

Impact of Social Media on Customer Engagement and Brand Loyalty in The Fashion Industry: An Empirical Investigation

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Abstract

Social media has reformed the manner with which consumers interact with brands, particularly in the fashion industry. The fashion industry is a dynamic sector, where companies strive to involve customers and build brand loyalty. The widespread use of social media platforms has provided fashion brands with an opportunity to engage with customers in real-time, shape interactions, and create brand loyalty. The influence of “social media” on “customer engagement” and “brand loyalty” in the fashion business is complex and multifaceted and requires further investigation. This study looks to empirically investigate the influence of “social media” on “customer engagement” and “brand loyalty” in the fashion industry. The results provide an understanding about how brands can effectively use “social media” to involve customers and create and retain brand loyalty. The findings highlight the importance of creating personalized content and establishing two-way communication with customers. The research also emphasizes the need for fashion brands to adapt to the changing social media landscape and embrace new platforms and technologies to stay relevant in today's digital world.

Introduction

The upsurge of “social media” has revolutionized the way brands engage with their clients. While there is still limited

understanding of what exactly constitutes social media, it is generally agreed that it includes applications such as Facebook, YouTube, and Twitter. Social media creates the opportunity to engage in uninterrupted, real-time communication with their target audience at a reasonably low expense and also with better efficiency than traditional communication tools. This has made social media not only better suited for large conglomerate corporations but also for other smaller enterprises and organizations- both NGOs and other government organizations (Kaplan & Haenlein, 2010). The fashion sector is perhaps one of the many fields utilizing social media as a promotional medium, and this study intends to investigate its impact on the industry. Businesses in the fashion industry can benefit greatly from using social media as an advertising strategy, as it is an appropriate and cost-efficient method to connect with potential customers. The integration of “social media” as a fundamental aspect of promotion strategies in the industry is on the rise, with both consumers and designers embracing the trend. Fashion industry's brands and designers leverage social media to establish public relations and connect prospective buyers with marketers, without incurring any cost (Ahmad et al., 2015). Social media has transformed the way fashion brands approach customer engagement and brand loyalty. With over 4 billion active social media users worldwide, fashion brands

have the prospect to bond better with clients and build long-lasting relationships.

In a study by Balakrishnan et al. (2014), the influence of “social media” on “consumer engagement” and brand loyalty in Generation Y was analysed and it was found that Marketing through digital channels such as online spaces, eWOM, and virtual marketing is an effective means of increasing brand loyalty and purchase intent. The use of company websites and social media websites has become indispensable in targeting younger consumers. In modern marketing, the cyber world plays a crucial role, allowing marketers to reach customers more quickly and efficiently. User-generated content or UGC on “social media” has an affirmative power on “brand equity” and “attitude”, whereas content created by companies only affects attitude. Positive brand equity and attitude both increase the intention to buy as per the study by Schivinski & Dabrowski (2016). The study analyzed 504 Facebook users across three different industries with the help of a homogeneous virtual survey in Poland. They found that for communication managers, the ideal situation is to inspire audience to create media that displays backing for their company, more specifically their products and services. This approach will lead to better awareness of the brand and brand attitudes among consumers and not just contest with user-generated content on social media.

Literature Review

Zhu & Chen (2015) explain that there is better efficiency and effectiveness if there is a congruence between SMM methods and the different demands of consumers who are social media users. They present a

directory of the present social media services, categorizing them as “relationship”, “self-media”, “collaboration”, and “creative outlet”. The different aspects and types of “social media” satisfies rudimentary human desires and provides suggestions for SMM as per the “need-congruence lens”. Marketing through social media also presents new opportunities and challenges for marketers, and that precise insight regarding the product, campaign, platform, and target audience is necessary for success. A deep acknowledgement of the characteristics of each social media platform and choosing the ones that are better suited to the kind of the merchandise and the vision of the campaign is essential for this. At the same time, Geissinger & Laurell (2016) suggest that user engagement in social media is not a steady process and varies across different social media applications. Users of fashion-oriented social media are not brand activists or loyalists, but rather they seek variety and communicate about different brands. This supports the idea that engagement in social media is curvilinear in nature.

Inventive tactics used in the “social media” content of top products, revealing the “social media” networks and creative policies used and their relationship to consumer engagement confirmed the importance of recurrent updating and participation encouragement, with “experiential”, “image”, and “exclusivity messages” related to customer commitment. The majority of the social content that comes under the “branded” category can be categorized as “functional”, with “functional appeals” being the most favoured appeal, followed by “resonance” and “experiential appeals”.

The findings suggest that brands may opt for message strategies that will not alienate consumers or negatively impact their brand relationships. Brands were found to be using multiple appeals in their social media content, rather than a consistent message strategy. Although brands are typically encouraged to maintain a consistent, integrated voice consistent with their positioning statement, this study suggests they are utilizing a variety of message strategies in “social media”.

Godey et al. (2016) explored the connection between SMM strategies and “brand equity”, brand preference, and “loyalty” in the luxury sector and found that SMM strategies have a affirmative influence on “brand equity”, “brand awareness”, and “brand image”. The study analyzed five forefront names in the sector, namely “Burberry”, “Dior”, “Gucci”, “Hermès”, and “Louis Vuitton”. They also found that there is no first-mover advantage in the social media part and that luxury brands should not only use social media to extent their contact to customers, but also as a cost-efficient image-developing method. There are also few differences between countries with respect to the extent of influence SMM has and that SMM efforts can have a fruitful global slant as well.

The apparent SMM activities of luxury fashion brands were found to be influential in enhancing “value equity”, “relationship equity”, and “brand equity”. The study by Kim & Ko (2012) distinguished five dimensions of “perceived SMM activities”, including “entertainment”, “interactivity”, vogue, personalization, and WOM. While value equity and relationship equity did not demonstrate a substantial impact on

customer equity, the analysis discovered that brand equity had an adverse effect on it. Luxury brands can use SMM to predict future consumer conduct and allocate their assets and marketing activities accordingly, thus SMM can be a potential solution for enhancing value equity and brand equity, which can ultimately influence purchase intention

Using empirical research methodology and an online survey distributed among fashion companies, Fani et al. (2015) examined the social media strategies that are effective in gaining customer engagement. The findings show that fashion companies of the same segment adopt similar SMM strategies, and that “social media” tools are considered strategic for success in the market. Alim et al. (2017) studied the influence of SMM Activities (SMMAs) on “brand loyalty” in the fashion business in Bangladesh using a survey of 161 customers of fashion brands. The conclusions suggest that “brand awareness” and “brand image” are not a by-product of the availability of information or the trend factor, although information influences “value consciousness”, whereas “trendiness” does not. “Brand awareness”, “brand image”, and “value consciousness” are found to be considerably influenced by eWOM, which in turn plays a great role in affecting brand loyalty.

Goh et al. (2013) analysed the impact of “social media” on engagement and “brand loyalty” in the fashion industry, by analyzing “user-generated content (UGC)” and “marketer-generated content (MGC)” on Facebook and found that commitment in social media groups makes way for a better surge in buying expenditures, and UGC

displays a resilient influence than MGC on consumer buying behavior. The study used qualitative content data and consumer transaction data to quantify the influence of UGC and MGC on purchase behavior. The study also shows that the power of “social media” content on the behavior of the customer is influenced by the kind of engaged or unengaged interaction means used by both the customers and the brand.

While high-end fashion brands were initially unenthusiastic to embrace social media, it is now seen to be leading the course of democratization by streaming shows of their brands as live performances and providing a view to their audiences that gives a VIP feeling to them at home. It is important to measure social media performance for fashion brands it can be done by gauging the tactical usage of Facebook. By identifying the optimal social media platforms, top-performing content types, and prime time for social media engagement, it is feasible to leverage social media as a potent marketing tool in the fashion industry to foster brand loyalty and engage with customers (Kontu & Vecchi, 2014).

Objective of the Study

- To compute the impact of social media on customer engagement and brand loyalty in the fashion industry

Methodology

This study utilized a structured questionnaire to conduct a survey, and statistical methods such as mean & t-test were used to analyze the responses from 195 participants. The sampling method used in this research was convenience sampling, where individuals were selected

based on their accessibility & willingness to participate.

Table 1 Impact of social media on customer engagement and brand loyalty in the Fashion industry

Serial No.	Statement of Survey	Mean Value	t-value	p-value
1	Social media platforms offer a vast audience to fashion brands.	4.21	9.139	0.000
2	Social media platforms provide fashion brands with an opportunity to connect with their customers in a more personalized and engaging manner.	4.39	10.774	0.000
3	Social media has provided fashion brands to reach a wider audience	4.40	10.625	0.000

	without spending a significant amount on advertising.			
4	Social media offers an opportunity for fashion brands to build and promote their brand image.	4.02	5.243	0.000
5	Social media enables fashion brands to receive real-time feedback from customers.	3.99	5.185	0.000
6	Social media allows fashion brands to provide prompt and effective customer service.	4.49	11.815	0.000
7	Social media has become an	4.45	11.779	0.000

	essential platform for influencer marketing in the fashion industry.			
8	Social media platforms have introduced social commerce features that enable fashion brands to sell products directly to customers.	4.13	8.640	0.000
9	Social media may provide fashion brands with valuable data-driven insights into their customers' behavior, preferences, and interests.	3.80	3.915	0.000

10	Fashion brands that effectively leverage social media can gain a significant competitive advantage	4.41	11.952	0.000
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Table1 demonstrates the mean values for each of the statement of the study done the “impact of social media on customer engagement and brand loyalty in the fashion industry”, examining the average scores, the statement that obtains the highest mean score can be described as “Social media allows fashion brands to provide prompt and effective customer service”, which has the mean score of 4.49, Looking at the next statement which is “Social media has become an essential platform for influencer marketing in the fashion industry” the mean score is found to be 4.45. Looking at the mean value of 4.41 for the statement “Fashion brands that effectively leverage social media can gain a significant competitive advantage” shows that competitive advantage is also impacts social media. Looking at the other benefit of social media is, “Social media has provided fashion brands to reach a wider audience without spending a significant amount on advertising” which displays the mean score of 4.40, and the statement “Social media platforms provide fashion brands with an opportunity to connect with their customers in a more personalized and engaging manner” showcase the mean

value of 4.39. Then the statement “Social media platforms offer a vast audience to fashion brands” obtains mean value of 4.21 and the statement “Social media platforms have introduced social commerce features that enable fashion brands to sell products directly to customers” has 4.13. The statement “Social media offers an opportunity for fashion brands to build and promote their brand image” showcase the mean value of 4.02. Therefore, the last two statements fall within the lowest category or level, “Social media enables fashion brands to receive real-time feedback from customers” mean value of 3.99, the statement “Social media may provide fashion brands with valuable data-driven insights into their customers' behavior, preferences, and interests” has 3.80. The significance of the t-value for each statement in the investigation on the impact of social media on customer engagement and brand loyalty in the fashion industry is significant. The t-value statements were positive, and their significance value was less than 0.05, indicating a significant relationship between the two variables.

Conclusion

Social media exerts a large influence on engagement and loyalty of the audience that cannot be underestimated, and fashion brands have acknowledged the command of social media in building relationships with their customers and are actively using it to promote their products, connect with their audience, and establish a strong online presence. By responding to customer queries, concerns, and feedback, fashion brands can demonstrate their commitment to customer satisfaction and build a loyal customer base. Fashion brands need to embrace new technologies and platforms to

stay relevant in today's digital age. By understanding the preferences and behaviors of their customers, fashion brands can create targeted and effective social media campaigns that foster customer engagement and brand loyalty. As social media continues to evolve, fashion brands need to adapt and leverage its potential to develop stronger relations with their target consumers.

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