

The Role of Customer Engagement in Transforming Social Media Marketing and Experience into Customer Behavioral Outcomes

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ABSTRACT

Technologies have reshaped consumer-brand interactions, positioning social media marketing (SMM) as a pivotal strategy for shaping consumer behavior and fostering long-term customer relationships. As digital touchpoints increasingly define the customer journey, understanding how SMM affects downstream behavioral outcomes such as loyalty and purchase intention has gained scholarly and managerial attention. Drawing upon the Stimulus-Organism-Response (S-O-R) theory, this study aims to examine the direct and indirect effects of social media marketing and customer experience on purchase intention, with customer engagement and loyalty intention serving as mediators. The study adopts a quantitative, cross-sectional design, collecting data from 376 active social media users in Pakistan using purposive sampling. Structural Equation Modeling was conducted using SmartPLS 4.0 to evaluate both measurement and structural models. The findings reveal that SMM significantly influences loyalty intention directly and indirectly through customer engagement, while loyalty intention further enhances purchase intention. However, customer experience does not directly impact purchase intention, nor does it mediate through customer engagement, indicating a more complex relationship. These results emphasize the importance of engagement as a strategic bridge between digital marketing efforts and customer loyalty. The study advances theoretical understanding by contextualizing the S-O-R model within digital consumer behavior and offers practical implications for marketers seeking to convert engagement into loyalty and transactional outcomes.

Keywords: Social Media Marketing (SMM), Loyalty Intention (LI), Customer Experience (CX), Purchase Intention (PI), Customer Engagement (CE)

INTRODUCTION

The dynamic interplay between consumers and brands has been significantly reshaped by the rise of social media. As global markets become saturated and competitive advantages diminish rapidly, businesses are compelled to develop sophisticated strategies that cultivate meaningful connections with their customers (Chahal & Rani, 2023). Unlike traditional marketing channels, social media platforms

provide real-time interactivity and personalized engagement, transforming passive consumers into active participants in brand narratives. These developments reflect a paradigm shift in marketing: from product-centric approaches to experience-oriented and relationship-driven strategies. At the heart of this transformation lies the role of consumer engagement, a psychological state that goes beyond mere satisfaction to encompass emotional, cognitive, and behavioral investment in the brand (Islam et al., 2022). Marketers must also curate memorable and satisfying customer experiences to build sustainable competitive edges. The convergence of strategic social media marketing efforts and elevated customer experience design is critical in shaping customer loyalty and purchase intentions. As digital platforms continue to evolve, understanding how such multifaceted stimuli influence downstream behavioral outcomes becomes essential for both academic scholarship and marketing practitioners. Recent literature has begun to emphasize this interactional complexity, yet comprehensive models integrating these variables remain underexplored (Kamboj & Rana, 2023).

Existing research provides considerable evidence that social media marketing activities, such as content relevance, interactivity, and entertainment value, enhance brand perception and consumer responsiveness (Algharabat et al., 2022). The concept of customer engagement has emerged as a critical mediator in the relationship between marketing strategies and consumer loyalty outcomes (Rather et al., 2023). Prior studies have also acknowledged the importance of customer experience as a strategic tool for differentiation and long-term relationship building (Lemon & Verhoef, 2022). Despite these advancements, most research treats social media marketing, customer experience, engagement, loyalty, and purchase intention as isolated or linear constructs. A growing number of empirical studies suggest that these variables interact in a complex ecosystem, but holistic frameworks capturing these interdependencies are scarce. While a few studies explore dyadic relationships, such as social media and engagement or engagement and loyalty, there is a limited understanding of the cumulative and integrative effects across the entire consumer journey (Pansari & Kumar, 2022).

The importance of effective digital consumer strategies is emphasized by ongoing global market disruptions. Post-pandemic consumer behavior has shifted dramatically, with increased reliance on online platforms for shopping, brand discovery, and service delivery (Statista, 2023). Globally, over 4.95 billion individuals were active internet users in 2023, with social media becoming a key avenue for brand-consumer interaction (DataReportal, 2023). Countries such as the United States, India, and Pakistan have seen exponential growth in digital marketing adoption across both large enterprises and SMEs. However, digital noise and platform fatigue pose substantial barriers to achieving consumer loyalty. In Pakistan, for instance, digital penetration has accelerated due to improved connectivity and smartphone adoption. Yet, many local firms struggle to translate online visibility into actual consumer retention or purchase conversions (Qureshi & Memon, 2023). Traditional loyalty-building methods are no longer sufficient, as customers seek personalized, seamless, and emotionally resonant experiences across digital touchpoints. At the same time, economic instability and inflationary pressures increase price sensitivity, requiring businesses to enhance customer retention through non-monetary value propositions. These contextual challenges highlight the need to reassess how integrated marketing strategies, especially via social media, can meaningfully influence long-term consumer behaviors like loyalty and purchasing, not just brand awareness.

While the relevance of social media marketing, customer experience, and engagement in driving consumer behavior has been acknowledged, existing research often examines these constructs in a piecemeal manner. The fragmented nature of previous empirical models fails to encapsulate how these factors interact simultaneously to affect loyalty and purchase intentions. For instance, while some scholars focus on the direct impact of social media activities on customer attitudes (Algharabat et al., 2022), others emphasize customer engagement as a standalone antecedent of behavioral intentions

(Rather et al., 2023). Very few studies attempt to investigate whether engagement acts as a central conduit through which upstream marketing strategies influence downstream consumer outcomes like loyalty and purchases. Many studies overlook the dual role of customer experience as both a precursor and an amplifier of engagement and behavioral intentions (Kamboj & Rana, 2023). This omission is particularly problematic in a digitized context where user experience across touchpoints significantly shapes brand equity. There is insufficient empirical work testing integrated models that can validate whether loyalty intention serves as a bridge between engagement and actual purchasing behavior. The lack of such holistic models limits the theoretical generalizability and practical applicability of research findings. This study addresses these gaps by proposing a comprehensive framework that simultaneously examines the impact of social media marketing and customer experience on engagement, and subsequently, their influence on loyalty and purchase intention. The study further explores the mediating roles of engagement and loyalty intention, providing a more robust explanation of consumer decision-making in a digital landscape.

Understanding the mechanisms that drive customer loyalty and purchase intention is crucial for contemporary marketers aiming to optimize return on investment (ROI) in digital campaigns. As competition intensifies and consumer expectations evolve, firms that fail to deliver coherent and engaging digital experiences risk customer churn and reputational damage (Lemon & Verhoef, 2022). The inability to create a connected experience, one that integrates brand content, user engagement, and emotional resonance, undermines strategic objectives and reduces lifetime customer value. Organizations that successfully synchronize social media marketing with customer experience design stand to benefit from enhanced brand equity, advocacy, and repeated purchases. In emerging economies, such as Pakistan, the urgency is even greater. Budget constraints, digital literacy gaps, and infrastructure limitations necessitate highly efficient marketing strategies. The insights derived from this research will not only help firms in such contexts tailor their marketing investments more effectively but also guide them in fostering long-term consumer relationships. From a policy perspective, encouraging small businesses to adopt integrated digital marketing models could accelerate entrepreneurial success and economic development. Addressing this research problem, therefore, is both timely and significant, as it aligns with business, consumer, and national development interests.

This research contributes to the literature by offering a multidimensional framework that integrates social media marketing activities, customer experience, and customer engagement to predict loyalty and purchase intention. By empirically validating a dual mediation model, the study clarifies the psychological and behavioral pathways that underlie consumer decision-making in digital contexts. The model provides actionable insights for marketers to holistically design digital strategies that align with evolving consumer expectations. The contextual application to Pakistan also offers region-specific insights, enriching the global discourse on digital consumer behavior in under-researched markets.

The study advances marketing theory by bridging the gaps between engagement literature, experiential marketing, and digital loyalty research. Practically, the model informs marketers and digital strategists about how to enhance customer engagement and loyalty through synchronized social media and experiential initiatives. The conceptual model is underpinned by the Stimulus-Organism-Response (S-O-R) Theory, which posits that external stimuli (e.g., marketing and experiential inputs) affect the internal states (e.g., engagement), which shape behavioral responses (e.g., loyalty and purchase intention) (Mehrabian & Russell, 1974; updated applications: Wang et al., 2022). The S-O-R framework robustly captures the psychological mechanisms through which consumers respond to digital stimuli in integrated marketing environments.

Theoretical framework

The Stimulus-Organism-Response (S-O-R) theory, originally proposed by Mehrabian and Russell (1974), offers a robust foundation for understanding consumer behavior in complex decision-making environments. The framework assumes that environmental events (S) arouse internalized cognitive and emotional states of individuals (O) that culminate into behavior responses (R). The model originally used in the research on environmental psychology, is now widely utilized in marketing and research on consumer behavior to investigate the impact on the psychological state of a consumer and the resultant behaviors as causing by the external stimuli of marketing (Wang et al., 2022). Modern marketing and especially online marketing, consumers are continuously bombarded with numerous stimuli, including not only brand messages and the interactivity of the content but also customer-focused service design. These are not just informational triggers, they are engrossing, involving and emotive, influencing the manner in which a consumer makes associations with experiences and reaches conclusions. S-O-R framework and its step-by-step integrative approach help to describe such complexity. It realizes that stimulus without direct influence of behavior acts through internal psychological processes hence the importance of the mediated aspects of cognitive and affective processes (Jiang & Wen, 2022). The organism aspect of the theory includes internal assessment of the consumers such as their perception, emotions and attitudes. Such inner attitudes are not fixed but they are formed as a result of continuous exposure to brand surroundings. In an ecosystem of digital marketing, e.g., in social media, the density of content and interactivity presents a stimulus and converts users into emotionally and cognitively active participants (Islam et al., 2022). These psychological states play an important role in helping consumers to understand their perception of value, trust and relational ties between brands. Therefore, the theory offers an eye to understand the affective-cognitive continuum which at the end describes the behavioral intentions of the consumers.

A key strength of the S-O-R framework lies in its flexibility and adaptability to various marketing contexts. It has effectively been implemented in research that focuses on investigating the online shopping environments, service experience and brand communities to determine how environmental cues could influence customer perceptions and affect engagement and loyalty (Chahal & Rani, 2023). Its applicability has become even higher in terms of the post-pandemic digital transformation, when the customer journeys are largely mediated by online and hybrid touchpoints. The flexibility of the S-O-R model in terms of its ability to handle multidimensional stimuli, as well as non-linear consumer responses, renders it quite helpful when it comes to understanding the subtleties of digital marketing practices effects. The theory is also consistent with the experiential perspective of consumption, which states that people want both instrumentality and emotional, symbolic, and hedonic value of consumption beyond the functional value (Lemon & Verhoef, 2022). This experiential lens adds richness to the organism component because it takes into consideration rational assessments, as well as emotional experiences, the latter of which offers a more comprehensive grasp of consumer behavior. The S-O-R model does not only describe on how the environmental cues create certain behaviors, but also reveals the mechanisms behind the interpretation of the marketing stimuli into enduring behavioral consequences, like loyalty and purchase decisions.

Hypotheses Development

Social media marketing (SMM) has emerged as a critical tool for brands to foster deeper consumer relationships, extend reach, and influence behavioral outcomes. SMM has interactive and customized communication in contrast to the traditional marketing channels through which firms have greater implication to communicate with customers (Chahal & Rani, 2023). Social media platforms offer rich

brand experiences, e.g. through content sharing, real-time feedback or community building and these are due to the fact that the immersive experiences afforded by the platform may importantly influence the attitudinal and behavioral response of the consumers. Customer loyalty intention is the predisposition of customers to stick to a brand and develop a long-term relationship with it, which prompts recommending and returning purchases, among others (Rather et al., 2023). The interactivity, entertainment, and the informativeness covered in the contents of social media have the capacity to reinforce the psychological connection between the consumer and the brand. According to empirical evidence, an effective implementation of social media campaigns has a positive effect in raising brand trust and satisfaction, which positively affect loyalty intention (Islam et al., 2022). Social media can be used to create a spirit of authenticity and commitment to relationships between the brand and the people who use it (Kamboj & Rana, 2023). Based on such understanding, one could say that companies that appropriately utilize SMM in their content to provide people with interesting, meaningful, and valuable information have better opportunities to construct an emotional connection that will make consumers behave in a loyal manner. In this connection, social media marketing can be used not only as an instrument of communications, but a strategic tool of long-term building of consumer-brand relations.

H1: Social media marketing has a positive and significant impact on customers' loyalty intention.

Competitive and digitalized market environment, customer experience has become a pivotal determinant of consumer behavior. It includes the total impression created by all contacts with the brand, pre- and post-purchase, pre- and post-purchase Clara Lemon and Sophie Verhoef (2022). Customer experience cannot be reduced to satisfaction with the products, and includes involvement of the person emotionally, smooth process of the delivery of the service and creation of individual value. When customers have high experiential value, the chances of developing positive attitudes towards the brand and varying positive attitudes into a behavioral intention is very high (Chahal & Rani, 2023). Purchase intention, which is a conscious intention of a consumer to purchase a particular product or service over the near future, is greatly influenced by the customer experience translation in regards to their interaction with a brand (Rather et al., 2023). According to recent empirical studies, memorable and satisfactory customer experience leads to increased perceived trust and emotional connection that is one of the crucial antecedents of purchase behavior (Kamboj & Rana, 2023). The quality of experience is also ensured at touchpoints, including responsiveness, aesthetics, personalization, and consistency, which are essential in developing the purchasing preferences in digital and service environments where the process of physical inspection is restricted. As the customer expectations change, companies with less focus on experience suffer customer turnover and those that provide better experienced customers have more chances of encouraging conversion and growth. Therefore, it will naturally be the case that an improved experience of customers will affect the likelihood of customers buying positively.

H2: Customer experience has a positive and significant impact on customers' purchase intention.

The dynamics of consumer choice have shifted in recent years, not merely due to advancements in technology or market competition, but due to the evolving expectations consumers hold toward brand relationships. What used to be a post-purchase result (loyalty) has been slowly evolving to pre-purchase predictor, which today has become an intention way before there has been any form of actual transactional behavior. This minor adjustment in the theorization of loyalty intention raises new questions as to how the intention can and potentially does influence real-life purchase behavior. There is an ever-growing recognition of the claim that the contemporary customers are now not only value-oriented but also experience-sensitive, and these dualistic characters tend to coalesce into the intentions based on loyalty (Rather et al., 2023). But the question that raises the most interest is how these intentions are

carried over to actual buying attitude, which seems to be more noticeable in the setting where relational capital, emotional involvement, and having previous satisfaction with the brand intersect (Islam et al., 2022). In those scenarios, intention to be loyal can act as an attitude, but also as a mental disposition to take action. This relationship is alluded to in current empirical research. According to Lemon and Verhoef (2022), the consumers with higher indicators of loyalty are likely to perform with lesser uncertainty in decision-making as it helps them take proper action. Kamboj and Rana (2023) notice that loyalty-based behavioral intentions tend to be effective leading indicators of the actual purchase behaviors in the digitally mediated settings. Even though this connection strength might be different between segments or sectors, the directional influence is theoretically acceptable.

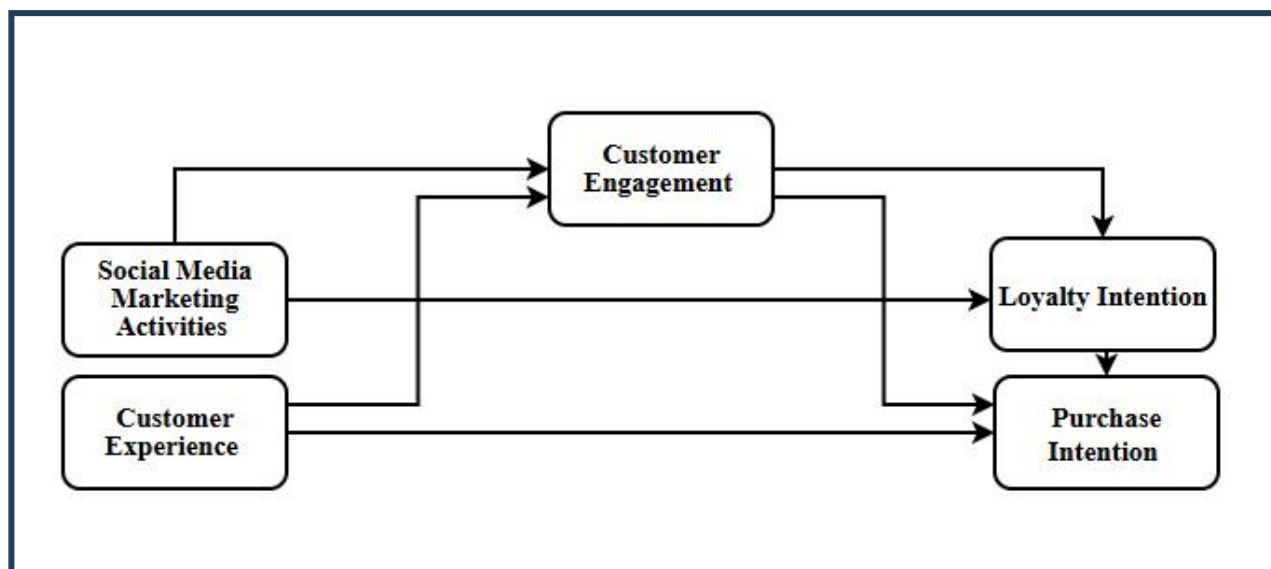
H3: Loyalty intention positively influences customers' purchase intention.

In contemporary digital marketing landscapes, SMM has proven effective in enhancing customer-brand relationships, yet its influence on loyalty intention is rarely direct or uni-dimensional. Rather, the existing literature indicates the usefulness of customer engagement as an essential mediating construct that redirects the impacts of SMM towards the creation of meaningful loyalty-related results (Islam et al., 2022). Customer engagement, also referred to as mental, emotional and behavioral state of investing people on their brand relationship, is the adaptation of marketing stimuli in form of brands-pertinent behaviors and attitudes (Rather et al., 2023). A mediating result of engagement is evidenced by empirical research on this relationship. Chahal and Rani (2023) identified that customer engagement with respect to entertainment, interactivity, and credibility in the social media content was a great facilitator of increased loyalty intentions. This is evidenced by the study conducted by Kamboj and Rana (2023) who asserted that engagement is a critical psychological connection that allows brands to transform the social media initiatives into the relational variables like trust, satisfaction, and loyalty. The results, as can be perceived, are consistent with the Stimulus-Organism-Response (S-O-R) model, with the social media marketing (stimulus) affecting the inner psychological states (organism, engagement), and then providing the direction towards the behavioral responses (response, intention to be loyal).

H4: Customer engagement mediates the relationship between social media marketing and customers' loyalty intention.

Consumer behavior and customer experience has emerged as a critical driver of purchase intention. There is no always direct connection between experience and real behavior outcomes. More and more customer engagement is perceived as such a key mechanism as it converts positive experiences into actionable consumer behaviour e.g. purchasing (Rather et al., 2023). Engagement, both emotional and behavioral and cognitive represents the levels of the involvement and connection of the customer to the brand that is usually developed during interactions that are meaningful and fulfilling (Islam et al., 2022). This mediating role is greatly supported by the empirical research. Lemon and Verhoef (2022) proved the increased engagement in emotionally saturated and personalized experiences, which greatly increases the prospects of consumers realizing the shift next to the passive appreciation stage, the stage of active purchases. Kamboj and Rana (2023) identified that indulgence in the brand by sharing the content, providing feedback or any other activity provided more strength to their purchase intention by the customers who perceived the excellence of service. This association is consistent with Stimulus-Organism-Response (S-O-R) model where customer experience (stimulus), engagement (organism or internal response), and purchase intention were the behavior outcome.

H5: Customer engagement mediates the relationship between customer experience and customers' purchase intention.



METHODOLOGY

This study adopts a quantitative research design utilizing a cross-sectional survey method, which is suitable for examining hypothesized relationships among constructs measured at a single point in time (Hair et al., 2022). The quantitative approach is especially suitable when it is required to test the theoretical framework and prove the complicated causal effect statistically (Creswell & Creswell, 2023). A cross-sectional study is relevant because the aim is to determine the perceptions of the consumers of social media marketing, customer experience, engagement, the intention to be loyal to the company, and purchase intention without controlling a variable. The target population of this study is the digital consumers who actively participate in brands on social media sites, within the context of Pakistan, which further stays true to the research purpose of learning how to digitally mediate consumer behavior in emerging markets. The country of Pakistan has a contextually rich scenario since it is still increasing its use of digital and is developing its e-commerce sector, which makes it pertinent to analyze its online brand-consumer relationships (Qureshi & Memon, 2023).

The size of the sample is computed with the help of the ratio of the items to response, which is one of the guidelines that are well known in the quantitative studies based on SEM. The rule of thumb is to keep the ratio to a minimum of 1:10 at which the condition of statistical validity and stability of a model is achieved (Hair et al., 2022). Since the measurement instrument has about 35 questions, an adequate number of responses should be 350. The non-response bias in this questionnaire is dealt with by increasing the sample size to 376 respondents, which is advised in other SEM studies. The method of purposive sampling will be used to identify respondents who are active members of social media and have been previously involved with brands online to make sure that the data will be relevant and reliable. The statistical package SmartPLS 4.0 will be employed, as it is helpful to explain complex relationships in case of exploratory research and when a violation of data normality conditions occurs (Sarstedt et al., 2022). SmartPLS is helpful in performing bootstrapping methods in testing mediation and moderation effects and will therefore be quite convenient in the application of the fact that the proposed model is multidimensional in nature. The fact that it can manage reflective measurement models; small and medium sample size; and latent constructs qualifies it to be a preferred tool in digital marketing and consumer behavior studies (Hair et al., 2022).

DATA ANALYSIS

Table 1: Regression Weights

Customer Engagement (CE)		CE	CX	LI	PI	SMM
	CE1	0.856				
	CE2	0.894				
	CE3	0.865				
	CE4	0.905				
	CE5	0.842				
	CE6	0.869				
Customer Experience (CX)	CX1		0.917			
	CX2		0.917			
	CX3		0.919			
	CX4		0.912			
Loyalty Intention (LI)	LI1			0.811		
	LI2			0.813		
	LI3			0.819		
	LI4			0.865		
	LI5			0.853		
	LI6			0.785		
Purchase Intention (PI)	PI2				0.729	
	PI3				0.740	
	PI4				0.807	
	PI5				0.847	
	PI6				0.781	
	PI7				0.819	
Social Media Marketing	SMM1					0.893
	SMM2					0.874
	SMM3					0.856
	SMM4					0.838
	SMM5					0.875
	SMM6					0.901
	SMM7					0.834
	SMM8					0.919

The presented outer loadings table reflects the reliability of individual measurement items for five latent constructs, customer engagement, customer experience, loyalty intention, purchase intention and social media marketing. As Hair et al. (2022), outer loadings of more than 0.70 can be accepted as good, which means that items serve as a sufficient representation of their constructs. The indicator reliability is confirmed since all items of this model are above the threshold (0.729-PI2, 0.919-CX3 and SMM8). High loadings exist in all items of customer experience and social media marketing (all of the loadings are above 0.91 and 0.83, respectively), indicating high convergent validity. Items on customer engagement indicate strong loadings (0.842 to 0.905), which display similar representation within the item pool. In like manner, the indicators of loyalty intention and purchase intention fall under acceptable and strong

levels of reliability (above 0.78 and 0.72, respectively), which aid adequacy in the measurement model. The above findings confirm the assumption that the reflective indicators of each construct are linked by a great extent of common variance and make stable contributions to their latent variables. These high indicator loadings lead to high average variance extracted (AVE) and composite reliability (CR), which represents a necessary indicator of good measurement model quality in Partial Least Squares Structural Equation Modeling (PLS-SEM) (Sarstedt et al., 2022). The reliability of the indicators of the measurement model and construct validity are ably reflected and can serve as a good basis to assess the structural model.

Table 2: Reliability Statistics

	Cronbach's alpha	(rho a)	(rho c)	(AVE)
Customer Engagement (CE)	0.937	0.939	0.950	0.761
Customer Experience (CX)	0.945	1.177	0.954	0.840
Loyalty Intention (LI)	0.906	0.906	0.927	0.680
Purchase Intention (PI)	0.879	0.890	0.908	0.621
Social Media Marketing	0.956	0.958	0.963	0.764

The reliability and validity indicators reported, Cronbach's alpha, rho_A, composite reliability (rho_C) and AVE demonstrate strong internal consistency and convergent validity across all constructs in the model. Hair et al. (2022) argue that the alpha level of above 0.70 suggests acceptable reliability of Cronbach, whereas the level of 0.90 and more indicates excellent level of internal consistency. None of the constructs is under this margin and social media marketing (0.956) and customer experience (0.945) are especially reliable. The composite reliability (rho_C) scores of all constructs are also above the 0.70 threshold, but the highest is 0.963, and the lowest is 0.908, which is the construct reliability and consistency of the latent variables (Sarstedt et al., 2022). The rho_A values also confirm the scores and reliability is particularly good with customer experience (1.177), but values that exceed 1 are likely to show evidence of overestimation, since they are the results of high inter-item correlations (Henseler et al., 2015). The value of the AVE representing the percentage of variance of occupying the construct compared to that of the measurement error is also above the suggested level of 0.50, in all constructs (Fornell & Larcker, 1981). It is important to note that customer experience (0.840) and social media marketing (0.764) have very high values of AVE, which describes good convergent validity. All in all, the results meet the psychometric standards needed to ensure Partial Least Squares Structural Equation Modeling (PLS-SEM) so it is safe to say that the measurement model is reliable and valid to be used in further structural analysis.

Discriminant Validity

Table 3: HTMT Ratio

	CE	CX	LI	PI	SMM
Customer Engagement (CE)					
Customer Experience (CX)	0.035				
Loyalty Intention (LI)	0.623	0.049			
Purchase Intention (PI)	0.453	0.076	0.463		
Social Media Marketing	0.574	0.055	0.629	0.439	

The HTMT (Heterotrait-Monotrait) ratio of correlations is used to assess discriminant validity, which determines whether constructs in a model are empirically distinct from one another (Henseler et al., 2015). All the HTMT values in the table are less than the suggested number of 0.85, which means there is a substantial discriminant validity across the constructs (Hair et al., 2022). HTMT between customer engagement and loyalty intention (0.623) and between social media marketing and loyalty intention (0.629) imply moderate relationships within acceptable limits. Therefore, they are statistically unique and may be used with reliability in additional structural analysis in PLS-SEM.

Table 4: Model Fitness Indicators

	Saturated model	Estimated model
SRMR	0.057	0.061
d_ ULS	1.517	1.735
d_ G	0.986	0.989
Chi-square	2064.719	2072.090
NFI	0.808	0.807

The results of indicating the model fit indices show a reasonable fit to the overall model. The value of the Standardized Root Mean Square Residual (SRMR) regarding the two options, both the saturated (0.057) and the estimated model (0.061), is within the recommended cutoff of 0.08, indicating the existence of a good fit (Hair et al., 2022). Values of d ULS and d G are near each other which is another indication of model suitability. The Chi-square is comparatively large and is normal when using large samples and PLS-SEM should not be considered an issue (Sarstedt et al., 2022). Normed Fit Index (NFI) values of approximately 0.80 suggest moderate fitness of the model with the ideal measure of 0.90.

Structural Equation Modelling (SEM)

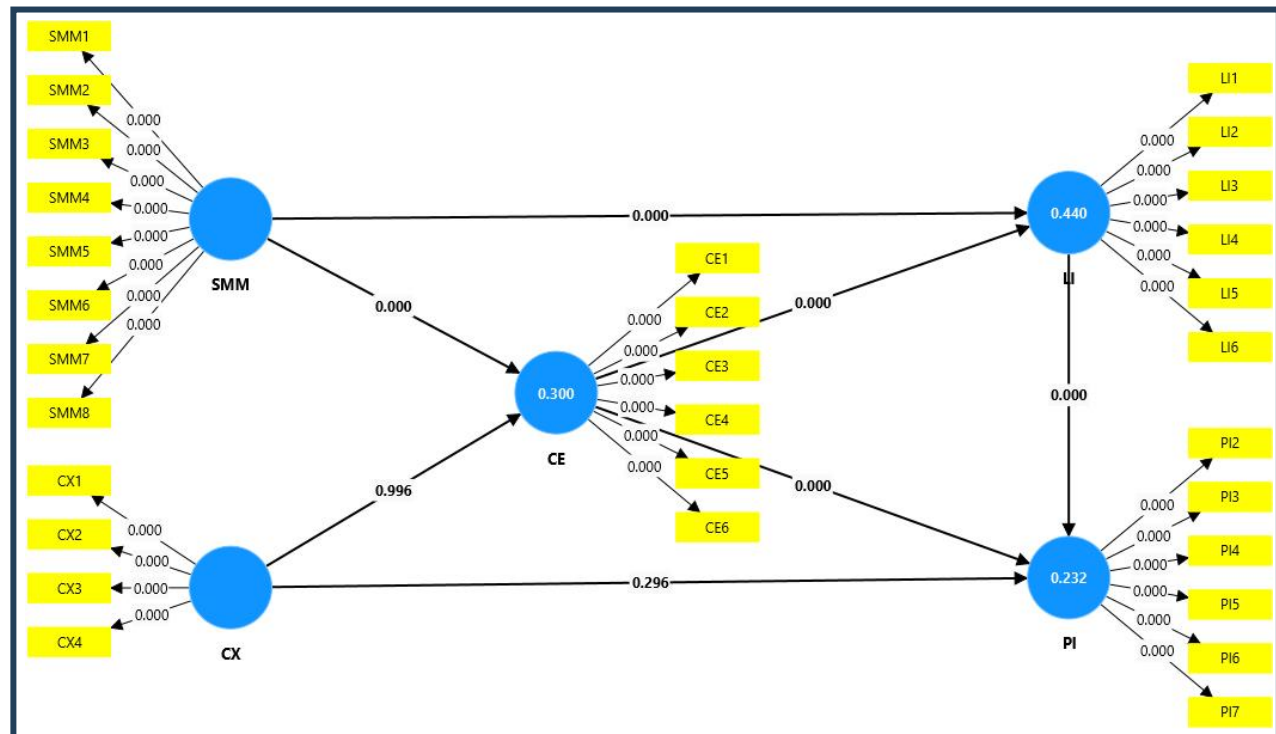


Table 5: Results

Hypotheses	Original sample (O)	(M)	(STDEV)	T statistics	P values
SMM -> LI	0.393	0.394	0.045	8.652	0.000
CX -> PI	0.068	0.057	0.065	1.046	0.296
LI -> PI	0.267	0.269	0.060	4.443	0.000
SMM -> CE -> LI	0.198	0.198	0.032	6.272	0.000
CX -> CE -> PI	0.000	0.000	0.012	0.005	0.996

Social Media Marketing (SMM), Loyalty Intention (LI), Customer Experience (CX), Purchase Intention (PI), Customer Engagement (CE)

The structural model results indicate both significant and non-significant relationships among the hypothesized paths. The direct effect of SMM on LI is high (0.393, $p = 0.000$) and it can be concluded that with the help of successful SMM strategies customer intention to remain loyal can be positively affected, which has been previously proved (Kamboj & Rana, 2023). LI is an important predictor of PI (0.267, $p = 0.000$), which confirms the idea that the concept of loyalty is also significant in the process of interference engagement. CE greatly mediates the relationship between SMM and LI (0.198, $p = 0.000$), which implies that the influence SMM has on loyalty partly proceeds through engagement (Islam et al., 2022). There is however no significant direct effect of CX to PI (0.068, $p = 0.296$) and significance of the mediated path of CE to LI ($p = 0.996$).

Table 6: Hypothesis Summary

Hypothesis	Path	Decision
H1: Social Media Marketing → Loyalty Intention	SMM → LI	Accepted
H2: Customer Experience → Purchase Intention	CX → PI	Rejected
H3: Loyalty Intention → Purchase Intention	LI → PI	Accepted
H4: Social Media Marketing → CE → Loyalty Intention	SMM → CE → LI	Accepted
H5: Customer Experience → CE → Loyalty Intention	CX → CE → LI	Rejected

DISCUSSION

The findings of this study contribute to the growing body of research on digital marketing, customer engagement, and behavioral intention by empirically validating several hypothesized relationships using the Stimulus-Organism-Response (S-O-R) framework. The discussion below interprets each hypothesis in light of existing literature.

The findings support that SMM has a substantial positive effect on customer loyalty intention. This confirms the assumptions of the research that the SMM actions, including satisfied content, responsiveness, interactive campaigns, and community building, positively affect the emotional and cognitive association of consumers with brands, which is instrumental in developing loyalty (Kamboj & Rana, 2023). The result is consistent with Chahal and Rani (2023), who state that SMM activities are perceived by the customers as a signal about brand authenticity, which leads to increased attitudinal loyalty. Social media assists the brands in minimizing psychological distance to build brand trust, long-term relational consequences, and engage in interactions in an interesting and relevant way (Islam et al., 2022). S-M-M, within the concept of S-O-R theory, forms environmental stimulus, which influences factors of trust and satisfaction as psychological internal states that are expressed as a loyalty intention (Wang et al., 2022).

The hypothesis as to whether customer experience has a significant effect to the purchase intention failed to be supported. The given result does not align with the existing knowledge of consumer behavior studies where most researchers may apply the concept of a positive customer experience that should contribute to a higher likelihood to purchase the product or service (Lemon & Verhoef, 2022). This can be one of the explanations that it can be due to the nature of the sample as the participants can distinguish between experience and transaction. Customers in digital ecosystems can also experience getting all the benefit of brand purchase with the sense of ease without any purchase intention, when other factors (price, brand reputation, and social validation) are not in line (Rather et al., 2023). The other reason may be that when stronger intervening variables are present, which is engagement or trust here, experience would not be sufficient to determine the purchasing behavior. This performance suggests the necessity to revise the linear expectation that positive experience will necessarily be transformed into transactional intent, particularly where digitally mediated, low involvement situations are involved.

Study findings affirm that loyalty intention has a considerable impact on purchase intention, which is in support of previous findings that list attitudinal loyalty as a major determinant of adoption of behavior loyalty (Rather et al., 2023). Once the consumers form an intention to stick to a certain brand, they have a better probability of transferring it into a purchase behavior mini or a full-blown competitive market or price-sensitive market. It is especially applicable to digital commerce where trust and commitment are an anchor of actions in unpredictable settings (Lemon & Verhoef, 2022). The result is supported by the claim stated by Kamboj and Rana (2023) according to which loyal customers have less cognitive dissonance and low information search costs, which results in clearer and more consistent purchase decisions. Therefore, loyalty intention is not a mere sign of emotional commitment rather it also acts as a powerful predictor of behavior in keep with its sequential logic S-O-R model assumes.

The findings stand by the mediating effects of customer engagement in the association between social media marketing and loyalty intention. This implies that SMM can be more of a powerful tool to promote loyalty as soon as it catalyzes customer activation. Engagement is the organizational part of the S-O-R model and it translates external stimuli into a meaningful investment in psychology (Islam et al., 2022). Active customers have a higher avenue to internalize brand values and consequently generate good word-of-mouth and also build stronger bonds of loyalty (Chahal & Rani, 2023). The mediating effect means that the brands should now target the interactive and participatory content strategies to make people involved in the content instead of being passive viewers. The findings of empirical research conducted by Rather et al. (2023) support the fact that engagement is a psychological mechanism of action in the way social media messages determine long-term behavioral change loyalty and advocacy. The main goal of SMM construction should be engagement stimulation, which leads to loyalty intention in its turn.

The customer engagement hypothesis did not prove to be right as far as the customer experience and loyalty intention relationship is concerned. This finding indicates that experience might influence and simplification of psychological or behavioral engagement is never mandatory through the means of exposure. This disputes the traditional belief that engagement follows naturally out of positive experience (Lemon & Verhoef, 2022). Wang et al. (2022) observe that the concept of engagement is the multidimensional phenomenon, which might not necessarily occur due to passive or inert stimulations but it can be attributed to dynamic, interactive, and emotionally evocative messages. When the customer experience is neither new nor customized, or emotional, it might not cause the engagement required to determine corporate loyalty. This realization only reinforces the depth of the consumer experience and how consumers are not in fact driven to deeper engagement with the brand on an experiential basis unless this is backed by more strategic engagement programs.

LIMITATIONS AND FUTURE DIRECTIONS

Despite yielding valuable insights, this study is subject to several limitations that open avenues for future research. The first is the cross-sectional design, which limits one to generalize in the causation between variables because the data was gathered at one time only. The longitudinal or experimental design would be one of the future possibilities of the studies in order to outline the fluctuations of time and causal mechanisms better (Hair et al., 2022). The survey data presented is self-reported, which is potentially vulnerable to the common method bias and social desirability effects; the employment of the multi-source or behavioral data (e.g., digital analytics, transactional logs) in the future studies can strengthen the validity of the conclusions. The study only dwelled on the digital consumer groups in Pakistan, which prevents wider generalization in other situations such as variations in culture or economy. Duplication of this model in other geographic markets might offer a comparative analysis and help examine the cross-cultural strength of this model (Sarstedt et al., 2022). The model ignored other possible mediators or moderators, brand trust, perceived value, or digital literacy, which could provide additional insight into the relations between social media marketing, engagement, and purchase behavior. It was determined that although SmartPLS served its purpose in modeling the complex relationship in smaller samples, a validation could be further applied in future in the form of the covariance-based SEM. Such constraints open the possibility to advance the theoretical and practical scope of this study, particularly in terms of establishing the nonlinear interaction, or involvement of AI-powered marketing contexts, which are currently in high demand in the context of the digital consumer behavior investigation.

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