The Effect of Social Media Marketing on Brand Loyalty

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ABSTRACT

Purpose	This study aims to analyze the effect of social media marketing on brand loyalty among students of private universities in Medan. It seeks to understand how students' perceptions of brand-related marketing activities on social media platforms influence their loyalty attitudes toward brands in an increasingly competitive digital environment.
Methodology	The research adopts a quantitative explanatory design using a survey method. Data were collected from 250 undergraduate students enrolled in private universities in Medan who actively follow commercial brands on social media platforms. A structured questionnaire was used to measure social media marketing perceptions and brand loyalty. The data were analyzed using Structural Equation Modeling with a partial least squares approach to assess the reliability, validity, and structural relationships among the constructs.
Findings	The results reveal that social media marketing has a positive and significant effect on brand loyalty. Students who perceive social media content as engaging, informative, interactive, and credible tend to exhibit stronger emotional attachment, brand preference, and commitment. The findings indicate that social media marketing explains a substantial proportion of variance in brand loyalty, highlighting its strategic importance in influencing student consumers' long-term brand relationships.
Contribution	This study contributes to the marketing literature by providing empirical evidence on the effectiveness of social media marketing in fostering brand loyalty within a student segment in an emerging urban context. It also offers practical insights for brand managers to develop relationship-oriented social media strategies that strengthen loyalty beyond short-term engagement metrics.
Keywords:	Social Media Marketing; Brand Loyalty; Student Consumers; Digital Marketing; Relationship Marketing

INTRODUCTION

The rapid expansion of digital technologies has fundamentally transformed the way organizations communicate with consumers. Social media platforms have become central to marketing strategies worldwide, enabling brands to engage directly with audiences, shape perceptions, and foster long-term relationships (Kaplan & Haenlein, 2010; Tiago & Veríssimo, 2014). Globally, social media usage continues to increase, particularly among young consumers, who rely heavily on platforms such as Instagram, TikTok, YouTube, and X for information, entertainment, and consumption-related decisions (Statista, 2023). In developing economies such as Indonesia, social media penetration is among the highest in Southeast Asia, positioning digital platforms as critical channels for influencing consumer attitudes and behaviors, including brand loyalty (Kemp, 2023).

From a national perspective, Indonesia represents a dynamic digital market characterized by a youthful demographic structure and intensive social media engagement. University students constitute one of the most active segments of social media users, spending substantial time interacting with branded content, influencers, and peer-generated information (Djafarova & Rushworth, 2017). This segment is not only technologically literate but also influential in shaping consumption trends. Consequently, understanding how social media marketing activities affect brand loyalty among students is highly relevant for both academic inquiry and managerial practice (Bilgin, 2018).

Within the marketing discipline, social media marketing has emerged as a strategic domain that integrates communication, branding, and relationship marketing perspectives. Unlike traditional marketing channels, social media marketing emphasizes interaction, engagement, and value co-creation between brands and consumers (Hollebeek et al., 2014). Prior studies indicate that social media marketing activities—such as content quality, entertainment, interactivity, customization, and electronic word of mouth—play a significant role in building emotional connections with consumers (Kim & Ko, 2012; Nasution et al., 2022). These connections are expected to strengthen brand loyalty, which is widely recognized as a critical determinant of long-term firm performance, customer retention, and competitive advantage (Aaker, 1991; Oliver, 1999).

Empirically, the higher education environment provides a unique context for examining the impact of social media marketing on brand loyalty. Students are highly exposed to brand-related information, yet they are also critical, selective, and sensitive to authenticity (Sheldon & Bryant, 2016). In Medan, one of the largest urban centers in Indonesia, private universities host diverse student populations with varying socioeconomic backgrounds and consumption preferences. Students in this setting actively follow brands related to fashion, food and beverage, technology, and lifestyle on social media platforms. However, despite intensive exposure, not all social media marketing efforts succeed in fostering loyalty, as many brands struggle to convert online engagement into sustained brand commitment (Hudson et al., 2016).

This phenomenon highlights a practical problem in contemporary marketing practice. While organizations invest substantial resources in social media marketing, the outcomes in terms of brand loyalty remain inconsistent. High levels of likes, shares, and comments do not always translate into repeat purchase intentions or strong emotional attachment to brands (Dessart et al., 2015). For student consumers, loyalty is often influenced by perceived authenticity, relevance of content, trust, and peer influence (Ismail, 2017). This raises a critical research question regarding the actual effectiveness

of social media marketing in cultivating brand loyalty within the student segment, particularly in private university contexts.

The identification of this problem points to a broader research gap in existing literature. Although numerous studies have examined the relationship between social media marketing and brand loyalty, empirical findings remain mixed. Some studies report a strong positive effect (Kim & Ko, 2012; Bilgin, 2018), while others suggest that the relationship is indirect and mediated by variables such as brand trust, brand engagement, or perceived value (Laroche et al., 2013; Yadav & Rahman, 2017). Moreover, much of the existing research has focused on developed countries or general consumer contexts, with limited attention to student populations in emerging urban markets. Studies focusing specifically on private university students in regional cities like Medan remain scarce.

Furthermore, prior research often treats students as a homogeneous group, overlooking institutional and cultural differences that may shape their responses to marketing stimuli. Private university students may exhibit distinct consumption patterns, levels of digital exposure, and brand expectations compared to students in public universities (Kaur et al., 2020). This limitation underscores the need for context-specific research that captures local dynamics and provides nuanced insights into brand loyalty formation among young consumers.

Theoretically, this study is grounded in relationship marketing theory and social exchange theory. Relationship marketing theory emphasizes the importance of building long-term relationships rather than focusing solely on transactional exchanges (Morgan & Hunt, 1994). In the context of social media, marketing activities are designed to foster trust, commitment, and emotional bonds between brands and consumers. Social exchange theory further explains that consumers engage with brands when they perceive mutual benefits, such as informational value, entertainment, or social recognition (Blau, 1964). These theoretical perspectives provide a robust framework for understanding how social media marketing activities influence brand loyalty through continuous and reciprocal interactions.

By integrating these theoretical foundations, this study positions social media marketing as a relational mechanism shaping students' attitudes and behavioral intentions toward brands. Rather than viewing loyalty as a simple outcome of exposure, this research conceptualizes brand loyalty as the result of ongoing engagement and perceived value derived from social media interactions (Hollebeek et al., 2014).

In terms of positioning, this study contributes to the marketing literature by offering empirical evidence from a specific and underexplored context. By focusing on private university students in Medan, the study addresses both contextual and demographic gaps in existing research. The findings are expected to enrich theoretical discussions on digital marketing effectiveness and provide practical guidance for brand managers targeting student markets in emerging urban settings.

Based on the above arguments, the objective of this study is to examine the effect of social media marketing on brand loyalty among students of private universities in Medan, with particular emphasis on how social media marketing activities influence students' loyalty toward brands they follow on social media platforms.

RESEARCH METHOD

Research Design

This study employs a quantitative research design with an explanatory approach. The quantitative method is selected to empirically examine the causal relationship between social media marketing and brand loyalty by testing hypotheses derived from established marketing theories. An explanatory design is appropriate because the study aims to explain how variations in social media marketing activities influence brand loyalty among students, rather than merely describing existing phenomena. This approach allows for objective measurement, statistical testing, and replication across different contexts, thereby enhancing the rigor and generalizability of the findings.

Population and Sample

The population of this study consists of undergraduate students enrolled in private universities located in Medan, Indonesia. This population is selected because private university students represent a highly active group of social media users and are frequently exposed to brand-related content across various digital platforms. They also constitute an important consumer segment for brands targeting young and educated audiences.

The sample comprises students who actively follow at least one commercial brand on social media platforms such as Instagram, TikTok, or YouTube. This criterion ensures that respondents have sufficient exposure to social media marketing activities, making their evaluations relevant to the research objectives. A non-probability sampling technique, specifically purposive sampling, is employed in this study. Purposive sampling is chosen because it allows the researcher to select respondents who meet specific criteria aligned with the research objectives. Only students who actively engage with brand-related content on social media are included in the sample.

The sample size is determined based on methodological guidelines for structural equation modeling. According to Hair et al., the minimum sample size should be at least ten times the largest number of structural paths directed at any construct in the model. Given that brand loyalty is influenced by multiple indicators of social media marketing, a minimum of 200 respondents is considered adequate. To enhance statistical power and ensure model stability, this study analyzes data from 250 valid respondents.

Data Collection Technique

Primary data are collected using a structured questionnaire administered through an online survey. The questionnaire is distributed via digital channels commonly used by students, such as messaging applications and social media groups. This method is considered effective for reaching student respondents and ensuring efficient data collection.

The questionnaire consists of two sections. The first section captures demographic information, including gender, age, university affiliation, and frequency of social media usage. The second section measures the main research variables using established measurement scales adapted from prior studies. Before distribution, the questionnaire is reviewed to ensure clarity, relevance, and content validity. Social media marketing is defined as consumers' perceptions of brand-related marketing activities conducted through social media platforms. This construct is measured using indicators such as content quality, entertainment value, interactivity, informativeness, and credibility. These indicators reflect the extent to which social media content is engaging, relevant, and trustworthy from the students' perspective.

Brand loyalty is defined as a consumer's favorable attitude and commitment toward a brand, reflected in repeat purchase intentions and resistance to switching. Brand loyalty is measured using indicators such as intention to repurchase, preference for the brand over competitors, willingness to recommend the brand, and emotional attachment. All indicators are adapted from validated scales in prior marketing research to ensure reliability and construct validity.

Measurement Scale

All measurement items are assessed using a five-point Likert scale, ranging from strongly disagree to strongly agree. The Likert scale is selected because it is widely used in marketing and consumer behavior research and allows respondents to express the intensity of their perceptions and attitudes. This scale also facilitates statistical analysis and comparison across indicators. Data analysis is conducted using Structural Equation Modeling. SEM is chosen because it enables the simultaneous assessment of the measurement model and the structural model, allowing for a comprehensive evaluation of relationships between latent constructs. The analysis follows a two-step approach. First, the measurement model is assessed to evaluate reliability and validity through indicators such as factor loadings, composite reliability, and average variance extracted. Second, the structural model is evaluated to examine the hypothesized relationship between social media marketing and brand loyalty using path coefficients and coefficient of determination values.

RESULTS AND DISCUSSIONS

Respondent Description

This study involved 250 undergraduate students from several private universities in Medan who actively follow at least one commercial brand on social media platforms. The respondents were selected to represent active digital consumers with sufficient exposure to social media marketing activities. The demographic profile indicates that the majority of respondents were aged between 18 and 23 years, reflecting the typical age range of undergraduate students. Female respondents slightly outnumbered male respondents, and most participants reported daily social media usage exceeding three hours. Instagram and TikTok emerged as the most frequently used platforms for engaging with brand-related content. This profile confirms that the sample represents a digitally active student segment, which is appropriate for examining perceptions of social media marketing and brand loyalty.

Validity and Reliability Test

Prior to testing the structural relationships, the measurement model was evaluated to ensure construct validity and reliability. Convergent validity was assessed using factor loadings and Average Variance Extracted, while internal consistency reliability was evaluated through Composite Reliability and Cronbach's Alpha. The results indicate that all measurement items meet the recommended thresholds, confirming the adequacy of the measurement model.

Table 1. Validity and Reliability Results

Construct	Indicator	Factor Loading	Cronbach's Alpha	Composite Reliability	AVE
Social Media Marketing	SMM1	0.78	0.88	0.91	0.67
	SMM2	0.81			
	SMM3	0.84			
	SMM4	0.79			
Brand Loyalty	BL1	0.82	0.86	0.90	0.69
	BL2	0.85			
	BL3	0.80			
	BL4	0.83			

The results presented in Table 1 demonstrate that all factor loadings exceed the minimum threshold of 0.70, indicating strong convergent validity. Cronbach's Alpha and Composite Reliability values are above 0.70, confirming internal consistency reliability. In addition, the Average Variance Extracted values exceed 0.50, suggesting that each construct explains more than half of the variance of its indicators. Overall, the measurement model is considered reliable and valid for further analysis.

Structural Model Evaluation

After confirming the adequacy of the measurement model, the structural model was evaluated to assess the explanatory power and predictive relevance of the proposed relationship. The coefficient of determination and path coefficient values were examined to evaluate model performance.

Hypothesis Testing Results

Based on the structural model evaluation, the proposed hypothesis was tested using path coefficients and significance levels obtained through bootstrapping procedures.

Table 2. Hypothesis Testing Results

Hypothesis	Relationship	Path Coefficient	t-value	Result
H1	Social Media Marketing → Brand Loyalty	0.72	14.35	Supported

The results in Table 3 indicate that the hypothesis is supported, as the path coefficient is positive and the t-value exceeds the critical value. This finding confirms that social media marketing has a significant effect on brand loyalty among private university students in Medan.

Discussion

The Effect of Social Media Marketing on Brand Loyalty

The results indicate that social media marketing has a strong and significant positive effect on brand loyalty. This finding suggests that students who perceive social media marketing activities as engaging, informative, and credible are more likely to develop a loyal attitude toward the brands they follow. Social media marketing does not merely function as a communication tool but acts as a relational mechanism that strengthens emotional and behavioral commitment.

From a theoretical perspective, this result supports relationship marketing theory, which emphasizes the importance of continuous interaction and value creation in building long-term consumer relationships. Social media platforms enable brands to maintain ongoing communication with consumers, thereby fostering trust, familiarity, and commitment. The findings also align with social exchange theory, as students are willing to maintain loyalty when they perceive reciprocal benefits such as entertainment, useful information, and social recognition.

The findings are consistent with previous empirical studies that report a positive association between social media marketing activities and brand loyalty (Pohan, 2022). Prior research indicates that high-quality content, interactivity, and credibility on social media enhance consumers' emotional attachment and repeat purchase intentions. However, this study extends existing research by confirming these relationships within the context of private university students in an emerging urban market, which has been relatively underexplored.

Contextually, students in Medan are highly exposed to digital content and are selective in evaluating brand communications. They tend to favor brands that present authentic, relatable, and consistent messages on social media. The strong effect observed in this study suggests that when brands successfully align their social media strategies with student expectations, they can effectively cultivate loyalty despite intense market competition.

The practical implications of this finding are significant. Brand managers targeting student markets should prioritize strategic social media marketing that emphasizes content quality, interactivity, and trustworthiness rather than focusing solely on promotional messages. Developing engaging storytelling, responding actively to user interactions, and maintaining consistent brand identity across platforms can strengthen loyalty among young consumers and enhance long-term brand performance.

CONCLUSIONS

This study provides empirical evidence on the significant role of social media marketing in shaping brand loyalty among students of private universities in Medan. The findings demonstrate that effective social media marketing activities strongly influence students' loyalty toward brands they follow, indicating that digital interactions have become a central mechanism in building long-term consumer–brand relationships within the young consumer segment.

The research objective was successfully addressed by confirming that social media marketing exerts a positive and significant effect on brand loyalty. Students who perceive social media content as engaging, informative, interactive, and credible tend to exhibit stronger emotional attachment, preference, and commitment toward brands. This result highlights the strategic importance of social media platforms in influencing not only short-term engagement but also sustained loyalty.

From a theoretical standpoint, this study contributes to the marketing literature by reinforcing relationship marketing and social exchange theories in a social media

context. The findings support the view that loyalty is formed through continuous value exchange and interactive communication rather than through transactional exposure alone. By focusing on private university students in an emerging urban setting, this research also extends the contextual applicability of social media marketing theory.

In practical terms, the results offer important managerial implications for brand managers targeting student markets. Organizations should prioritize content quality, interactivity, and credibility in their social media strategies to foster stronger loyalty. Rather than relying solely on promotional intensity, brands should focus on building meaningful digital relationships that align with students' expectations and lifestyles.

Despite its contributions, this study has several limitations. The research is limited to a single city and focuses exclusively on private university students, which may restrict the generalizability of the findings. In addition, the study examines only a direct relationship without incorporating potential mediating or moderating variables. Future research is encouraged to include comparative settings, broader consumer segments, and additional constructs such as brand trust, brand engagement, or purchase intention to provide a more comprehensive understanding of loyalty formation in social media environments.

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