

CHAPTER II

LITERATURE REVIEW

This chapter discusses the underlying theories or frameworks that guide the research. This chapter also provides comprehensive review of the literature on the study topic, highlighting the original ideas and relevant theoretical analysis.

2.1 Literature Review

2.1.1 Social Media Marketing

Kim & Ko (2012) stated that the usage of social media marketing has increased customer engagement and corporate reputation. According to Wibowo et al. (2021) the right marketing activity content on social media can influence people to buy products through social media platforms. Ismail (2017) added that social media has become a platform to promote products and services and marketers are able to interact with customers frequently. Kim & Ko (2012) described social media marketing efforts as comprising five dimensions: entertainment, interaction, trendiness, customization, and word of mouth (WOM).

2.1.1.1 Entertainment

According to Wijaya et al. (2021), photos and videos are a form of entertainment on social media platforms, which can attract customers to purchase products or services. Brands should provide engaging visual content to capture the attention of their target audience and effectively market their offerings. Seo & Park (2018) highlighted that entertainment as a crucial component of social media marketing activities. They define entertainment as the enjoyable and engaging elements incorporated into brand marketing content. Therefore, by delivering entertaining content, brands can enhance engagement which can increase product sales.

2.1.1.2 Customization

Zhu & Chen (2015) mentioned that customization refers to tailoring messages for their target audience. There are two categories of posts: personalized ones aimed at individuals or a select group, like sharing updates with close friends, and broadcast ones meant for a wider audience, such

as the Twitter accounts of public figures or celebrities. Hewett et al., (2016) expanded on this notion by emphasizing that customization is the practice of tailoring content, interaction, and experiences on social media platforms to meet the needs and preferences of individual users. By creating a tailored environment on social media platforms, brands can enhance engagement with consumers.

2.1.1.3 Interaction

Effective social media marketing relies on fostering strong connections between brands and their customers. According to Rahman et al. (2017) the amount of social media interaction between brands and customers can increase the brand's website traffic, driving more potential customers to explore the brand's offerings in greater detail. Samarah et al. (2021) further emphasized this point, defining social media marketing interaction as the extent to which a brand engages with its audience on social media platforms. This engagement demonstrates that the brand values and appreciates the time and effort customers put into their interactions. By actively participating in conversations and responding to customer feedback, brands can enhance their overall engagement with customers.

2.1.1.4 Electronic Word of Mouth (E-WOM)

According to Prasad et al., (2017) Electronic word-of-mouth (E-WOM) is communication of marketing messages and information about products or services among customers through social media platforms. E-WOM plays a crucial role in purchase decisions as it provides potential customers with insights and evaluation from other customers. Hidayanto et al. (2017) stated that eWOM shapes customers' perception and behavior formation in e-commerce. Electronic word-of-mouth increases visibility regarding the products or services, hence increasing their credibility through an impact on customers' purchase decisions. Therefore, by understanding and effectively leveraging eWOM has become a critical component of successful digital marketing strategies.

2.1.1.5 Trendiness

Godey et al. (2016) trendiness can be defined as the involvement in fashionable activities that keep consumers informed about current social trends and stimulate their engagement with a brand through the inspiration of fresh and creative ideas. By creating desire for novelty and excitement, brands can stimulate consumer engagement and create a loyal following. Liu et al. (2021) found that customers are encouraged to engage with the brands' social media activities when

the contents provide inspiring information. Therefore, trendiness has become a key driver of social media engagement as the activities involve delivering fresh and relevant content.

2.1.2 Consumer-Brand Engagement

According to Khan et al. (2016), Consumer-Brand Engagement includes proactive customer emotions, cognitions, and behaviours which can encourage positive brand experiences. Furthermore, brands that deliver unique and memorable experiences are more likely to encourage repeat visits from their customers. Lestari & Syah (2022) found that the antecedents of Consumer-Brand Engagement are customer satisfaction, trust, and commitments. These factors collectively contribute to building strong customer engagement, fostering loyalty, and stimulating positive word-of-mouth. Marketers must develop strategies that resonate with consumers on a deeper level by understanding the cultural and social contexts. By tailoring marketing efforts to align with these factors, brands can create meaningful connections with their target audience and drive long-term success.

2.1.3 Brand Awareness

According to Çifci et al. (2016), brand awareness is a pivotal metric for new brands and well established brands. Sultan et al., (2019) added that brand awareness is a crucial metric to initially capture consumer interest and subsequently fostering brand loyalty. Romaniuk et al. (2017) added brands have successfully created awareness when people recognize a brand within a product category without a prior purchase. This implies that a brand has effectively penetrated the consumer's consciousness and established a distinct identity. To measure brand awareness accurately, marketers typically employ metrics such as top-of-mind awareness (the first brand that comes to mind), unaided recall (ability to recall a brand without prompts), and aided recall (ability to recognize a brand from a list of options).

2.1.4 Brand Image

According to Sultan et al., (2019) brand image has a crucial role in the process of brand development as brand image has become the reputation and trustworthiness that encourage consumers to explore a product or services. It represents the collective perception of a brand, shaped by information and knowledge disseminated through various channels. Consequently, brand image holds the power to sway consumer attitudes and preferences. Raji et al. (2019) further define that

brand image is referred as the perceptions that relate to brand’s attributes such as quality, satisfaction, and value. A favourable brand image is determined by delivering product or services that consistently exceed customer expectations. This strategy is essential to recognize that brand image is a dynamic construct, which influenced by several factors such as marketing communications, product performance, and customer experience.

2.2 Previous Study

Table 2.1
Previous Research

No.	Journal	Variables	Research Method	Result
1.	“The influence of perceived social media marketing elements on Consumer-Brand Engagement and brand knowledge” (Cheung et al, 2019)	Entertainment, Interaction, Trendiness, Customization, EWOM	This research used quantitative approach by conducting online survey and collect the data through convenience sampling.	Social Media Marketing has a significant influence on developing positive and solid brand knowledge of customers.
2.	“An examination of social media advertising features, brand engagement and purchase intention in the fast-food industry” (Hanaysha, 2022)	Interactivity, Informativeness, Entertainment, Perceived Relevance, Brand Engagement, Purchase Intention	This research utilized an online survey. This research employed convenience sampling technique alongside PLS-SEM as the analytical tool.	Entertainment, as the element of social media advertising, has a positive impact on brand engagement.

3.	<p>“Do Social Media Marketing Activities Improve Brand Loyalty? An Empirical Study on Luxury Fashion Brands”</p> <p>Fetais et al., (2023)</p>	<p>Social Media Marketing (entertainment, customization, interaction, trendiness, electronic word of mouth), Lovemark (brand love, brand respect), brand loyalty, community engagement</p>	<p>This research utilized online survey and employed PLS-SEM and SmartPLS 3.03 as the analytical tool. This research utilized convenience sampling method.</p>	<p>This research found that social media marketing activities (SMMa) has a positive impact on community engagement. Furthermore, SMMa has a significant influence in improving lovemark (brand love and brand respect). However, SMMa doesn't have a significant influence on brand loyalty.</p>
4.	<p>“Power of Brand Awareness in Generating Loyalty among Youth through Reputation, Customer Engagement, and Trust”</p>	<p>Brand awareness, Consumer engagement, Brand reputation, Brand trust, Brand loyalty</p>	<p>This research utilized an online survey. This research employed convenience sampling technique alongside PLS-</p>	<p>This research stated that customer engagement is significantly influenced by brand awareness and reputation. Customer engagement has</p>

	Khan et al., (2020)		SEM as the analytical tool.	significant influence on brand loyalty.
5.	“The role of Brand Interactivity and Involvement in Driving Social Media Consumer Brand Engagement and Brand Loyalty: The Mediating Effect of Brand Trust.” (Samarah et al., 2022)	Brand interactivity, brand involvement, social media CBE, brand trust, behavioral brand loyalty	This research utilized online survey by distributing questionnaire to Royal Jordanian Airlines’ followers on Facebook. This research employed non-probability convenience sampling and PLS-SEM as the analytical tool.	This research found that brand interactivity and involvement have a significant influence on Customer Brand Engagement. Customers who engage directly with airline brands on social media platforms shows significant influence on Customer Brand Engagement.
6.	“Social Media Interaction, Brand Engagement, Brand Awareness, and Brand Image of a Traditional Chinese Pastry Shop During the COVID-19 Pandemic”	Social media interaction, Consumer-Brand Engagement, brand awareness, brand image.	This research utilized online survey to 175 respondents. The analytical tool being used in this research was SPSS. This research employed normality test,	This research discovered that social media interaction has a strong impact on customer brand engagement. Furthermore, this research also found that Consumer-Brand

	Thoo et al., (2023)		reliability test, and linear regression analysis.	Engagement has a positive relationship with brand awareness and brand image.
7.	“Antecedents and consequences of customer engagement in online brand communities” Chan et al., (2014)	System support, community value, freedom of expression, rewards and recognition, customer engagement, repurchase intention, and word-of-mouth intention	This research utilized survey by distributing questionnaire to 276 Facebook users at a local university. This research employed Likert and open-ended numerical questions as the measurement scale types. This research used PLS approach to perform statistical analysis.	This research discovered that community characteristics has an important role in engaging customers and contribute to the success of an online brand community on social networking sites. Furthermore, Consumer-Brand Engagement has a positive and significant influence on repurchase intention and word-of-mouth intention.
8.	“Effect of Social Media Marketing on Customer	Entertainment, personalization, interaction,	This research utilized an online survey by	The result of this research shows that social media

	Brand Engagement in the Banking Industry: Evidence from an Emerging Economy” Onuorah et al., (2022)	electronic word-of-mouth, and trendiness.	distributing questionnaires to 254 respondents and used a convenience sampling technique.	marketing has a positive and significant influence on Consumer-Brand Engagement.
9.	“Social Media Marketing Efforts of Luxury Brands: Influence on Brand Equity and Consumer Behavior” Godey et al., (2016)	Entertainment, interaction, trendiness, customization, word-of-mouth, brand equity, consumer response.	This research utilized an online survey. This research conducted exploratory and confirmatory factor analyses of SMMs, brand equity, and consumer response scales.	This research stated that Social Media Marketing (SMM) not only can increase brand awareness and reaching new customers, but also increase brand image.

2.3 Hypothesis Development

2.3.1 The Influence of Entertainment towards Consumer-Brand Engagement

Nowadays, people tend to actively engage with a brand when brand’s social media contents are entertaining. In marketing, entertainment covers a wide range of actions that aim to entertain, engage, and captivate consumers. Examples of these activities include social media interaction, interactive experiences, branded content, and ads. The trend in consumer behavior towards

prioritizing experiences and emotional connections over transactional interactions is reflected in the shift towards entertainment-based marketing.

According to Cheung et al., (2021) entertainment has an important role in driving the Consumer-Brand Engagement in social-exchange process. Entertainment emerges as companies craft engaging experiences for customers across social media platforms, which customers find enjoyable and light-hearted. In accordance with Hanaysha (2022), entertainment has a positive impact on Consumer-Brand Engagement. Bianchi & Andrews (2018) stated that consumers are more inclined to be highly motivated to engage in brand-related activities and to share their experience on social media when derive enjoyment from playful brand experiences provided by entertaining content.

Based on the previous studies, it can be concluded that entertainment has become a crucial element of social media marketing as it gives the customers a positive attitude toward a brand, which can increase engagement. Therefore, the first hypothesis is entertainment has a positive and significant influence on Consumer-Brand Engagement.

H1: Entertainment has a positive and significant influence on Consumer-Brand Engagement.

2.3.2 The Influence of Customization towards Consumer-Brand Engagement

In recent years, advancements in technology and data analytics have empowered brands to gather detailed insights into consumer behaviour and preferences. This capability has enabled the development of highly personalized marketing strategies and product offerings. For example, streaming services like Netflix offer personalized content recommendations based on viewing history. Such customization efforts are designed not only to meet consumer needs more effectively but also to foster a deeper connection with the brand.

In accordance with the previous study by Hewett et al., (2016), it is stated that customization is the practice of tailoring content, interaction, and experiences on social media platforms to meet the needs and preferences of individual users. According to Onourah et al., (2022) the capacity of a firm to elevate its engagement with customers is influenced by its capability to customize its social media content according to the individual interests of its customer base. Godey et al., (2016) found that customization enhances the user experience by providing relevant content, targeted advertising, personalized recommendations, and user-specific features.

Based on the previous studies, it can be concluded that customization is essential to build engagement between customers and the brand. Brands that effectively leverage customization are likely to see enhanced consumer satisfaction, loyalty, and engagement. Therefore, the third hypothesis is customization has a positive and significant influence on Consumer-Brand Engagement.

H2: Customization has a positive and significant influence towards Consumer-Brand Engagement.

2.3.3 The Influence of Interaction towards Consumer-Brand Engagement

The relationship between brands and consumers has grown in importance in the current digital era. The nature of consumer-brand connections have changed as a result of the widespread use of social media and digital platforms, placing a premium on involvement. Customers might feel closer to the brand through interaction. Customers can feel appreciated and understood when they receive personal attention, quick responses, and active engagement, which can lead to a stronger emotional bond.

In accordance with the findings of Godey et al., (2016) which stated that interaction has a positive impact on increasing engagement. According to Samarah et al., (2022) the perceived interactivity of a brand on social media suggests that the brand values and acknowledges the time and effort customers invest in the interaction process. Thoo et al., (2023) to enhance brand engagement, marketers can interact with their audience by posing inquiries and prompting them to share comments or react to the brand's content. Marketers and businesses are advised to utilize social media platforms to convey information about their brand and establish connections with their audience. In accordance with previous study by Fetais et al., (2023), social media marketing activities such as interaction gives a positive impact in improving Consumer-Brand Engagement.

Based on the previous studies, it can be concluded that interaction is essential to build engagement between customers and the brand. Interaction plays a critical role in influencing Consumer-Brand Engagement through emotional connection, trust-building, increased brand awareness, and encouraging participation. Therefore, the second hypothesis is interaction has a positive and significant influence on Consumer-Brand Engagement.

H3: Interaction has a positive and significant influence towards Consumer-Brand Engagement.

2.3.4 The Influence of Electronic Word-of-Mouth towards Consumer-Brand Engagement

Electronic word-of-mouth, or EWOM, has become an effective tool in the digital era, affecting customer behavior and building customer-brand engagement. Consumer recommendations and reviews on social media platforms like Facebook, X, and Instagram are important sources of word-of-mouth (EWOM) that have the power to greatly sway prospective buyers and encourage customers to interact with each other which can increase engagement.

In accordance with the findings of Onuorah et al., (2022) that word-of-mouth has a positive impact in increasing Consumer-Brand Engagement. According to Prasad et al., (2017) Electronic word-of-mouth (E-WOM) is communication of marketing messages and information about products or services among customers through social media platforms. Chan et al., (2014) suggest that Consumer-Brand Engagement yields positive results in the form of intention to repurchase and word-of-mouth intention.

Based on the previous studies, it can be concluded that electronic word-of-mouth is essential to build engagement between customers and the brand. Brands that effectively leverage positive EWOM and actively engage with their consumers online can enhance their credibility, foster deeper connections, and drive sustained engagement. Therefore, the fifth hypothesis is electronic word-of-mouth has a positive and significant influence towards Consumer-Brand Engagement.

H4: Electronic Word-of-Mouth has a positive and significant influence towards Consumer-Brand Engagement.

2.3.5 The Influence of Trendiness towards Consumer-Brand Engagement

Trends, whether they originated in fashion, technology, social media, or cultural movements, have a significant impact on consumers today. Companies that keep up with these trends are frequently seen as more inventive and dynamic. This is seen across a range of industries, from tech firms unveiling their newest devices to fashion labels introducing innovative looks, and even in the way businesses interact with social concerns and express their values.

According to Godey et al. (2016) trendiness can be defined as the involvement in fashionable activities that keep consumers informed about current social trends and stimulate their engagement with a brand through the inspiration of fresh and creative ideas. Onuorah et al., (2022) added that trendiness means trending hashtags, sharing up-to-date information and developments on social

media. Furthermore, brands' involvement in the realm of social media is often viewed as motivated by commercial interests which creates a tendency for brands to adopt a tone that aligns with current social issues and trends.

Based on the previous studies, it can be concluded that trendiness is essential to build engagement between customers and the brand. Brands that skilfully incorporate current trends into their strategies can capture consumer interest and sustain engagement. However, to maximize the benefits of trendiness, brands must balance it with authenticity and long-term brand values. Therefore, the fourth hypothesis is trendiness has a positive and significant influence towards Consumer-Brand Engagement.

H5: Trendiness has a positive and significant influence towards Consumer-Brand Engagement.

2.3.6 The Influence of Consumer-Brand Engagement on Brand Awareness

In today's digital and highly connected world, consumer engagement with brands goes beyond mere transactions. It encompasses interactions on social media, participation in brand communities, feedback and reviews, and active involvement in brand-related activities. Therefore, understanding the influence of customer-brand engagement on brand awareness is crucial for several reasons. Firstly, it highlights the role of engagement in not just attracting but also retaining consumer attention in a crowded market. Secondly, it underscores the potential for engaged customers to become brand advocates, further amplifying brand awareness.

In accordance with the findings of Khan et al., (2020) when companies effectively cultivate awareness of their brand, fostering a positive image among customers, it naturally engenders a sense of engagement and loyalty towards the brand among customers. Chan et al., (2014) stated that Consumer-Brand Engagement has a positive influence on brand awareness. The statement is also supported by the study of Thoo et al., (2023) that Consumer-Brand Engagement can increase brand awareness.

Based on the previous studies, it can be concluded that Consumer-Brand Engagement is essential to increase brand awareness. Brands that prioritize and cultivate strong engagement strategies can significantly boost their brand awareness, leading to greater recognition and a more profound connection with consumers. Therefore, the sixth hypothesis is Consumer-Brand Engagement has a positive and significant influence on brand awareness.

H6: Consumer-Brand Engagement has a positive and significant influence towards brand awareness.

2.3.7 The Influence of Consumer-Brand Engagement on Brand Image

During digital era when people are mostly do online shopping, brand image on social media platforms and e-commerce has become an important aspect for a customer before deciding to purchase a product. Most customers are more likely to purchase a product that has a positive brand image and more well-known. Brand image encompasses the collective perception of customers derived from information and knowledge about the brand. Furthermore, engaged customers can increase brand visibility which can make the brand more well-known.

Thoo et al., (2023) stated that Consumer-Brand Engagement has positively influenced brand image. According to Sultan et al., (2019) brand image has a crucial role in the process of brand development as brand image has become the reputation and trustworthiness that encourage consumers to explore a product or services. Companies ought to utilize social media platforms to connect with their target market, boosting interactions to foster brand engagement. By engaging with customers on social media platforms, companies demonstrate a heightened level of brand engagement aimed at cultivating a positive brand image. Based on the previous studies, it can be concluded that Consumer-Brand Engagement is essential to create a positive brand image of a brand by fostering emotional connections, driving positive word of mouth, generating authentic content, enabling responsive communication, and building a sense of community. Brands that prioritize and effectively manage customer engagement can significantly improve their brand image, leading to stronger consumer perceptions and a competitive advantage. Therefore, the seventh hypothesis is Consumer-Brand Engagement has a positive and significant influence on brand image.

H7: Consumer-Brand Engagement has a positive and significant influence towards brand image.

2.4 Research Model

Visualizing the hypothesis and connections of the variables used in research is crucial to further understanding the concept of this research. Thus, after constructing the hypothesis, the research conceptual framework will be visualized below:

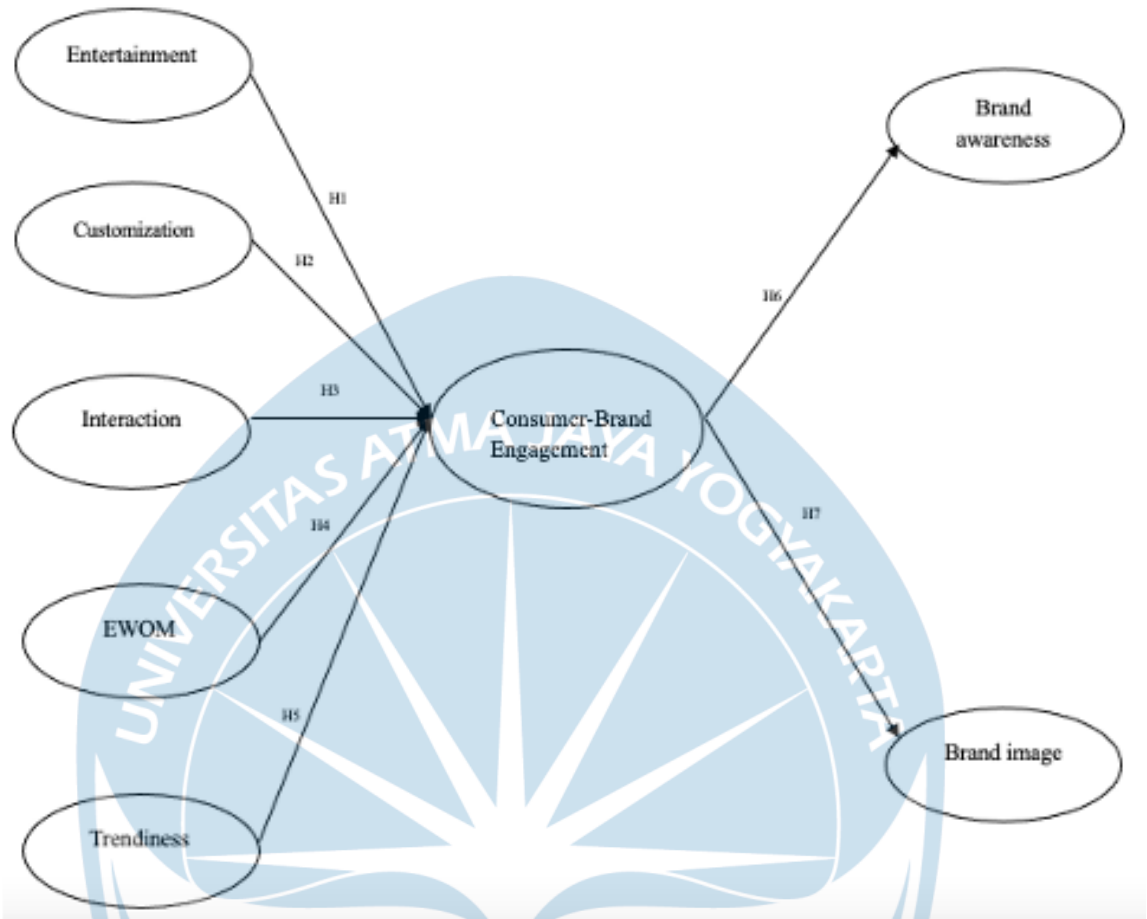


Figure 2.2 Theoretical Framework

Source: Cheung et al. (2019)