Local popular SME brands in Malaysia include *Ramly Burger*, *Secret Recipe*, *Adabi* and *Babas*. Yet, market in general is unaware of the founder

entrepreneur or the leaders behind these brands. These SMEs are yet to take advantages on the potential roles of the entrepreneurs as the leading brand leaders and ambassadors to create strong brand associations and eventually push the brands further forward. If strong brand personality and association is an intangible and an immutable asset which is not easily affected by product changes in rival companies [20] and [2], to what extent does local Malaysian brands owners realize this? None of existing empirical work has examined this issue.

III. FRAMEWORK AND HYPOTHESIS DEVELOPMENT

A. Framework and Theory

Threading from the discussion of literature, this research develops the conceptual framework as shown in Figure 1.

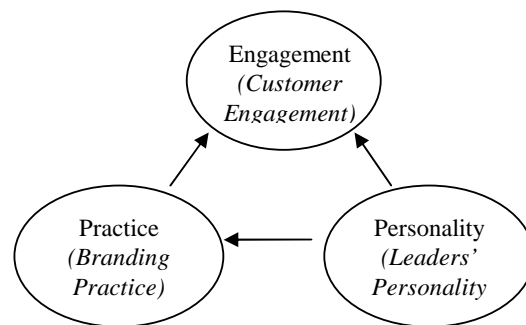


Fig. 1 The conceptual framework for leadership branding model

The major theories contributing to the above leadership branding model are namely theory of resource based view (RBV) and trait theory of Personality (TTP). RBV theory basically argues that the competitive advantages of firms are determined by their resources which are not easily imitable or substitutable by competitors [21], [22], [23]. RBV forms the most fundamental aspect in explaining the importance of accomplishing competitive advantages for firms aspire to achieve sustainable business performance. In this research, the competitive advantage is translated into branding resources including certain branding practice which are considered as inimitable and unique assets of businesses. The resource-based view asserts that sustainable competitive advantage “lies in the possession of certain key resources, that is, resources that have characteristics such as value, barriers to duplication and appropriability” [24].

TTP is largely about the dimensions of human traits which can be defined as habitual and relatively stable patterns of conducts, thought, and emotion [25] which influence and explain an individual’s behavior. It was initially based on a theory [26] which argues that a person’s traits or action tendencies determine his or her behavior [27]. In entrepreneurship study, the theory posits that entrepreneurs

possess certain characteristics that set them apart from others. In fact personality trait has become one of the major approaches in understanding entrepreneurship [28], [29], [30].

Critique of the appropriateness of TTP to measure leader's personality normally argues that traits have so many overlapping factors that it is very difficult to summarize them into few factors. This is partly due to the 'equivocal nature' of the research findings related to personality traits and criticisms of TTP itself [31]. Since most of the initial trait theories are too 'psychology' driven, TTP in this research discussion focuses on the major personality of entrepreneurs based on previous entrepreneurial traits literatures. These include personality traits such as needs for achievement or visionary, locus of control, tolerance of ambiguity, and confidence [32], [33] and [34] which are all normally associated with leaders' quality. Although the association of personality trait with competitive advantage and RBV has been previously explored [35]; [36], the extended application of the theory in branding and customer engagement fields has yet to be investigated.

B. Personality

Personality has been discussed in length in most literature on entrepreneurship. There are several characters that are common in the discussions which are internal locus of control, tolerance of ambiguity, high energy level, awareness of passing time, need to achieve and self confidence [34]. The major personality traits associated with entrepreneurs or leaders are normally based on four major personalities which are namely internal locus of control, need of achievement, tolerance of ambiguity and self-confidence [32] and [33]. Homaday [37] included pleasant personality in one of his 42 listed characteristics often attributed to entrepreneurs. One recent study [36] showed that the personality trait exploration focuses on need of achievement and internal locus of control. As such, the current research on entrepreneur's personality construct is focusing on these variables which are explained as follows;

Internal locus of control – Internal locus of control is a concept introduced by Rotter in 1954 as cited in [38] which refers to the extent to which individuals believe that they are in control of their behavior and consequence results. It is an attribute "indicating the sense of control that a person has over life" [38]. Entrepreneurs with internal locus of control do not believe in luck and this attribute is normally consistent with a desire for achievement and self confidence [29]. However, although frequently referred to as one of the major entrepreneurial personalities, research linking this concept to entrepreneurship is not conclusive or with mixed results [38] and [39]. In earlier research conducted on Malaysia SME, the role of locus of control in entrepreneurship was considered positively significant [36]. As such it would be more interesting to reinvestigate the internal locus of control (iloc) variable in a different research for better generalization.

Need of achievement – Need of achievement was first introduced by McClelland in 1961 which refers to individuals' need to excel and desire for measurable

accomplishment [40]. Leaders with high need of achievement are more persistent [41] and succeed better than others as discussed in [42] and [36]. They tend to be moderate risk takers and carefully examine their situations to obtain the feedback on their chance of winning as explained by [29] and [34] and thus become reasonably clear with their future accomplishments. McClelland's interpretation of need of achievement includes concrete knowledge of the decisions made [39] and thus bearing similarity with being visionary. Visionary is an important entrepreneurial personality for clear success direction out of possible confusion and uncertainties [40].

Pleasant – Pleasant personality is one of the entrepreneurs' characteristics mentioned by [37] in a research on living entrepreneurs. In comparison with other traits such as internal locus of control, need of achievement and tolerance of ambiguity, previous studies, however, did not sufficiently lend the definition to the 'pleasant' concept. Yet, the abstract of pleasant personality has been closely associated with achievement [43] (Mattsson, 1993) and successful selling [44] and leadership [45].

Tolerance of ambiguity – Tolerance of ambiguity was first introduced by Budner in 1962 who defined it as an "individual's propensity to view ambiguous situations as either threatening or desirable" [46]. It is a constant personality which reflects positive stance toward risk, disorder, setbacks or lack of sufficient resources [29], [34] and [46]. Similarly, previous research shows intolerance for ambiguity is associated with psychological problems such as anxiety, obsession and fear sensations [46]. In this research, tolerance of ambiguity deals with the ability to see branding opportunities despite facing limited resources (resource ambiguity).

Self-Confidence – Self confidence among entrepreneurs is an optimistic attitude where they could face business obstacles or unanticipated problems and deal with ongoing tasks of running businesses [29] and [34]. In this research, self confidence is reflected in the statement that entrepreneurs enjoy the challenge of running their businesses.

As SME ventures have small numbers of employees, customers normally deal directly with entrepreneurs or owner of the business where good personality and leadership normally contribute to the success of negotiations. Krake [4] further emphasized in his study the role of leaders as "a source of inspiration and organization within the company but, principally, as the personification of the brand".

Previous studies suggest that personality trait is integral in the study of entrepreneurship and is considered as part of an inimitable asset for competitive advantage [20], [29], [34] and [47]. In Malaysia, the association of personality with resource based view (RBV) theory was first proposed by [36]. Although not focusing on the subject of branding, they suggested that personality traits could be considered as one of the strategic resources for businesses aspires to generate

competitive advantage. This leads the research to its first two hypotheses;

H1 Leaders' or entrepreneurs' personality (Personality) is a positive determinant of branding practice (Practice)

H2 Leaders' or entrepreneurs' personality (Personality) is a positive determinant of customer engagement (Engagement)

C. Branding Practice

Branding Practices is a complex management practice that involves the design and implementation of marketing programs and activities to build competitive brand and achieve the brand vision [11] and [48]. Branding management is an integral aspect of brand building [4], [8], [48] and [49]. For example, Krake [4] explains that effective branding management is a fundamental basis for branding performance while Chao and Spillan's study [50] links marketing responsiveness significantly to SME firm performance. Aaker [8] suggests that branding management meant to engage customers with elements of brand loyalty, brand awareness, brand associations, perceived quality, and branding performance. These elements are also regarded brand equity which is a precious intangible asset for most organizations. Although there are many studies on branding management [2], [4], [5] and [48], most are not discussing in the context of SMEs. To measure the branding practice by brand owners, Keller [48] developed Brand Report Card (BRC) which consolidates varying areas of branding management practice (BMP) including benefits delivery, relevancy, pricing, positioning, consistency, logical, integrated, commitment, support and monitoring.

As BRC is a general assessment of brand management practice, some researchers feel that SME branding may require certain guidelines to match its small setting and its specific nature [2], [4], [5] and [48]. The restricted budget limitation coupled with bigger external uncertainties than large organizations had caused SMEs to rely on differentiated and unconventional marketing which is also known as guerrilla marketing [51]. Keller himself suggested guidelines on SME branding which was further revised by Krake [4]. The guidelines include suggestions for SMEs to be logical in their policy and consistent in communications and ensure clear link between entrepreneur and brand [4]. Considering that SMEs also compete with larger organizations, it would be more appropriate for this research to consider both aspects of Keller's [48] general BRC and Krake's [4] SME branding guidelines in assessing the current branding practice of SME entrepreneurs. At this juncture, the branding practice of the leaders is anticipated to influence the customer engagement performance and thus the following hypothesis is established:

H3 Leaders' branding practice (Practice) predicts customer engagements (Engagement).

D. Customer Engagement

Customer engagement performance is considered as endogenous variable of this research. Here, it serves as a tool to measure branding performance. Branding performance

contributes to the wealth of businesses [8], [48], [53] and [54]. As there are many ways of measuring performance, the more realistic approach is to select performance measure based on the practicality and accessibility of the required data. Branding performance can be measured through customer engagement by using both the subjective and objective approaches based on the chosen performance criteria. It may also be based on perceptions of the brand owners [5]. Customer engagement may also be assessed and measured using many available tools such as Aaker's [8] brand equity. If brand equity forms the assessment basis, customer engagement may consider the five elements of brand equity which include brand awareness, loyalty, quality, associations and competitiveness. Brand awareness is about brand familiarity or liking where marketers rely on promotion, publicity, symbol or associations to develop recall among customers. Brand loyalty is about customers' satisfaction and commitment towards the brand and hence causes them to be less likely to switch to competitors. Brand quality provides reasons to buy among customers and forms basis for price premium and brand extension. Quality dimensions, especially design quality and product improvement, had been previously demonstrated to be highly correlated with business performance [55]. Their study asserted that quality remains the foundation of competitive advantage, regardless of other causes like speed delivery and cost reduction. Brand association normally deals with brand image which aids positioning and brand recall while brand competitive advantage is about other proprietary assets that are linked to brand competitiveness. Brand equity gives value to both customers and businesses. It allows customers to feel more confidence with their purchase decisions while enhancing a firm's marketing performance [8].

IV. METHODOLOGY

This study applied a stratified random sampling and based the sampling of the entrepreneurs on databases of Small and Medium Industry Development Corporation (SMIDEC) and Majlis Amanah Rakyat (MARA). As the list was not comprehensive, the research extended to those SMEs which were not listed but were in operation and willing to participate in the survey at the time the data were collected.

The study collected the data via personally administered survey in three new economic regions of Malaysia namely the Iskandar Malaysia, Northern Corridor Economic Regions (NCER) and East Coast Economic Region (ECER). NCER covers Penang, northern Perak, Kedah and Perlis, while ECER covers Terengganu, Kelantan and Pahang during period March until May 2008. In ensuring a continuous and prosperous development of Malaysian economy, the government has introduced the concept of new economic regions. These new regions are to balance the developments of the country such that no regions are left out as well as to reduce the over concentration of established areas such as the National Growth Conurbation (NGC) of Kuala Lumpur or Klang Valley as per outlined in the National Physical Plan (NPP) 2005-2020. The

new regions are also expected to play a symbiotic support role to NGC and uphold the thrusts of the 9th Malaysia Plan (9MP) [56]. In line with the government's intentions to move the economy up the value chain and ensure the sustainability of businesses, the blueprints for the regions' development highlight the importance of branding to businesses of the regions. The NCER blueprint, for example, emphasizes the strategic intention to strengthen brand value that will enable the products to command a higher premium in domestic and international market [57].

V. RESULTS

A. Demographics

A total of 900 questionnaires were distributed to SME entrepreneurs of new economic regions of Malaysia (300 questionnaires were to NCER, 300 questionnaires to ECER and 300 questionnaires to Iskandar), and 184 were returned (20.4% response rate). About 11 of the returned survey were not completed and thus rejected for the analysis. The sample characteristics includes male (n=138, 79.8%) while female is only about one fifth of the total respondents (n=35, 20.2%). Meanwhile, in terms of race, the sample comprised of Malay (n=104, 60.1%), Chinese (n=55, 31.8%), Indian (n=12, 6.9%) and other (n=2, 1.2%). The new economic regions of the respondents are of three categories namely Iskandar, NCER and ECER. All respondents of Iskandar is from Johor (n=41, 23.7%) while the respondents of NCER (n=68, 39.35) are almost equally divided from three states of Perak (n=22), Kedah (n=25) and Penang (n=21). Respondents of ECER (n=64, 37.0%) are from three states of Kelantan (n=28), Terengganu (n=20) and Pahang (n=16).

B. Measurement Model Evaluation

For each of the construct, a set of theory-based reflective scale items were considered sufficient and appropriate to represent the construct domain. The theory-based items were also judged by three experts to ensure the wording matched its intended meanings and fit with the construct in the context of respondents' environment. With minor adjustments, all experts were highly agreed with the established items, lending face validity to the study. A pretest on a sample of 30 entrepreneurs was also administered for normality check and further item purifications. Based on the pre-test feedbacks, few items were reworded for a comfortable length of time reading and answering the survey.

The next concern prior to proceeding with the measurement model is on the issue of sample size adequacy. The model assumption on adequate sample size for this research is based on several SEM experts. Loehlin [62] concluded that for a model with two to four constructs, the number of cases should be within the range between 100 to 200 cases. Schreiber's *et al.* [63] reviews on 16 educational articles applying SEM between 1994 and 2002 revealed that there are no exact rules on the number of participants but most research opts for a ratio of 10 participants per estimated variables. Hair, *et al.*, [60]

argues that previous guidelines of "maximize sample size" are no longer appropriate. Sample size should be based on a set of factors. For example, for a SEM model with five or fewer constructs and each with 3 or more observed variables and with high communalities of 0.6 or higher, the model can be estimated with sample size of between 100 to 150 respondents. As this analysis are on three latent constructs where each construct has between three and four observed variables with adequate communalities or squared multiple correlations for measured variables, the usable sample of 173 gathered is sufficient to estimate the model.

The measurement theory assessment of SEM analysis for the leadership branding model is based on the revised number of items as in Table 1 after deleting those with weak factor loadings from confirmatory factor analysis (CFA). CFA was used to specify the pattern by which each measure loads on a particular factor [58], [59] and [60]. Each indicator or measured item is set to load on only one latent construct and there is no cross-loading. As such the measurement model is considered congeneric, or sufficiently constrained for good measurement properties and construct validity [60]. Prior to CFA analysis, the Kaiser-Meyer-Olkin (kmo) measure of sampling adequacy, Bartlett's test of sphericity and Cronbach α test for reliability are conducted and shown in Table 2. Factorability is assumed when the Bartlett's test is significant and kmo measure is greater than .60 [61].

TABLE I
CONSTRUCTS AND INDICATORS

Constructs	Indicators	Code
Personality	Need of achievement	nach
	Pleasant	pleasant
	Tolerance of ambiguity	toa
	Self confident	confiden
Practice	Brand delivery	delivery
	Brand positioning	position
	Brand pricing	pricing
	Brand policy	policy
Engagement	Awareness	awarenes
	Quality	quality
	Competitiveness	competit

TABLE II
TEST OF SPHERICITY, SAMPLING ADEQUACY AND RELIABILITY

Constructs	Bartlett's Test	kmo	Cronbach α
Personality	$\chi^2 = 224.635$, df = 6, sig. < 0.001	0.64	0.74
Practice	$\chi^2 = 1025.263$, df = 153, sig. < 0.001	0.79	0.80
Engagement	$\chi^2 = 187.439$, df = 10, sig. < 0.001	0.61	0.66

Table III provides the standardized loadings of each variables of the latent constructs where all variables, with exception on perceived competitiveness, match with the rule of thumbs that the standardized loading estimates should be .5 or higher and ideally .7 or higher [60]. Table 4 shows good fit indices for CFA analysis to warrant the appropriateness to proceed with structural measurement. The incremental index for this analysis is revealed by the Comparative Fit Index (CFI) and Tucker Lewis Index (TLI) while the absolute fit

index is shown by the Root Mean Square Error of Approximation (RMSEA).

TABLE III
COMPLETE STANDARDIZED FACTOR LOADINGS

Indicators	Constructs	Estimate
nach	<--- Personality	.887
pleasant	<--- Personality	.653
toa	<--- Personality	.560
confiden	<--- Personality	.567
delivery	<--- Practice	.731
position	<--- Practice	.757
pricing	<--- Practice	.666
policy	<--- Practice	.700
awarenes	<--- Engagement	.709
quality	<--- Engagement	.900
competit	<--- Engagement	.418

TABLE IV
FIT MEASURE FOR THE MEASUREMENT MODELS

Fit Indices	Appropriate Fit Value	Result
χ^2	Preferably $p > 0.05$.0013
χ^2/df	Preferably $1 < \chi^2/df \text{ ratio} < 2.00$	1.558
CFI	$\geq .90$.965
TLI	$\geq .90$.954
RMSEA	$< .08$.062

C. Structural Equation Modeling

With good CFA result, the analysis shall proceed with structural measurement. The fit indices and their characteristics for establishing acceptable fit for the analysis are shown in Table V.

TABLE V
CHARACTERISTICS OF FIT INDICES SHOWING GOODNESS OF FIT

Fit Indices	Characteristics
Goodness of fit test χ^2	<ul style="list-style-type: none"> In the situation where the number of observations (N) is less than 250 and the number of observed variables (m) is more than 12 but less than 30, significant p-values can result even with good fit [60]. The χ^2 to degrees of freedom ratios is in the range of 2 to 1 or 3 to 1 for an acceptable fit between the hypothetical model and the sample data <p>Selected Value: Preferably non significant χ^2 with $p > .05$ and preferably $1 < \chi^2/df \text{ ratio} < 2.00$</p>
CFI	<ul style="list-style-type: none"> .90 or better [64] .95 or better for $N < 250$ and $12 < m < 30$ [60] .95 or better [63] <p>Selected Value: CFI $\geq .90$</p>
TLI	<ul style="list-style-type: none"> .90 or better [64] .95 or better for $N < 250$ and $12 < m < 30$ [60] .95 or better [63] <p>Selected Value: CFI $\geq .90$</p>
RMSEA	<ul style="list-style-type: none"> Values $< .08$ [60] and [64] <p>Selected Value: RMSEA $< .08$</p>

A rule of thumb by Hair, *et al.* [60] suggested that the fit analysis must include one incremental index and one absolute index in addition to chi square χ^2 value and the associated degree of freedom. The selected indices are considered sufficient to determine model fit [60], [63] and [64]. Figure 2 shows the fitted research model which indicates the acceptable goodness-of-fit indices. The standardized parameter estimates and significant values for the hypothesis relationships are presented in Table 6. The research model indicates the acceptable goodness-of-fit indices model. The chi-square is significant ($\chi^2 = 63.868$, $df = 41$, $p\text{-value} = >.013$) with χ^2/df ratio of 1.558 which are desirable to reflect good fit. The incremental fit index of TLI, the goodness of fit index of CFI and the absolute fit index of RMSEA also performed very well for the structural model with value of 0.966, 0.954 and 0.057 respectively.

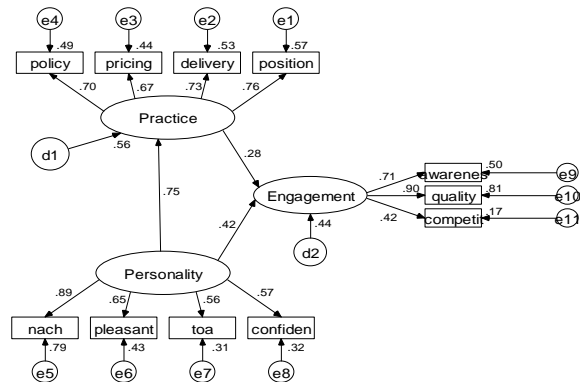


Fig. 2 The structural model for leadership branding

TABLE VI
STANDARDIZED REGRESSION WEIGHT ESTIMATES

Description	Estimate
Practice \leftarrow Personality	0.75**
Engagement \leftarrow Personality	0.42**
Engagement \leftarrow Practice	0.28**
Chi-square ($\chi^2 = 63.867$), $df = 41$	
CMIN/DF = 1.56, CFI = 0.96, TLI = 0.95, RMSEA = 0.06	
Notes: **significance at the 0.01 level	

The path coefficients in Table 6 indicated that leaders' personality has a statistically significant relationship with branding practice. Leaders' personality also significantly affects customer engagement while branding practice has significant relationship with customer engagement ($p < 0.001$); therefore, $H1$, $H2$, and $H3$, were accepted. In this study, the most significant paths are $H1$ where leader's personality is a positive determinant of branding practice with standardized coefficients as high as 0.75 meaning that when personality goes up by one standard deviation, practice goes up by 0.75 standard deviations. The least significant path is at $H3$ where practice is a positive determinant of customer engagement with a coefficient of 0.28. For the $H2$ path where personality is a

positive determinant of engagement, the coefficient is at a high 0.42.

VI. CONCLUSION

In examining the inter-related relationships among various branding leadership constructs of leaders/entrepreneurs of SMEs, this study confirms the important role of branding management on customer engagement of SMEs. The particular contribution of the branding leadership model is the adoption of personality as a predictor variable to branding management practice and customer engagement. The study also contributes to the development of sound instrument to assess and measure the critical factor of SME leadership branding and its relation to branding practice and customer engagement. Although the branding leadership model has shown its robustness to explain branding and performance relationships, it is not necessarily the most effective and far from the only model to explain SME branding situation in developing countries. It should not also not be taken as prove to causal relationship as this would require a more extensive workings. In another perspective, there are always rooms for improvements. More relevant constructs could be added to the model such as local environment and leader's perspective to serve as exogenous variables to management and performance. This frontier of research could be directed to empirically examining a more holistic approach in SEM branding.

At this juncture SME leaders or entrepreneurs, marketers and policy makers may derive several important implications from the study. The finding suggests that entrepreneurs do not need to look far in sourcing for their business branding. They should first consider themselves as the major source of branding. In other words, they are part of their brands. The quantitative analysis had also revealed the key indicators of leader's personality. These include strong needs of achievements which cover the aspect of visioning stronger future in terms of sales, profit and market share. Being pleasant with high tolerance of ambiguity and self confident are also essential traits. Another implication of the study is on the strategic implementation of branding management efforts which is viewed by this study as branding practice. Related stakeholders should take note that the major elements of branding practice for SME entrepreneurs are developing proper brand positioning; ensuring brand delivers promises, setting appropriate value-based pricing strategies and being logical in branding policy. They should emulate these findings in order to strengthen their branding strategies. Lastly, it is integral to make the entrepreneurs realize that by leveraging on their own personality which is a part of parsimonious branding strategy is integral in efforts towards efficient customer engagement although face with constraints of resources.

ACKNOWLEDGMENT

The work was supported by the Research University Grant of Universiti Teknologi Malaysia (UTM0, grant no. RUG Vote: Q.K130000.7163.04J82.

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