

Strengthening Customer Engagement Through Religious Value Co-Creation

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ABSTRACT

Value co-creation activities involve and benefit three parties at once, namely: the company, employees, and customers. Based on the customer's perspective, involvement during the value co-creation process causes their needs to be met during their participation. This study aims to examine the relationship between Religious Value Congruence (RVC) and Religious Value Co-Creation (RVCC) on Customer Engagement (CE). This study focuses on value creation that occurs when frontline employees and customers meet in interactive marketing activities due to the inherent inseparability of services. This concept was initially only considered a company activity but later developed into value co-creation, a continuous interaction between two or more parties in building a personalized service experience. Review on value co-creation, the search for meaning in the value creation process as proposed by previous research has not touched the religious aspect. RVCC is a new concept resulting from the synthesis of the concept of value co-creation with Islamic values. Furthermore, 187 sharia insurance customers spread across several big cities in Central Java, Indonesia, were investigated and examined for the regression relationships using Partial Least Square Structural Equation Modeling (PLS-SEM). The results of data analysis show that Religious Value Congruence can increase the intensity of customers to be involved in Religious Value co- Creation, which ultimately has an impact on strengthening Customer Engagement. The results of this study succeeded in completing the concept of Value Creation proposed by previous researchers by considering religious factors in creating shared values. Religious value co-creation can be the basis for the differentiation of religious-based product offerings because the value received by customers is not only at the level of physical needs but also spiritual needs.

Keywords: *Religious Value Co-Creation, Religious Value Congruence, Customer Engagement*

1.0 INTRODUCTION

This study focuses on value creation that occurs when frontline employees and customers meet in interactive marketing activities due to the inherent inseparability of services. This concept was initially only considered a company activity but later developed into value co-creation, a continuous interaction between two or more parties in building a personalized service experience (Lusch & Vargo, 2016). The concept of value creation is the most significant factor in the company's success and has been believed to be an essential source of competitive advantage (Woodruff, 1997). The concept of value co-creation considers customers as active resources who can contribute and generate value by taking on the role of co-providers. (Prahalad & Ramaswamy, 2004) states that in an increasingly saturated market condition and limited resources, companies should no longer focus on optimizing internal resources but should be able to explore external resources, including involving customers in creating shared value. Collaboration between internal and external resources result in optimal value creation.

Value co-creation activities involve and benefit three parties at once, namely: the company, employees, and customers. Based on the customer's perspective, involvement during the value co-creation process causes their needs to be met during their participation. Individuals are willing to participate in a relationship because of their perceived value (Yu et al., 2013). Customer involvement in value co-creation becomes the experience and basis for the next shared value creation. The value creation experience gained through interaction with multiple service providers creates knowledge accumulation and enhances the value shared. But from the employee's perspective through value co-creation, they will be better able to understand consumers' aspirations, desires, motivations, and behavior and create a pleasant exchange relationship. Furthermore, based on the company's perspective, value co-creation can reduce uncertainty and eliminate sources of environmental risk.

Based on the literature review on value co-creation, the search for meaning in the value creation process as proposed by (Busser & Shulga, 2018; Karpen et al., 2015; Lusch & Vargo, 2016; Pareigis et al., 2011) has not touched the religious aspect. Religious values are fundamental in consumer buying behavior (Rahman, 2012), including halal products. Individual understanding of halal products varies depending on the level of religiosity. Previous studies on religion and consumption showed that consumers with higher levels of religiosity were less likely to participate in addictive behavior than consumers who were less religious (McCullogh & Willoughby, 2009). Therefore, this study intends to refine the concept of value co-creation by offering a new concept of Religious Value Co-Creation (RVCC), which is defined as the intensity of mutually reinforcing beliefs and knowledge of Sharia products between customers and employees through "giving and accepting religious values". The religious dimension becomes very important when an organization offers products based on religious values. This dimension can strengthen customer engagement between employees and customers, which impacts the desire to carry out ongoing relationships.

Based on the explanation, it can be said that, when customers engage in knowledge collaboration practices in the process of purchasing halal products, they will consider what value they will get. Their willingness to engage in value creation is based on the intention to inculcate and spread the good values of halal products. This intention led them to try to strengthen his confidence and knowledge of halal products through giving and receiving activities with service providers represented by front-line staff. This concept is unique because it contains the spiritual, worldly, and afterlife dimensions to spread more comprehensive benefits, both for customers, employees, and organizations. This uniqueness is believed to bring about strong differentiation through superior values that have touched the level of non-transactional motives. For organizations that offer products with a religious basis, this differentiation is urgent to create. If not, the term 'sharia' is just 'labelling'. Furthermore, to increase RVCC, this study considers Religious Value Congruence (RVC) as its independent variable. Based on Congruity theory, a person is more likely to have a positive attitude toward an object when a person feels an object or phenomenon is consistent with what he or she holds (Tannenbaum and Osgood, 1955). Finally, this study proposed a research question on how to increase customer engagement through RVCC driven by Religious Value Congruence.

2.0 LITERATURE REVIEW

2.1 Religious Value Co-Creation (RVCC)

The theory of value (TOV) is the foundation of Service-Dominant Logic (SDL) which then derives the concept of Value Co-Creation (VCC) as a value construct. TOV is a philosophical and moral theory that deals with the central question of what is worth. This theory is most widely used to conceptualize consumer value, while SDL emphasizes that services are a fundamental component of economic exchange, and goods are just a distribution mechanism, not a unique expression of value. Value is customer-centric and is created jointly by the company and the customer. Value co-creation is how providers and customers exchange knowledge and resources to produce mutually beneficial value for the company (Prahalad and Ramaswamy, 2004). According to (Sharafi Farzad et al., 2019), value creation is an interaction between customers and providers and a communication relationship between customers about a particular industry that generates value.

Vargo and Lusch (2014) stated that value co-creation can be started by making meaning through interaction, collaboration, reciprocal exchange, performance evaluation and resource integration. Through this practice, customers and service providers will achieve mutual benefits, create service excellence and improve the continuity of the service system. SDL postulates that when customers engage in exchanging shared values, they actively create meaning from the process, thereby increasing value (Pareigis et al., 2011). Furthermore, customers are encouraged to cooperate with service providers when they expect the results to be more valuable to them and others (Roberts et al., 2014). Value Co-Creation was developed from 4 values: functional, social, emotional, and economic values (Smith and Colgate, 2007) and (Busser & Shulga, 2018; Karpen et al., 2015; Lusch & Vargo, 2016; Pareigis et al., 2011). Based on the literature review on value co-creation, the search for meaning in the value creation process proposed by previous researchers has not touched the religious aspect. Religious values are essential in consumer buying behavior (Rahman, 2012), including halal products.

Religious commitment shows how a person believes in his religious values and practices them in everyday life, including the desire to do preaching (da'wah) through the buying process. Da'wah has the potential to form harmony between humans to create group cohesiveness (Kashif et al., 2015). Da'wah contains elements of two-way communication. When someone preaches (da'wah), he not only spreads religious values but will reciprocally get feedback from his da'wah. The command to give alms is contained in the Holy Qur'an, An-Nissa verse 114. Moreover, among the most essential alms is the charity of knowledge.

RVCC results from a synthesis between Theory of Value (TOV), the concept of Service-Dominant Logic (SDL) and Islamic values. The concept of value co-creation is at the core of SDL, which emphasizes relationships to create shared value that benefits the parties involved. RVCC enhances it by adding religious values. RVCC in this study focuses on the interaction process by adapting the two dimensions of value-co creation from (Busser & Shulga, 2018), namely collaboration and contribution, which are then internalized with Islamic values, so that the RVCC dimensions consist of "sincere to give" (intensity of increasing belief through sincerity in sharing knowledge of sharia products) and "sincere to accept" (intensity of increasing confidence through sincerity in accepting the knowledge of sharia products). This considers that the dimensions used (Busser & Shulga, 2018) are too broad, including the process and results of value co-creation, making it less focused. The command for charity is contained in Holy Qur'an "And among the most important alms is knowledge alms" HQ [4:114]. Following the words of the Prophet Muhammad narrated by Ibn Majah: "The foremost almsgiving is when a Muslim learns a science, then teaches it to other Muslim brothers." Science is very important in Islam. This can be found in many verses of the Holy Qur'an that states knowledgeable people are in a high position. It is different, people who know and do not know, only a rational person can receive knowledge [HQ. 39:9]. We are also ordered to be tolerant in the assembly [HQ. 58:11]. Allah SWT said in Holy Qur'an "People who are blind are not the same as those who see" HQ [35:19]. A Muslim has to give warning [HQ. 51:55].

2.2 Religious Value Congruence (RVC) and Religious Value Co-Creation (RVCC)

Values play a central role in the customer's cognitive structure. Value congruity explains the similarities that are emphasized between the values that are exchanged by individuals and organizations (Chatman, 1991). Congruity theory developed into a variety of concepts, one of which is value congruity, an

interactive marketing perspective because it explains the value of customers and organizations where customers prefer to use products and services that represent their personal value (Lee and Jeong, 2014; Wang and Zhang, 2017). Values congruence refers to the perceived similarity between values held by individuals and organizations in which they are members (Edwards and Cable, 2009), as rooted in self-congruity theory (Sirgy et al., 1991). Individuals will show interest in exchanging information when they have a common understanding with other parties. If there is no common understanding, there will be an affective conflict that hinders the exchange of information. The appropriate value allows a person to predict how others act or behave in different situations. The similarity of values can also increase the effectiveness of communication, predictability, trust and attractiveness. This statement is in accordance with belief congruence theory, that individuals will judge something based on the similarity of their beliefs with the object of assessment.

Salespeople have the opportunity to gain greater interest from customers who are intrinsically religious by showing a strong affiliation with the same religion. This is most likely to happen because intrinsically, religious consumers internalize religious beliefs and are more likely to choose company subscriptions that can describe sincere motives in associating with religions that are in accordance with their strong affiliation with that religion. This theory will not apply if there is no conformity of religious affiliation (Alhouti et al., 2015). In previous studies, it was rare to find harmony with the vertical value, the value set by the creator, Allah Subhannau wa Ta'ala. A value that is considered good in a region can be considered unfavorable in other regions, because it can be subjective depending on the person/subject who assesses it. Thus, two essential elements of Belief Congruence Theory are similarities and interests. Individuals will prefer something more similar to the value of their beliefs (Alhouti et al., 2015). Belief Congruence Theory would suggest that understanding consumer values (especially moral values) may be the key to understanding customer attitudes and behavior (Minton and Gardiner, 2021). Trust is an expectation about the behavior of others and a willingness to behave under these expectations unconditionally. Trust reduces uncertainty, minimizes transaction costs and facilitates cooperation due to the compliance and commitment of both parties. Two parties are more willing to cooperate because of mutual understanding and trust, suppose this is related to the consumer buying process. In that case, it can be said that when customers have similar religious values related to purchasing a product, they would have the same understanding as service employees about the character of the product offered to them and have the same beliefs about the benefits of the product. It will affect their behavior, including their willingness to create shared values.

Value is phenomenologically determined by the customer (Lusch & Vargo, 2016), so personality traits play an essential role in the assessment process. Therefore, an open personality will help determine outcomes and the process of sharing mutual experiences, especially with new objects (Van Gordon et al., 2014). An open person is a person who is open-minded, imaginative, curious, adaptable and enjoys new things as valuable knowledge and experience. Openness is defined as the level of a person's willingness to consider, accept, and integrate new and creative ideas by creating shared values. This is especially important when collaboration occurs through face-to-face communication. Thus, when two parties have the same religious values, it will increase their willingness to give and receive religious knowledge, including halal products. The give and accept process is getting smoother because of the compatibility of religious values. Value congruence improves communication. Communication refers to the open exchange of information through formal and informal interactions. This is because there is a common standard in interpreting events. The exchange of information reduces the possibility of misunderstandings. Communication can transfer service culture, share experiences, promote policies, communicate relevant information and even communicate opinions that result in increased individual performance (Moretti and Postružnik, 2012). Therefore, the proposed hypotheses of this study are:

H_{1a}: The stronger the Religious Value Congruence, the stronger Sincere to Give

H_{1b}: The stronger the Religious Value Congruence, the stronger Sincere to Accept

2.3 Religious Value Co-Creation (RVCC) and Customer Engagement (CE)

According to (Zamani-Farahani and Musa, 2012), religiosity has two dimensions, including religious belief and religious practice. Religious belief refers to what people believe about all activities based on their religion point of view; meanwhile, religious practice is related to how they do every activity based on their

religious values. In the Islamic context, the example of religious beliefs is “they belief that Allah (God) will help them”. The example of religious practices is “their consistency in doing prayers every day”. RVCC refers to the ability of salespeople to play an active role in the interaction of religious value creation with customers, so that customers will truly experience the benefits of the afterlife contained in religious-based products. The ability to communicate religious values is triggered by the knowledge of religious-based products to be communicated. That is, when the seller controls the knowledge of religious-based products and services, he is more able to actively participate in convincing the customer about the intrinsic benefits of halal products, convincing the customer of sin if consuming usury, thereby strengthening the customer's knowledge of halal products.

The concept of engagement is derived from the Partnership Theory developed by (Mcquaid, 2000). Engagement is defined as a state of being involved, focused, wholly centered, or captivated by something, so that it grabs his attention and creates attraction (Hollebeek, 2011). It will occur when the organization engages stakeholders in a cooperative relationship for better results. It is a unidimensional concept that involves emotional, cognitive and behavioral aspects. Customer engagement involves involvement and participation created by customer interactions and creative experiences with the company (Hollebeek, 2011). Customer engagement can be described as the dedication and interest of the customer to actively contribute to the co-creation of the experience and value of their interaction with the company (Brodie et al., 2011). Their emotional, physical, and psychological relationships with providers can be strengthened through repeated interactions.

Roberts et al., (2014) defined customer engagement as a satisfied and loyal customer who recommend the company's products and services to others. This statement is corroborated by (van Doorn et al., 2010) that customer engagement through costumer-company interaction contributes to creating satisfied customer who will not only repurchased but also commit to the company to recommend products and services to other customers. All of these demonstrate relationship commitment, which is the individual's desire to maintain a stable relationship and the willingness to sacrifice to maintain the value of the relationship (Morgan and Hunt, 1994). Relationship commitment can increase cooperation (Morgan and Hunt, 1994) and engagement (Chalofsky and Krishna, 2009). Value co-creation ratings affect behavioral intentions, overall service ratings, satisfaction, and loyalty (Gallan et al., 2013). Customer involvement includes three dimensions: enthusiasm, conscious participation, and social interaction. Customers with strong engagement with an organization will prioritize suggestions, spread positive word of mouth, help other customers get products, write blogs, or post comments. Engagement involves the cognitive, emotional, and behavioral aspects of the customer and changes to the environment.

Research result by Nguyen et al. (2019) concluded that value perception is the strongest determinant in increasing customer engagement. (Pansari & Kumar, 2017) states that when a relationship is considered satisfying and has an emotional bond, it will strengthen at the level of engagement. Today, customers are no longer seen as passive recipients of marketing cues but as proactive parties to create shared value. Customer engagement will create shared experiences and value creation and contribute to the innovation process (Hoyer et al., 2010). Customer engagement focuses on the interactive experience of consumers and is a cognitive, emotional and behavioral activity that is positively related to consumers while interacting with brands (Hollebeek et al., 2016). Customer engagement involves satisfied and loyal customers who recommend the company's products and services to others (Roberts et al., 2014). This statement is reinforced by (van Doorn et al., 2010), which states that customer engagement is strengthened through customer-company interactions and contributes to creating satisfied customers who will make repeat purchases and are also committed to the company and recommend products and services to customers. Thus, consumers who have high involvement will always want to be involved in value co-creation, feel that they will benefit from being involved in value co-creation and want to establish a sustainable relationship (van Doorn et al., 2010, Hollebeek, 2011, Pansari & Kumar, 2017).

Therefore, it can be concluded that there is a reciprocal relationship between customer engagement and value co-creation. In this study, however, the relationship was seen as one-way, where customer engagement was seen as the impact of religious value co-creation interactions. Thus, the higher the customer's intensity in the activity of taking and giving religious values, customer will be more satisfied because the expectation of increased understanding and confidence in religious-based products and services

services is met. The interaction between customers and companies during the value creation process creates a bond between customer engagement and shared value creation. The more open customers are in activities to strengthen the knowledge and beliefs of sharia products, the more willing customers who involve in value co-creation, they will get more benefits and establish sustainable relationships. Based on the explanation above, the proposed hypotheses are:

H_{2a}: The more intense the Sincere to Give, the stronger the Customer Engagement

H_{2b}: The more intense the Sincere to Accept, the stronger the Customer Engagement

3.0 METHODOLOGY

The population of this study was insurance customers. This study used a snowball sampling technique with purposive sampling (non-probability sampling) to select respondents. Non-random sampling is used in the sampling technique because the number of the population is unknown, so it is not possible to make a sampling frame as the basis for using random sampling with SEM-PLS. The sample used is 187 respondents. As stated by Hair (2012), the minimum sample for social research is between 100 to 200 respondents. The sample of Sharia insurance customers in this study was taken based on the following criteria, such as: (1) have joined Sharia insurance for at least one year, (2) can make decisions independently, and (3) know about Sharia insurance. The description of the respondents consisted of 76% men and 24% women aged between 32 years to 65 years. The educational level of respondents consisted of high school graduates (28%), and Bachelors (72%).

4.0 RESULT AND DISCUSSION

To examine the proposed conceptual model, including hypothesis testing, this study used Partial Least Square Structural Equation Modeling (PLS-SEM).

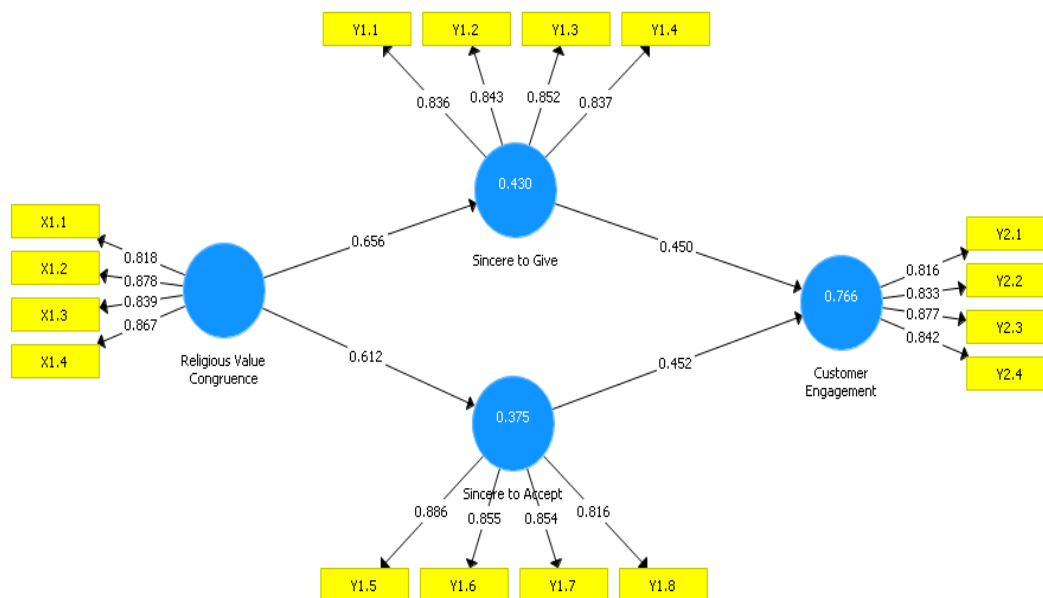


Figure 1: Results of SEM-PLS

4.1 Goodness of Fit – Inner Model (Structural Model)

Goodness of fit structural model in the inner model is examined by using predictive – relevance (Q²). The value (R²) of each endogenous variable in this study can be seen in Table 1.

Table 1: Value of R-Squared and Adjusted

Endogenous Variables	R-Square	Adjusted R-Square
Customer Engagement	0,766	0,763
Sincere to Accept	0,375	0,371
Sincere to Give	0,430	0,427

The variables of customer engagement, sincere to accept, and sincere to give showed R-square of 0.766; 0.375, and 0.430, which indicate that the values are low and moderate in predicting the model. The Religious Value Congruence variable predicts the effect of the Sincere to Give variable by 43% and the Sincere to Accept variable by 37.5%. The Religious Values co- Creation variable predicts the influence of the Customer Engagement variable by 76.6%, while the rest is influenced by other factors that are not included in the variables studied in this study.

The results of Table 2 using PLS show that all the indicator variable values in the study have a value greater than 0.5.

Table 2: Loading Factor (Outer Loading) Value

Variable	Outer Loading	p-value
Religious Value Congruence (RVC)		
Have the same understanding of Sharia insurance	0,818	0.000
Have the same belief about the benefits of Sharia insurance	0,878	0.000
Have the same belief about sharia insurance	0,839	0.000
Sincere to Give (SG)		
Sincerely providing knowledge about Sharia insurance	0,836	0.000
Sincerely tells the experience while consuming Sharia insurance	0,843	0.000
Sincerely providing advice in convincing the benefits of sharia insurance	0,852	0.000
Sincerity strengthens confidence to master Sharia insurance	0,837	0.000
Sincere to Accept (SA)		
Sincerely gain knowledge about Sharia insurance	0,886	0.000
Sincerely gain knowledge about insurance benefits Sharia	0,855	0.000
Sincerely gain confidence in the benefits of sharia insurance	0,854	0.000
Sincerity gains confidence in the consequences of consuming non-sharia insurance	0,816	0.000
Customer Engagement (CE)		
Willing to continue to be involved in value co-creation	0.816	0.000
Willing to continue to be involved in developing the organization	0.833	0.000
Willing to have a sustainable relationship	0.877	0.000

4.2 Analysis of Partial Least Square (PLS)

The direct effect of Religious Value Congruence (RVC) on Sincere to Give (SG) resulted in a value of 0.656 with a t-statistic of 6.695. Considering that the t-statistic is more significant than 1.960 (t-table), so that H1a is accepted. This means that the higher the Religious Value Congruence (RVC), the higher the Sincere to Give (SG).

The direct effect of Religious Value Congruence (RVC) on Sincere to Accept (SA) produces a coefficient value of 0.612 with a t-statistic of 6.960. Considering that the t-statistic is more significant than 1.960 (t-table), then H1b is accepted. This means that the higher the Religious Value Congruence (RVC), the higher the Sincere to Accept (SA).

The direct effect of Sincere to Give (SG) on Customer Engagement (CE) produces a coefficient value of 0.450 with a t-statistic of 3.812. Considering that the t-statistic is greater than 1.960 (t-table), so H2a is accepted. This means that the higher the Sincere to Give (SG), the stronger the Customer Engagement (CE).

The direct effect of Sincere to Accept (SA) on Customer Engagement (CE) produces a coefficient value of 0.452 with a t-statistic of 3.933. Considering that the t-statistic is greater than 1.960 (t-table), then H2b is accepted. This means that the higher Sincere to Accept (SA), the stronger Customer Engagement (CE).

4.3 Predictive relevance test (Q²)

The predictive relevance test (Q²) aims to present the synthesis of the cross-validation and fitting function with predictions from the observed variables generated by the model and also the estimation of construct parameters. The Q² value was obtained from the blindfolding procedure, with 3 levels of Q² value such as 0.02 (the low category), 0.15 (the medium/moderate category) and 0.35 (the strong category). Q² value is formulated as follows:

$$Q^2 = 1 - \frac{\sum_D E_D}{\sum_D O_D}$$

Which means =

D = omission distance

E = sum of squares of prediction error

O = sum of squares of squares errors using the mean for prediction

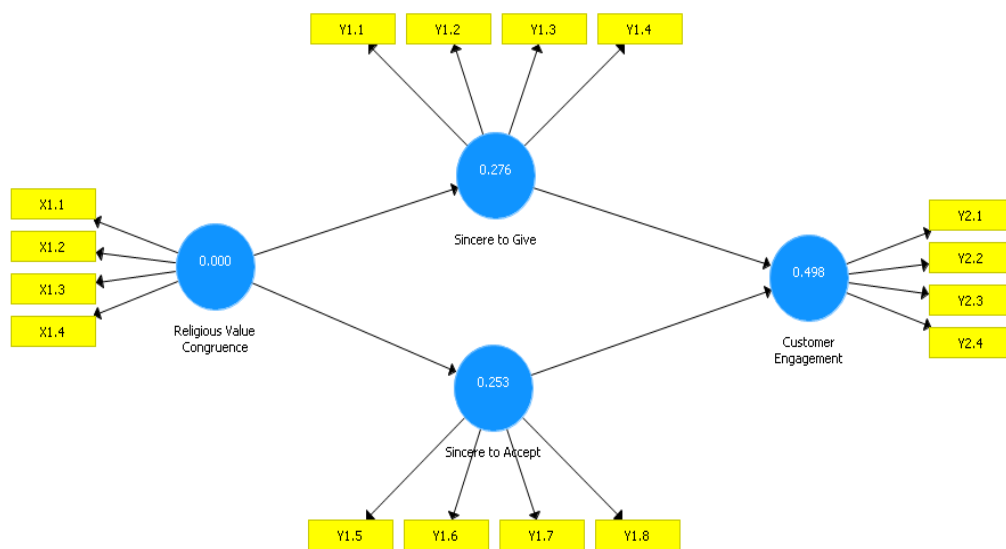


Figure 2: Blindfolding Model

The complete Q² scores are presented in the table below:

Table 3: Predictive Relevance (Q²)

Variables	SSO	SSE	Q ² (=1-SSE/SSO)
Customer Engagement	708,000	355,590	0,498
Religious Value Congruence	708,000	708,000	
Sincere to Accept	708,000	528,675	0,253
Sincere to Give	708,000	512,636	0,276

Based on Table 3 above, it shows that the Q^2 value of the Customer Engagement construct is 0.498 (in the strong category), Sincere to Accept is 0.253 (in the medium category) and Sincere to Give is 0.276 (in the medium category). Relevance prediction value (Q^2) obtained for each endogenous construct is > 0 which indicates that the model has good predictive relevance.

4.4 Discussion

This study proved the role of the new concept of RVCC triggered by RVC in strengthening CE of sharia insurance customers. The RVCC model for Sharia insurance customers is created through the exchange of resources, services, and information (Okdinawati *et al.*, 2021). That is, when the salesman who offers sharia products has the same religious values as the customer, the customer is more willing to be involved in creating religious value with the salesman through the mutual take and give activities of sharia insurance knowledge and strengthen each other's belief in the benefits of the world and the hereafter if consuming sharia products. The customer's sincerity to be actively involved in creating shared religious values will further strengthen his intention to continue the relationship with the sharia insurance salesman and be willing to develop an organization based on religious values jointly. This statement is in line with the results of a study of (Alhouti *et al.*, 2015), that individuals would show interest in exchanging information when they have a common understanding with other parties.

When sharia insurance customers feel they have the same understanding as salesmen about the importance of the benefits of sharia products, customers will be happy to tell their experiences of consuming sharia products and encourage salespeople to continue to strengthen their mastery of sharia product knowledge. Customers are sincere in providing input on how to market sharia products because they believe salespeople will accept them with pleasure. The customer can predict how the salesman will respond to his input because he understands his religious values. A value congruity is a horizontal value that exists in relationships between individuals, between individuals and organizations, or between organizations and other organizations. The similarity of values can increase communication effectiveness, predictability, trust and attractiveness (Alhouti *et al.*, 2015). The customer will be more likely to have a positive attitude towards the salesperson when a person perceives an object or phenomenon as consistent with what he holds. Belief congruence theory postulates that individuals will judge something based on the similarity of their beliefs with the object of assessment. This theory will not apply if there is no conformity of religious affiliation. From belief congruence theory, consumers seek to think and act in a way that is in harmony with their core values (Rokeach, 1960). Here, we argue that consumer's religious values affect their attitude toward salespeople as well as actual participation in sharia insurance.

On the other hand, due to an understanding of the benefits of sharia insurance, customers are more open to salesmen's explanations regarding the consequences of consuming non-sharia products. Mastery of religious values related to the law of halal and haram insurance owned by salesmen reflects high religiosity. This makes customers more sincere and does not hesitate to accept the strengthening of belief in the blessings of consuming halal products. An open personality will help determine outcomes and the process of sharing mutual experiences, especially with new objects (Van Gordon *et al.*, 2014). (Zhang *et al.*, 2015) states that customers' perception of a value is highly dependent on the value offered, so direct communication with them will greatly help form better value expectations and increase customers' willingness and trust to cooperate and participate in shared values. Thus, when two parties have the same religious values, it will increase their willingness to give and receive religious knowledge, including halal products. The give and accept process is getting smoother because of the compatibility of religious values. Value congruence improves communication. Communication refers to the exchanging information through formal and informal interactions. This is because there is a common standard in interpreting events.

This study also succeeded in proving the effect of RVCC and CE. Sincerity in value co-creation through taking and giving knowledge and belief in religion-based products have been proven to influence customers' willingness to be involved in value co-creation and growing the organization. This statement is reinforced by (van Doorn *et al.*, 2010), that customer engagement is strengthened through customer-company interactions and contributes to creating satisfied customers who will have repurchase intention and are also committed to the organization and recommend products and services to customers. Consumers

who have high involvement will always want to be involved in value co-creation, feel that they will benefit from their involvement and want to establish sustainable relationships (van Doorn et al., 2010); (Hollebeek, 2011); (Pansari & Kumar, 2017). The more open customers are in activities to strengthen knowledge and beliefs of sharia products, the more customers are willing to be involved in the following value co-creation activity because they feel the benefits and want to establish a sustainable relationship. Intensity strengthens trust in Sharia products and increase the bond between the two parties. The openness of communication causes the two to trust each other, thus strengthening the desire for a sustainable relationship. The process of giving and receiving religious values contained in Sharia products increases the sense of brotherhood (*ukhuwah*).

This study contributes to expand the understanding of the concept of value co-creation, which has been more often interpreted as a worldly transactional value concept. In fact, for a business organization that offers religious-based products such as sharia insurance, religious values should be considered in creating value with customers so that the perception of value received by customers becomes more holistic. (Rahman, 2012) states that religious values greatly influence consumer purchasing decisions.

5.0 CONCLUSION

Based on the discussion above, it can be concluded that religious value congruence can increase customer engagement. Religious values are significant in consumer buying behavior (Rahman, 2012), including halal products. Individual understanding of halal products varies depending on the level of religiosity. The religious dimension becomes very important when an organization offers products based on religious values. This dimension can strengthen customer engagement between employees and customers, which impacts the desire to carry out ongoing relationships. Customers are co-creators or significant value contributors created together through individual or company interactions. The awareness of service providers (especially those that offer services based on religion) to build a value proposition based on religious values is necessary. Service providers need to be proactive in developing a co-creation culture and ensure that RVCC elements can be effectively scaled up.

Increasing the RVCC can be done through a recruitment program that considers religious aspects. The religious values of frontline employees must be linear with the values of their products. Relationships based on religious understanding also need to be continuously developed to improve employee capabilities in developing value co-creation based on religious values. The findings of this study suggest that service providers can condition the activities of sincere to give and sincere to accept religious knowledge and beliefs in a balanced way. This is evidenced by the beta coefficient, which is not significantly different in forming customer engagement. This balance can also be interpreted by the existence of relationship justice, where there are two parties who are mutually involved in religious value co-creation by giving and taking each other.

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