

The Role of Social Media in Driving Consumer Spending and Fostering Brand Loyalty

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Abstract

This research focuses on the influence of social media presence on the consumer's buying behavior and their allegiance to the brands which are represented on platforms such as Facebook, Instagram or TikTok. Because social media is now becoming one of the most important marketing platforms, it is important to understand how it impacts a consumer's decision. Survey research method was used and cross-sectional quantitative approach was used whereby data was collected from 500 actively using social media users aged 18-45 years. The interaction between SM interaction, buying behavior, and brand patronage was determined using descriptive and inferential statistics such as Pearson correlation, Multiple regression and ANOVA. To recap the findings, the study shows that the overall interaction with social media through multiplied advertisements, endorsement by influencers, and active use of brand content is very much positively linked to consumers' expenditure and brands' steadiness. Furthermore, the investigation proved that the sharing platforms like Instagram and TikTok, which provide more of the picture and video content, have a stronger impact on the client's impulsive buying and short-term behavior compared to the traditional media. Further, brand communities and customized customer engagements through the social media platforms played central roles in creating lasting customer relationship and customer loyalty. This research indeed tries to fill the foregoing lacuna in the literature by providing the empirical investigation into the correlation between social media consumption and consumers thus underlining the relevancy of the interactive communication and digital marketing for maintaining customer continuity and loyalty. These insights are useful for any organizational entity who would like to implement social media as a marketing tool for promotional campaigns as well as customer retention.

Introduction

Social media platform has become a significant game changer in the way that consumers approach brands, make purchasing decisions as well as become loyal to certain brands. percentage of world population using internet will be more than 4. Currently, 9 billion people depend on social media, which proves its prevalence and incredible impact on people's lives (Kaufman et al., 2023). Facebook, Instagram, Twitter, TikTok, linked as well as are social media tools that are no more only a tool for social interaction but are crucial channels for marketing, advertisement, and customer relations (Pricopoaia & Susanu, 2021). This shift has prompted many studies done on the effects of social media on the purchasing behavior as well as the attitude of a consumer towards certain brands.

The traditional media usually influenced consumer behavior in a very special way through the use of TV commercials and Print ads among others as outlined by Malter et al., (2020). These forms of media were mainly media centric, and marketing communications were mostly one-way and the audience was rather inertial. While traditional media is a one-way process in which a brand communicates with a consumer, social media has created two-way communication in the form of real time communication. With this interactive setting

consumers get to express their feelings, their experiences and feedback hence affecting the buying decisions of fellow consumers (Liu et al., 2021). This shift in marketing communications vests consumers not as voiceless receptors of content but active constructors of the content that makes up the marketing world (Pantic, 2020).

Perhaps the most important effect of social media on consumer behavior is the changes that has brought about in the spending habits of people. The case of social networks has made it possible for the brands to market their products through advertising, sponsoring social influencers, and using customers' posts. For example, Facebook has advanced features that enable brands to target audiences based on their behaviours, interests and level of engagement with the brand (Schneider & Harknett, 2022). Some of the benefits of using influencers are as follows; Instagram influencers mostly have a loyal audience, and when they promote products or make recommendations of products, their audience is likely to purchase those products (Cornwell & Katz, 2021). Such approaches have been revealed to affect consumers' spending to a great extent, and sometimes users freely make purchases based on social media ads and influencers' suggestions (Rosário & Raimundo, 2021).

Also, they said that the availability of consumer information in today's world within the short has also decreased due to social media. Before consumers could purchase a product, they would follow several stages known as the buyer decision process which include problem recognition, information search, evaluation of the alternatives, purchase decision, and post purchase behaviour. Today this process is reduced as the information, reviews and recommendations on products can be easily obtained from social media in a short span of time. Applications such as Instagram and Pinterest have a feature where one can shop within the application thus the ease of accessing the product (Macarthy, 2021). Besides, it fosters a quick yet premature decision-making mechanism that stems from the FOMO which is caused by the use of social media images that are persuasive in nature (Werner & Wendt, 2021).

Another important aspect that social media impact is brand loyalty which means that, consumers are inclined to keep buying a particular brand's products repeatedly across the years (Cook 2020). Compared to other forms of media, social media is engaging and thus can be effectively used in building and maintaining customer relations hence loyalty. Consumers who receive regular updates, equally participate in conversations and receive proper responses from the brands they interact with are likely to subscribe to those brands and build trust with them (Jones & Vogl, 2020). Starbucks has incorporated social media in informing its patrons, sharing customers' photos and description of products, replying to comments, and recommending their loyalty program, which it has advanced customer satisfaction and loyalty.

In addition, the original concept of brand communities has been extended by the effects of social media. Brand communities are a group of consumers, who have the same perception about a particular brand and create an array of activities around the brand. These communities develop through people joining the various social media platforms that are present to enable the people with similar experiences to gather. These communities not only offer the required social support but also make the other members of the community to purchase the same brand and other such forms of social influence of brand narratives. For instance, Harley Davidson has developed customer engagement communities where customers can report their experiences, stories and the like creating strong emotional bond with the firm's products.

This is also true for the aspect of brand loyalty whereby through the use of social media by brands, customer care services are also handled. Social media has turned out to be one of the most important ways of supporting customers that can be greatly benefited from prompt and

appropriate replies (Sarkar & Banerjee, 2022). The best brands in social customer service can even convert a negative experience into a positive one for the customers and in the process fortify their bond. The evidence indicates that if a customer gives a company a satisfactory response on the social platform, whether it is fast or slow, he or she will remain loyal to the brand.

Method

Using the quantitative research strategy the following research questions were addressed; The role of social media on consumer spending behaviour and brand attachment. The research employed survey technique to gathering primary data from the consumers who are also the social media active users. An online survey consisting of a structured questionnaire was used to obtain response data in relation to the use of social media, purchase intention and brand attachment. Data was collected via a structured self-administered online questionnaire which was completed by 500 respondents; purposive sampling method was used to target participants who actively engage in social media platforms like Facebook, Instagram, TikTok among others. Survey participants were those, who are 18-45 years old as this age group is most active on social networks and interacts with brands. The survey was conducted through a social media post to the participants and also the participants were contacted through their emails.

The data were collected by an online survey questionnaire that took four weeks to complete. The survey was conducted through a questionnaire containing close-ended questions and questions that used the Likert scale to evaluate some aspects of social media usage, expenditure by the consumers and brand preference. The Likert scale was used with scores on the scale ranging from 1 to 5 with 1 being strongly disagree and 5 being strongly agree. The participants were required to share details regarding their usage of social media, where they interacted with brands' content, and how they were affected by social media in their buying behaviour. Furthermore, questions asked examined the respondents' loyalty towards brands they followed on social media by asking them how likely they are to purchase same or similar products from brands they followed on social media.

The gathered information was analysed qualitatively with the use of descriptive and inferential statistics. The demographics of the respondents and the key variables in the study were then described using measures such as frequencies, means and standard deviations. Pearson correlations and multiple regression analysis were used in this study to analyse the effects of social media usage on the consumer spending and brand loyalty. Based on the results of the regression model, the significance and impact of social media to the consumer's spending behaviour and brand loyalty were also analysed. Similarly, the study also provided an ANOVA to check the significance of the differences in the spending and loyalty of the customer with the use of various social media platforms.

Result and Discussion

This research aimed to essay into these phenomena in a quantitative manner and examine how level of social media involvement impacts consumer expenditure and brand loyalty within the established social media platforms, Facebook, Instagram, and TikTok. In this case, the application of quantitative analysis sought to bring out a clearer understanding of how the level of social media interaction influences the buying behaviour as well as the extent to which brand loyalty is created in the long-run. The following section gives the highlights of this study.

Table 1. Descriptive Statistics of Respondents' Demographics

Demographic Variable	Frequency (n)	Percentage (%)
Age Group		
18-25	150	30%
26-35	200	40%
36-45	150	30%
Gender		
Male	230	46%
Female	270	54%
Social Media Platforms Used		
Facebook	400	80%
Instagram	350	70%
TikTok	300	60%

The results of the study are presented in various tables that offer insights into the relationship between social media usage, consumer spending patterns, and brand loyalty. The demographic characteristics of the respondents, as shown in **Table 1**, reveal that the majority fall within the 26-35 age range (40%), with a fairly balanced gender distribution (54% female and 46% male). The most frequently used social media platforms among respondents are Facebook (80%), Instagram (70%), and TikTok (60%).

Table 2. Social Media Usage Frequency

Usage Frequency (Daily)	Frequency (n)	Percentage (%)
Less than 1 hour	80	16%
1-2 hours	150	30%
2-3 hours	180	36%
More than 3 hours	90	18%

Table 2 highlights the frequency of social media usage, with the largest group (36%) reporting 2-3 hours of daily usage, while 30% of respondents spend 1-2 hours, and 18% use it for more than 3 hours daily. This data reflects the high level of engagement among social media users and their significant exposure to online content, including brand promotions.

Table 3. Social Media Engagement and Consumer Behavior (Likert Scale Mean Scores)

Variables	Mean	Standard Deviation
Engagement with brand content	4.20	0.75
Influence of social media on purchases	4.10	0.80
Influence of influencers on spending	3.90	0.85
Likelihood of impulse purchases	4.25	0.70

In Table 3, the mean scores from the Likert scale responses indicate a high level of engagement with brand content on social media (mean score = 4.20). Social media's influence on purchasing decisions (mean score = 4.10) and impulse buying (mean score =

4.25) is also notable, suggesting that social media platforms are powerful tools for influencing consumer behavior. These findings underline the role of social media in shortening the consumer decision-making process and driving impulse purchases.

Table 4. Pearson Correlation Between Social Media Usage and Consumer Spending Patterns

Variables	Pearson Correlation Coefficient (r)	p-value
Social media usage & consumer spending	0.65	0.001
Social media engagement & impulse purchases	0.70	0.000

The correlation analysis in Table 4 further emphasizes this relationship, as a moderate to strong positive correlation ($r = 0.65$, $p = 0.001$) is found between social media usage and consumer spending. Moreover, the correlation between social media engagement and impulse purchases is even stronger ($r = 0.70$, $p = 0.000$), indicating that higher levels of engagement lead to increased impulsive spending.

Table 5. Multiple Regression Analysis of Social Media Engagement and Consumer Spending

Predictor Variables	Beta Coefficient	t-value	p-value
Social media usage	0.45	5.25	0.000
Influence of social media advertisements	0.35	4.75	0.000
Engagement with brand content	0.30	3.90	0.002

The results of the multiple regression analysis presented in Table 5 show that social media usage (Beta = 0.45), social media advertisements (Beta = 0.35), and engagement with brand content (Beta = 0.30) are all significant predictors of consumer spending, with p-values below 0.05. This suggests that these factors collectively have a substantial impact on consumer spending patterns, reinforcing the importance of social media as a marketing tool.

Table 6. Analysis of Variance (ANOVA) for Social Media Platforms and Consumer Spending

Source of Variation	Sum of Squares (SS)	Degrees of Freedom (df)	Mean Square (MS)	F-value	p-value
Between Platforms	10.5	2	5.25	4.12	0.015
Within Groups	125.3	497	0.252		

In Table 6, the ANOVA results reveal significant differences in consumer spending across various social media platforms ($F = 4.12$, $p = 0.015$). This indicates that the platform itself influences spending behavior, with certain platforms likely more effective at driving consumer purchases than others.

Table 7. Descriptive Statistics for Brand Loyalty (Likert Scale Mean Scores)

Variables	Mean	Standard Deviation
Loyalty to brands followed on social media	4.30	0.60
Likelihood of repeat purchases	4.15	0.65
Perception of brand engagement	4.35	0.58

Turning to brand loyalty, Table 7 shows that respondents exhibit high levels of loyalty to brands they follow on social media (mean score = 4.30), along with favorable perceptions of brand engagement (mean score = 4.35) and a strong likelihood of repeat purchases (mean

score = 4.15). This underscores the effectiveness of social media in fostering brand loyalty among consumers.

Table 8. Pearson Correlation Between Social Media Engagement and Brand Loyalty

Variables	Pearson Correlation Coefficient (r)	p-value
Social media engagement & brand loyalty	0.68	0.000

Finally, the correlation analysis in Table 8 demonstrates a strong positive relationship ($r = 0.68$, $p = 0.000$) between social media engagement and brand loyalty, indicating that increased interaction with brands on social media significantly enhances consumer loyalty. This finding highlights the importance of continuous engagement and communication between brands and consumers in building long-term relationships.

Based on the analytical work done in this study, this paper has given insights into how consumers use social media to affect their expenditures and brand loyalty and supports the theoretical framework that suggests that social media is becoming very crucial in today's consumer behavior. The study proves that social media platforms including Facebook, Instagram, and TikTok are crucial in influencing the consumer decisions, brand choice and brand commitment by aspects like Adverts, sponsored Tickers and users-generated content. This section also presents the future studies relating to these findings, the concerned literature in relation to these findings to explain how this study fills into the existing literature gap.

Hypotheses that have been established from this study supports previous research which has established a strong correlation between social media usage and spending habits of consumers. According to correlation analysis, there is a positive and significant relationship between social media usage and overall consumer expenditure with an emphasis towards impulse purchasing as explained by prior findings by Liu et al., (2021); and Rosário & Raimundo (2021). Prior studies show that social media has a significant impact of facilitating the consumer decision making process and as a result, customers' decision-making process is done faster due to immediacy of information, peer recommendations, and endorsements by influential individuals (Macarthy, 2021; Shavitt & Barnes, 2020). Building on this understanding, this research shows the direct effect of platform engagement as a means of impulse buying behavior, an area which prior studies only posited but did not examine comprehensively (Werner & Wendt, 2021). This research makes significant contribution to the existing body of knowledge by presenting quantitative empirical data to address the existing research void on the SM/IB link.

In addition, the study has revealed that among platform choice (Facebook, Instagram, TikTok), more consumer expenses are incurred, which contributes to the depth to the existing body of knowledge. Even though there has been a great deal of earlier research on the impact of social media on the buying behavior of consumers, little research has been undertaken to compare the various social media sites in terms of their effect on spending (Pricopoaia & Susanu, 2021). This study fills this gap by explaining that consumer spending through the two types of platforms is not the same, probably because the different platforms adopt different methods of advertising and engaging influencers, as well as how the platforms interface with users. For example, details such as Facebook's target ad platform or the aesthetic of Instagram may affect, not to mention spending, then the entertainment-based short-form content of TikTok. Therefore, this study not only supports the concept that social media affects consumers' expenditure but also provides other insights on how every platform specifically affects the phenomenon.

From the findings of this study the following can be established: social media and Brand Loyalty This is another area where the study has provided fresh input (Santos et al., 2022). The results of the study depict that social media likes positively influence brand loyalty since the use of social media has a positive influence on repeat purchase (Haudi et al., 2022). This accredits the proposition that social media facilitates brands to engage in a more direct communication with their consumers besides providing an opportunity to support and interact with them and also engage in several exercises that support loyalty building (Jones & Vogl 2020; Sarkar & Banerjee 2022). Previous research has recognized the use of social media to increase levels of customers' satisfaction and their involvement mentioned in the literature and previous research (Pantic, 2020), thus, the present research provides the findings of this relationship with actual loyalty indicators like repurchase intention and customer attitudes towards brands.

One of the largest contributions of this study is that it targeted areas of how social media enhances brand community, which strengthens loyalty (Dwivedi et al., 2021). Compared to past studies that have at least touched upon the notion of brand communities (Santos et al., 2022), this work specifically focuses on how social media is central to those communities' development. These sites such as Facebook and Instagram provide an opportunity for the brand to make its users feel that they are part of it, thus securing their loyalty in the future., Santos et al. (2022) in this study identified the role of the online brand communities about the reinforcement of peer pressure and the narratives of brands consumers to enhance customer loyalty. This study addresses a gap in the existing literature where very few prior studies have provided an empirical assessment on how brand communities which originate from social media affect loyalty (de Oliveira et al., 2020)

Another aspect that this study fits into is the use of social media especially in customer service and the impact that it has on brand loyalty (Palalic et al., 2021). The evidence points toward the positive experiences of brands with customer support through social media turning the negative into positive feelings and increasing customers' loyalty. This finding supports the assertion made by Sarkar & Banerjee (2022) that proper and adequate responses on SNS can have a positive effect on customers' satisfaction and loyalty. Nevertheless, while there is previous research on social media customer service based on qualitative conclusions, however this paper adds quantitative evidence to these arguments. Customer engagement in service through social media platform correlates with the brand loyalty and it shows the direct effect of such engagement on customer loyalty (Agnihotri, R. (2020).

Overcoming Existing Shortcomings of Literature This paper effectively fills several shortcomings of the existing literature on the impact of social media on the buyer behavior and brand commitment. First, while there has been extensive research done on overall social media impacts, little has been done concerning actual consumer-related platforms used and how these platforms influence spending and loyalty differently (Schneider & Harknett, 2022; Cornwell & Katz, 2021). Besides confirming that social media is one of the most important factors that influence consumers' behavior, this study also defines how specific platforms such as Facebook, Instagram or TikTok influence consumers' spending and their loyalty.

Second, although prior literature has discussed the effects of social media on impulse buying and brand loyalty, this paper offers preliminary quantitative data that support the relevant hypotheses and quantify the associations between these variables using Pearson correlation and multiple regression, to name but a few (Rosário & Raimundo, 2021; Santos et al., 2022). As seen in the results, social media engagement has a strong positive influence on the consumer purchasing and company brand loyalty hence explaining the relationships in detail.

Third, this research also helps the advancement of the body of knowledge by offering a deeper look into the two areas that have been revealed in prior studies but need a more quantitative analysis of social media: building brand communities and customer service. By proving how consumer interactions reflect in the social media platform relates to sales in terms of sales and customers' retention, this study supplements knowledge on how social media act as a key tool in enhancing customer loyalty in an advanced technological era.

Conclusion

Consumer spending and brand loyalty has been shown in this study by social media to be very influential and this further supports the growing role of digital media in consumer preferences in the modern society. The studies showed that reactions to the advertisements specifically through the use of social media platforms and collaboration with influencers, using advertisements such as paid advertisements, surveys, and polls are linked to the consumers' spending power and brand recognition. In doing so, this research addresses a theoretical gap by providing an initial examination of the correlation between social media interaction and consumer behavior while providing concrete recommendations for the use of social media marketing by firms. These findings demonstrate the significance of individual and dialogic branding strategies to establishing the client base as well as influencing purchases.

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