Journal Social Society Vol 6 No 3, July - September 2026

The Influence of Social Media Marketing and Brand Image on Consumer Loyalty with Customer Engagement as a Mediating Variable in Franchise Coffee Shops

Dwi Adeningsih Saputri Elhuria [1*], Jeni Kamase [2], Muhammad Akhsan Tenrisau [3]

[1, 2, 3] Indonesian Muslim University Makassar, Indonesia

* dwiaadeningsih@gmail.com

Abstract

The urgency of this study is to examine how social media marketing and brand image influence consumer loyalty through customer engagement, enabling franchise coffee shops to strengthen customer retention and remain competitive in an increasingly crowded market. This study investigates the influence of social media marketing and brand image on consumer loyalty, with customer engagement as a mediating variable, in coffee shops in Makassar City. The rapid growth of digital marketing strategies has intensified competition in the coffee shop industry, making it essential to understand how marketing activities and brand perception drive long-term customer relationships. This research employs a quantitative approach using primary data collected through structured questionnaires distributed to 200 respondents selected through purposive sampling. The study focuses on three coffee shops in Makassar City: Vaan In Sky, Toko Kopi Oma, and Cuci Mulut. Data analysis was conducted using descriptive statistics and Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS software. The findings reveal that social media marketing and brand image have a positive and significant effect on customer engagement. Furthermore, customer engagement significantly influences consumer loyalty. The results also indicate that social media marketing and brand image directly affect consumer loyalty in a positive and significant manner. Importantly, customer engagement serves as a partial mediating variable, strengthening the relationship between social media marketing, brand image, and consumer loyalty. The implication of this study is that coffee shop managers should prioritize interactive and consistent social media strategies alongside strengthening brand identity to enhance customer engagement, which in turn leads to higher consumer loyalty. This study contributes to the literature on digital marketing and consumer behavior, particularly in the context of the growing coffee shop industry in Indonesia.

Keywords: *Social Media Marketing, Brand Image, Consumer Loyalty, Customer Engagement*

Introduction

The culinary sector in Indonesia has experienced significant growth in recent years, driven by rising income levels, rapid urbanization, and the increasing preference for experience-based consumption (Ali et al., 2022). This growth is further reinforced by shifting consumer behavior, where individuals increasingly seek not only products but also meaningful experiences that combine consumption with social and emotional value. As a result, the culinary industry has evolved into a highly dynamic sector characterized by innovation, differentiation, and intense competition among businesses striving to meet changing customer expectations.

Among its subsectors, the coffee shop industry has emerged as one of the fastest-growing segments, reflecting both economic opportunity and evolving lifestyle trends. This

https://doi.org/10.30605/jss.6.3.2026.1285

development reflects not only increasing coffee consumption but also a transformation in the social meaning of coffee drinking. Initially, coffee consumption was primarily functional as a stimulant to support daily activities and productivity. However, with the evolution of urban lifestyles and the influence of globalization, coffee consumption has shifted toward a more symbolic and experiential activity. Coffee shops are no longer merely places to purchase beverages; they have become destinations that offer atmosphere, identity, and social belonging.

The activity of drinking coffee now encompasses broader dimensions, including working, studying, social interaction, and even content creation for digital platforms (Purnomo et al., 2021). This shift highlights the integration of offline experiences with online social presence, where consumers actively share their coffee shop experiences through social media. Consequently, coffee shops function as a “third place” that bridges home and workplace while fostering emotional attachment among consumers. These spaces provide comfort, accessibility, and a sense of community, making them particularly attractive to younger generations such as millennials and Generation Z, who value flexibility and social connectivity. In addition, the rise of hybrid working arrangements and work-from-anywhere practices has further strengthened the role of coffee shops as alternative workspaces that support both productivity and leisure.

This transformation has contributed to the rapid expansion of coffee shops across major cities in Indonesia, supported by the growth of digital platforms, increasing social media engagement, and the adoption of innovative business models that align with modern consumer preferences (Dwivedi et al., 2021; Lim et al., 2022). Furthermore, the integration of digital marketing strategies and personalized customer experiences has enabled coffee shop businesses to build stronger relationships with consumers, thereby sustaining their growth in an increasingly competitive market.

***Table 1**. Growth of Coffee Shops in Indonesia (2023–2025)*

Year	Number of Coffee Shops	Description
2023	± 10,000 outlets	Growth driven by rising coffee culture
2024	± 12,500 outlets	Expansion of local and national brands
2025	± 14,000 outlets	Continued growth aligned with urban lifestyle

As shown in Table 1, the number of coffee shops in Indonesia has increased consistently from approximately 10,000 outlets in 2023 to around 14,000 outlets in 2025. This steady upward trend reflects the strong growth potential of the coffee shop industry, driven by increasing consumer demand and the expansion of urban lifestyles. However, this rapid growth also intensifies competition among businesses, as new entrants continue to emerge alongside the expansion of established brands. In such a competitive environment, coffee shop operators are required to adopt innovative strategies and develop sustainable competitive advantages to maintain long-term performance and secure their market position (Handayani & Sarwono, 2023). These advantages may include differentiation through product quality, service experience, store atmosphere, and digital engagement strategies that enhance customer value.

Coffee consumption has evolved into a symbolic activity associated with lifestyle, identity, and self-expression, particularly among millennials and Generation Z, who tend to prioritize experiences over mere functional consumption. Coffee shops are increasingly perceived as spaces where individuals can express their personal identity, socialize, and engage in creative or professional activities. This transformation is closely linked to broader socio-cultural changes, including the rise of digital culture and the integration of online and offline experiences. In addition, post-pandemic work patterns such as hybrid working and work-from-anywhere practices have significantly influenced consumer behavior, positioning coffee shops as preferred spaces due to their flexibility, internet access, and supportive social environment (Gössling et al., 2021; Kim & Lee, 2023). These factors collectively reinforce the role of coffee shops not only as consumption spaces but also as multifunctional environments that accommodate diverse consumer needs. At the regional level, this phenomenon is also evident in Makassar City, a major economic and educational hub in Eastern Indonesia.

The city's dynamic market, which is largely dominated by students and young consumers, creates a fertile environment for the growth of coffee shop businesses. The increasing demand for social and experiential spaces has encouraged the expansion of both local coffee shops and national franchises, each competing to capture market share through unique value propositions. Moreover, the presence of universities and a growing urban population further stimulates consumption patterns that favor coffee shop culture. As a result, Makassar represents a strategic setting for examining the interplay between market growth, consumer behavior, and competitive dynamics within the coffee shop industry.

Table 2. *Growth of Coffee Shops in Makassar City (2023–2025)*

Year	Number of Coffee Shops	Description
2023	± 807 outlets	Increasing growth
2024	± 880 outlets	Intensifying competition
2025	± 970 outlets	Continued business expansion

As presented in Table 2, the number of coffee shops in Makassar has increased significantly from approximately 807 outlets in 2023 to 970 outlets in 2025. This rapid growth reflects the expanding market potential of the coffee shop industry at the local level, driven by increasing urban consumption patterns and the rising popularity of coffee culture among young consumers. However, while this growth creates substantial business opportunities, it also introduces significant challenges, particularly in maintaining customer loyalty in an increasingly saturated market. The growing number of competitors provides consumers with a wide range of alternatives, leading to more dynamic and less predictable consumer preferences.

Customers can easily switch between brands based on factors such as service quality, store atmosphere, product variety, and perceived value, making loyalty more difficult to sustain over time. In such a competitive landscape, businesses are required to continuously innovate and adopt effective marketing strategies to strengthen their relationships with customers and create lasting value. One of the most prominent strategies in the digital era is social media marketing (SMM), which has become a critical tool for enhancing customer relationships through interactive, real-time, and personalized communication (Dwivedi et al., 2021; Tenrisau & Mangara, 2025). Through social media platforms, coffee shop businesses can engage directly with customers, promote their brand identity, and create immersive digital experiences that complement offline interactions (putri et al., 2025). This integration of digital and physical engagement is essential in shaping customer perceptions and encouraging repeat patronage.

In addition to SMM, brand image plays a crucial role in differentiating businesses within a highly competitive and relatively homogeneous market. A strong and positive brand image enhances customer trust, improves brand recall, and influences consumer preferences, ultimately contributing to competitive advantage (Foroudi et al., 2021). In the context of coffee shops, brand image is often associated with elements such as store ambiance, product quality, service experience, and the overall lifestyle representation conveyed by the brand. Businesses that successfully build a distinctive and consistent brand image are more likely to attract and retain customers in the long term. However, the influence of SMM and brand image on consumer loyalty is not always direct or straightforward.

Customer loyalty is a complex construct that is often shaped by deeper psychological and behavioral processes. In this regard, customer engagement is considered a crucial mediating variable that reflects the cognitive, emotional, and behavioral involvement of customers in their interactions with a brand. Customer engagement goes beyond mere transactional relationships, encompassing active participation, emotional connection, and ongoing interaction with the brand across multiple touchpoints.

In the coffee shop context, engagement is manifested through various forms, including social media interaction, participation in brand communities, content sharing, and word-of-mouth communication (Sunarti et al., 2025). Engaged customers are more likely to develop stronger emotional bonds with a brand, which in turn increases their likelihood of becoming loyal customers. Despite the growing body of literature on SMM, brand image, and consumer loyalty, several gaps remain. Previous studies have examined SMM in relation to brand equity, brand image and purchase decisions, and customer engagement in digital environments (Pertiwi, 2023; Helin & Fadli, 2025; Lu et al., 2025).

Limited research integrates these variables within experiential service settings such as coffee shops, particularly by positioning customer engagement as a mediating variable that explains the relationship between marketing efforts and customer loyalty. Furthermore, most existing studies tend to focus on general consumer markets or e-commerce platforms, with relatively less attention given to place-based service industries that combine physical experience and digital interaction. This indicates a clear research gap, particularly in emerging markets such as Indonesia, where the coffee shop industry continues to grow rapidly and plays a significant role in shaping urban consumption patterns. Therefore, this study aims to examine the influence of social media marketing and brand image on consumer loyalty, with customer engagement as a mediating variable in coffee shops in Makassar City.

This study employs a quantitative approach using primary data collected through structured questionnaires distributed to coffee shop consumers in Makassar City. The population of this study consists of individuals who have experience visiting coffee shops, with a sample of 200 respondents selected using purposive sampling to ensure relevance to the research objectives. The research instrument was designed to measure key constructs, including social media marketing, brand image, customer engagement, and consumer loyalty, using validated indicators adapted from previous studies.

Data collection was conducted through a survey method, and the responses were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS software to test both direct and indirect (mediating) relationships among variables. This research is expected to contribute to the literature on digital marketing and consumer behavior by providing empirical evidence on the role of customer engagement as a mediating mechanism in experiential service industries. In addition, the findings offer practical insights for coffee shop businesses in designing more effective and sustainable marketing strategies, particularly in leveraging social media and strengthening brand image to foster deeper customer relationships and long-term loyalty.

Method

This study employs a quantitative research approach based on the positivist paradigm, aiming to examine the causal relationships between social media marketing, brand image, customer engagement, and consumer loyalty. A quantitative design is appropriate for hypothesis testing and allows for statistical generalization of findings to a broader population. The research was conducted in three selected coffee shops in Makassar City, Indonesia, namely Vaan In Sky (Baji Minasa Street), Toko Kopi Oma (A.P. Pettarani Street), and Cuci Mulut (Pelita Raya Street). These locations were selected purposively based on specific criteria, including active use of social media marketing, a clearly established brand image, operational experience of at least one year, and a high level of customer interaction both offline and online.

The population of this study consists of all customers who have made purchases at the selected coffee shops. Since the exact population size is unknown and dynamic, a non-probability sampling technique was applied using purposive sampling. The criteria for selecting respondents included: (1) customers who have visited the coffee shop at least twice within the last month, and (2) customers who are active users of social media and have been exposed to the coffee shop's digital marketing content. Based on the rule of thumb for Structural Equation Modeling (SEM), which recommends a sample size of 5–10 times the number of indicators, and given that this study uses 20 indicators, a total sample of 200 respondents was considered adequate. This study utilizes both primary and secondary data sources.

Primary data were collected using a structured questionnaire designed with a five-point Likert scale (1 = strongly disagree to 5 = strongly agree) to measure the research variables, including social media marketing, brand image, customer engagement, and consumer loyalty. The questionnaire items were adapted from validated instruments in previous studies to ensure content validity. Secondary data were obtained from academic journals, books, industry reports, and official digital platforms related to the observed coffee shops. The data collection techniques consisted of two approaches. First, library research was conducted to develop the theoretical framework and support the formulation of hypotheses. Second, field research was carried out through direct distribution of questionnaires to respondents and limited observation of digital marketing activities, such as promotional content, interaction patterns, and customer responses on social media platforms.

The data collection process was conducted over a period of approximately two months. The data analysis procedure was carried out in several stages. Initially, descriptive statistics were used to describe respondent characteristics and the distribution of variables, including mean, standard deviation, minimum, and maximum values. Subsequently, the data were analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) with SmartPLS software, which is suitable for predictive analysis and does not require strict assumptions such as multivariate normality.

The evaluation of the model consists of two main stages. First, the measurement model (outer model) was assessed to ensure the validity and reliability of the constructs. Convergent validity was evaluated using outer loadings (≥ 0.70, or ≥ 0.50 for exploratory studies) and Average Variance Extracted (AVE ≥ 0.50). Discriminant validity was assessed using cross-loadings and the Fornell-Larcker criterion. Reliability was measured using composite reliability (≥ 0.70). Second, the structural model (inner model) was evaluated using the coefficient of determination (R^2) to assess the explanatory power of the model, as well as path coefficients to examine the relationships between variables. Hypothesis testing was conducted using bootstrapping techniques to obtain t-statistics and p-values, with a significance level of 5%. The variables in this study are categorized into independent, dependent, and mediating variables.

The dependent variable is consumer loyalty, defined as the customer's commitment to repurchase and consistently choose a particular coffee shop, measured through indicators such as repurchase intention, visit frequency, brand loyalty, recommendation, and price tolerance. The independent variables include social media marketing, defined as marketing activities conducted through social media platforms to communicate and interact with customers, measured through content quality, posting consistency, interactivity, visual appeal, and information credibility; and brand image, defined as consumers' perceptions of a coffee shop, measured through product quality image, service image, brand uniqueness, brand trust, and lifestyle congruence. The mediating variable is customer engagement, which reflects the cognitive, emotional, and behavioral involvement of customers with the brand, measured through social media interaction, participation in promotions, feedback provision, attention to content, and community involvement.

Results

Respondent Profile

Questionnaire Distribution

Table 3. *Questionnaire Distribution and Return Rate*

No	Description	Vaan In Sky	Toko Kopi Oma	Cuci Mulut
1	Distributed questionnaires	75	75	50
2	Unreturned questionnaires	0	0	0
3	Returned questionnaires	75	75	50
4	Valid questionnaires	75	75	50
	Total	75	75	50

Table 3 presents the distribution and return rate of questionnaires across the three selected coffee shops in Makassar City, namely Vaan In Sky, Toko Kopi Oma, and Cuci Mulut. A total of 200 questionnaires were distributed proportionally, with 75 questionnaires allocated to both Vaan In Sky and Toko Kopi Oma, and 50 questionnaires distributed to Cuci Mulut. This distribution reflects the relative size and customer traffic of each coffee shop, ensuring adequate representation of respondents from each location. The results indicate that all distributed questionnaires were successfully returned, with no unreturned responses recorded. This resulted in a 100% response rate, which is considered exceptionally high in survey-based research.

All returned questionnaires were deemed valid and suitable for analysis, indicating that respondents completed the survey accurately and consistently without missing or invalid data entries. The high response rate and full validity of the data demonstrate strong respondent engagement and interest in the research topic. This can be attributed to the direct distribution method employed by the researcher, which allowed for immediate interaction with respondents and clarification of any uncertainties during the completion process. Additionally, the respondents' familiarity with the coffee shop environment and the relevance of the research topic likely contributed to their willingness to participate.

The data presented in Table 1 confirm that the sample size of 200 respondents is both adequate and reliable for further statistical analysis, particularly for the application of Partial Least Squares Structural Equation Modeling (PLS-SEM), which requires a sufficient number of observations to produce stable and generalizable results.

Demographic Characteristics

***Table 4**. Demographic Characteristics*

Demographic Characteristics		Frequency	Percentage
Gender	Male	86	43%
	Female	114	57%
	Total	200	100%
Education	Diploma (D3)	42	21%
	Bachelor (S1)	59	29.5%
	Master (S2)	60	30%
	Others	39	19.5%
	Total	200	100%
Age	< 30 years	75	37.5%
	31–40 years	44	22%
	41–50 years	52	26%
	> 50 years	29	14.5%
	Total	200	100%

Table 4 provides an overview of the demographic characteristics of the respondents, including gender, education level, and age distribution. Based on the data, female respondents dominate the sample, accounting for 57% (114 individuals), while male respondents represent 43% (86 individuals). This distribution suggests that female consumers tend to have higher engagement or participation in coffee shop activities, which may reflect lifestyle preferences and social consumption patterns. In terms of educational background, the majority of respondents possess higher education qualifications. Respondents with a Master's degree (S2) account for the largest proportion at 30%, followed by those with a Bachelor's degree (S1) at 29.5%, Diploma (D3) at 21%, and other educational backgrounds at 19.5%. This indicates that coffee shop consumers in Makassar are largely composed of well-educated individuals, which may influence their preferences for quality, brand image, and experiential consumption.

Regarding age distribution, the majority of respondents are under 30 years old (37.5%), followed by those aged 41–50 years (26%), 31–40 years (22%), and over 50 years (14.5%). This finding highlights the dominance of younger consumers, particularly millennials and Generation Z, who are known to value social experiences, digital interaction, and lifestyle-oriented consumption. Overall, the demographic profile suggests that the coffee shop market in Makassar is characterized by young, educated, and socially active consumers. This profile is relevant to the study, as it aligns with the research focus on social media marketing, brand image, and customer engagement, which are particularly influential among digitally connected consumer segments.

Descriptive Statistics

***Table 5.** Descriptive Statistics*

Variable	N	Min	Max	Mean	Std. Dev
Social Media Marketing	200	1.60	5.00	4.3740	0.62745
Brand Image	200	2.80	5.00	4.3320	0.56938
Customer Engagement	200	2.80	5.00	4.3700	0.59436
Consumer Loyalty	200	2.40	5.00	4.3200	0.61473

Table 5 presents the descriptive statistical results for the main variables examined in this study, including social media marketing, brand image, customer engagement, and consumer loyalty. The results show that all variables have relatively high mean values, exceeding 4.0 on a five-point Likert scale. Specifically, social media marketing has a mean score of 4.3740, brand image 4.3320, customer engagement 4.3700, and consumer loyalty 4.3200. These findings indicate that respondents generally have positive perceptions of the marketing practices and brand performance of the selected coffee shops. The minimum and maximum values across variables suggest a reasonable spread of responses, although the overall tendency leans toward agreement.

The standard deviation values, which range from approximately 0.56 to 0.63, indicate moderate variability in responses, suggesting that while most respondents share similar perceptions, some differences still exist in their evaluations. The high mean values imply that coffee shop businesses in Makassar have been relatively successful in implementing effective social media marketing strategies and building a strong brand image. These factors appear to contribute positively to customer engagement and, ultimately, consumer loyalty.

The results suggest that respondents are actively engaged with coffee shop brands, both cognitively and emotionally, which strengthens their intention to revisit and recommend the coffee shops to others. In summary, the descriptive statistics provide an initial indication that all research variables are perceived positively by respondents, supporting the assumption that social media marketing, brand image, and customer engagement play important roles in shaping consumer loyalty in the coffee shop industry.

Measurement Model Evaluation (Outer Model)

Convergent Validity

All indicators demonstrate outer loadings > 0.70, confirming strong convergent validity.

Table 6. *Outer Loadings*

Variable	Indicator Range	Result
Social Media Marketing	0.801 – 0.907	Valid
Brand Image	0.765 – 0.869	Valid
Consumer Loyalty	0.760 – 0.801	Valid
Customer Engagement	0.704 – 0.876	Valid

Table 6 presents the results of convergent validity testing using outer loadings. The results indicate that all indicators have loading values above the recommended threshold of 0.70, with ranges between 0.704 and 0.907 across variables. This demonstrates that each indicator has a strong correlation with its respective latent construct. High outer loading values indicate that the indicators effectively measure the intended variables, including social media marketing, brand image, customer engagement, and consumer loyalty. This confirms that the measurement items are valid representations of the theoretical constructs used in this study.

The consistency of high loading values across all variables suggests that the instrument used in this study is robust and reliable for capturing respondents' perceptions. In addition, the absence of low-loading indicators indicates that no items needed to be removed from the model. Overall, the results confirm that the measurement model meets the requirements of convergent validity. This means that the constructs are well-defined and suitable for further evaluation in the next stage of analysis, namely discriminant validity and reliability testing.

Discriminant Validity

Cross-loading analysis shows that each indicator loads higher on its respective construct than others, confirming good discriminant validity.

Reliability Test

Table 7. *Reliability and AVE*

Variable	Cronbach's Alpha	Composite Reliability	AVE
Social Media Marketing	0.905	0.930	0.726
Brand Image	0.891	0.919	0.696
Customer Engagement	0.875	0.910	0.671
Consumer Loyalty	0.841	0.886	0.609

Table 7 presents the results of reliability and validity testing using Cronbach's Alpha, Composite Reliability (CR), and Average Variance Extracted (AVE). All variables show Cronbach's Alpha and Composite Reliability values above 0.70, indicating high internal consistency and reliability of the measurement items. Specifically, social media marketing has a CR value of 0.930, brand image 0.919, customer engagement 0.910, and consumer loyalty 0.886.

These values confirm that the indicators within each construct consistently measure the same underlying concept. In terms of convergent validity, all AVE values exceed the threshold of 0.50, indicating that each construct explains more than 50% of the variance in its indicators. This further supports the validity of the measurement model. The combination of high reliability and adequate AVE values suggests that the constructs used in this study are both consistent and valid. Therefore, the measurement model is considered robust and suitable for testing structural relationships among variables in the inner model.

Structural Model Evaluation (Inner Model)

Coefficient of Determination (R^2)

Table 8. *R-Square Values*

Variable	R^2	Adjusted R^2
Customer Engagement	0.204	0.196
Consumer Loyalty	0.631	0.626

Table 8 presents the coefficient of determination (R^2) values for the endogenous variables. Customer engagement has an R^2 value of 0.204, indicating that 20.4% of its variance is explained by social media marketing and brand image. This suggests a moderate level of explanatory power. Meanwhile, consumer loyalty has an R^2 value of 0.631, indicating that 63.1% of its variance is explained by the independent variables and the mediating variable. This value reflects strong explanatory power in the model. These results indicate that the proposed model is capable of explaining consumer loyalty effectively, particularly through the combined influence of brand image and customer engagement.

Hypothesis Testing (Direct Effects)

Table 9. *Path Coefficients*

Relationship	Coefficient	t-value	p-value	Result
SMM → CE	0.307	4.546	0.000	Supported
BI → CE	0.233	2.873	0.004	Supported
CE → CL	0.203	3.150	0.002	Supported
SMM → CL	0.079	1.061	0.289	Not Supported
BI → CL	0.661	12.263	0.000	Supported

Table 9 presents the results of hypothesis testing for direct relationships between variables. The findings show that social media marketing has a significant positive effect on customer engagement, but does not directly influence consumer loyalty. In contrast, brand image has a strong and significant effect on both customer engagement and consumer loyalty. This indicates that brand image is the most influential factor in shaping customer loyalty. Customer engagement also has a significant positive effect on consumer loyalty, confirming its role as an important mechanism in building long-term relationships.

Mediation Analysis

Table 10. *Indirect Effects*

Relationship	Coefficient	t-value	p-value	Result
SMM → CE → CL	0.062	2.478	0.013	Supported
BI → CE → CL	0.047	2.179	0.029	Supported

Table 10 presents the results of mediation analysis. The findings show that customer engagement significantly mediates the relationship between social media marketing and consumer loyalty, as well as between brand image and consumer loyalty. This indicates that both social media marketing and brand image influence loyalty indirectly through customer engagement.

Model Visualization

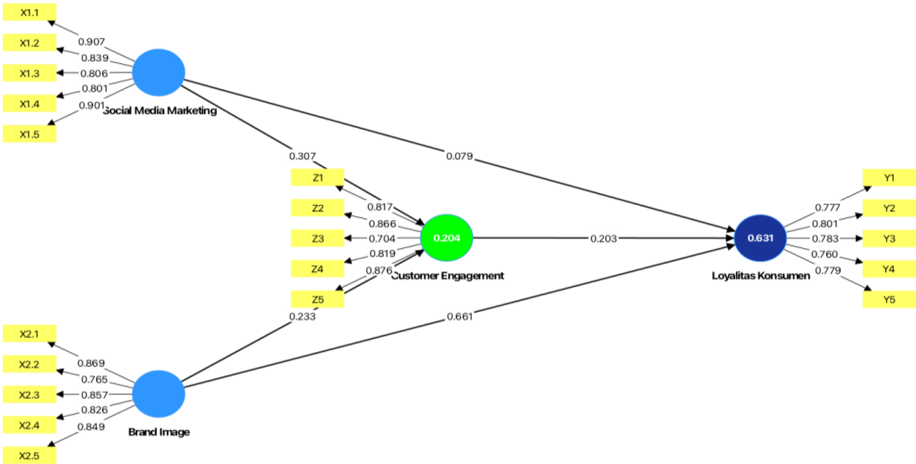

Figure 1. *First-Order Confirmatory Factor Analysis (CFA)*

Figure 1 illustrates the measurement model, showing strong relationships between indicators and constructs. All loadings are above the threshold, confirming validity.

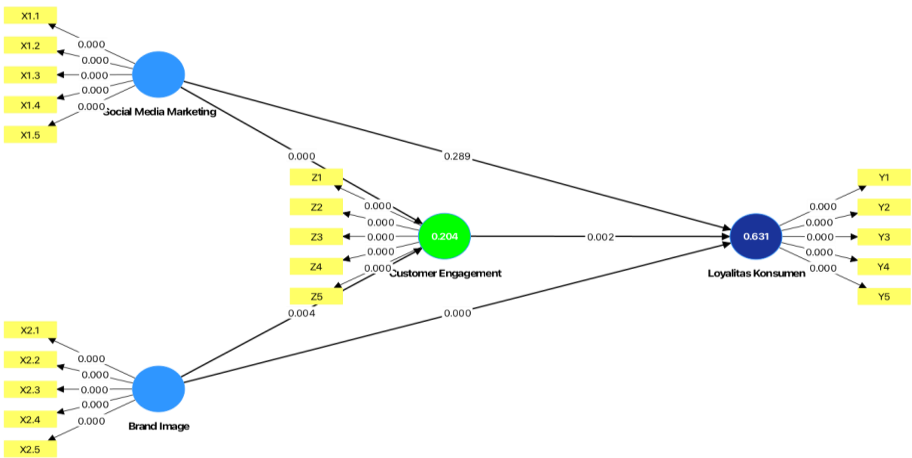

Figure 2. *Structural Model (PLS-SEM Results)*

Figure 2 presents the structural relationships among variables, confirming the significance and direction of the tested hypotheses.

Discussion

The Effect of Social Media Marketing on Customer Engagement

The findings indicate that social media marketing (SMM) has a positive and significant effect on customer engagement, suggesting that well-designed digital marketing strategies play a crucial role in stimulating consumers' interactive behaviors. This result highlights the importance of social media not merely as a promotional tool, but as an interactive platform that enables two-way communication between brands and consumers. Through features such as comments, likes, shares, and direct messaging, consumers are encouraged to actively participate in brand-related activities, thereby increasing their level of engagement. This finding is consistent with previous studies, which emphasize that content quality, interactivity, and information credibility are key determinants of engagement Rachmadhaniyati, 2021; Ginting, 2023).

High-quality content that is relevant, visually appealing, and emotionally resonant tends to attract consumer attention and encourage deeper interaction. Furthermore, consistency in posting and responsiveness to customer inquiries enhance perceived brand accessibility and reliability, which further strengthens engagement. From a theoretical perspective, this result aligns with engagement marketing theory, which posits that meaningful and interactive experiences foster cognitive, emotional, and behavioral involvement. In this study, SMM contributes to engagement by creating a digital environment where consumers feel connected to the brand. Therefore, the effectiveness of SMM lies not only in content dissemination but also in its ability to build relationships. This implies that coffee shop businesses should focus on creating engaging, interactive, and customer-oriented content to maximize the impact of their social media strategies.

The Effect of Brand Image on Customer Engagement

The results confirm that brand image has a positive and significant effect on customer engagement, indicating that consumers who perceive a brand positively are more likely to interact with it. A strong brand image creates a favorable impression in the minds of consumers, which enhances trust, emotional attachment, and perceived value. These factors motivate consumers to engage more actively with the brand, both online and offline. This finding supports brand equity theory, which suggests that strong and positive brand associations influence consumer attitudes and behaviors. When a coffee shop is perceived as unique, trustworthy, and aligned with consumers' lifestyles, it becomes more attractive and relevant, thereby increasing the likelihood of interaction

Brand image is often reflected through elements such as ambiance, service quality, product uniqueness, and brand storytelling. These aspects contribute to creating a memorable and meaningful customer experience. Empirical evidence also shows that brand image plays a significant role in enhancing digital engagement. Consumers are more likely to follow, interact with, and recommend brands that they perceive positively (Darmadi et al., 2021). Therefore, maintaining a strong and consistent brand image is essential for fostering engagement. In this study, the findings suggest that coffee shop businesses should invest in building a distinctive and credible brand identity that resonates with their target market. By doing so, they can enhance customer engagement and strengthen their competitive position in an increasingly crowded market.

The Effect of Customer Engagement on Consumer Loyalty

This study finds that customer engagement has a positive and significant effect on consumer loyalty, highlighting its critical role in building long-term customer relationships. Engaged customers tend to develop stronger emotional connections with a brand, which leads to increased commitment, repeat purchases, and positive word-of-mouth communication. This result is consistent with relationship marketing theory, which emphasizes the importance of building strong relationships with customers to achieve long-term success. Engaged customers are not only passive recipients of products or services but active participants in brand interactions. This active involvement fosters a sense of belonging and attachment, which ultimately strengthens loyalty.

Previous studies also support the notion that engagement significantly influences loyalty (Ahmed et al., 2022; Lim et al., 2022). Additionally, the concept of loyalty formation proposed by Oliver (1999) suggests that loyalty develops through a sequence of cognitive, affective, and behavioral stages, all of which are closely related to customer engagement. In the context of coffee shops, engagement can take various forms, such as interacting with social media content, participating in promotional events, and sharing experiences with others. These activities strengthen the relationship between customers and the brand. The findings imply that businesses should prioritize strategies that enhance customer engagement, as it serves as a key mechanism for transforming short-term interactions into long-term loyalty. Without engagement, marketing efforts may fail to create meaningful and lasting customer relationships.

The Effect of Social Media Marketing on Consumer Loyalty

Interestingly, the findings reveal that social media marketing does not have a significant direct effect on consumer loyalty. This suggests that exposure to social media content alone is not sufficient to create loyal customers. Instead, the impact of SMM on loyalty occurs indirectly through other variables, particularly customer engagement. This result indicates that while social media can increase brand awareness and attract attention, it does not automatically translate into long-term commitment.

Consumers may interact with content without developing a deeper emotional connection with the brand. Therefore, the effectiveness of SMM depends on its ability to create meaningful interactions rather than simply delivering promotional messages. This finding is consistent with recent studies, which argue that the relationship between SMM and loyalty is mediated by engagement, trust, and satisfaction (Dharmanatha et al., 2024). In other words, social media serves as an initial touchpoint that facilitates interaction, but additional processes are required to build loyalty. From a practical perspective, this implies that coffee shop businesses should not rely solely on social media exposure to retain customers. Instead, they should focus on creating engaging content and interactive experiences that encourage deeper involvement. By doing so, they can convert social media interactions into meaningful relationships that ultimately lead to loyalty.

The Effect of Brand Image on Consumer Loyalty

The study confirms that brand image has a strong and significant direct effect on consumer loyalty, making it the most influential variable in the model. This finding suggests that consumers who perceive a brand positively are more likely to remain loyal and continue purchasing from the same coffee shop. A strong brand image enhances trust, satisfaction, and emotional attachment, which are key drivers of loyalty.

When consumers associate a brand with positive attributes such as quality, reliability, and uniqueness, they are more likely to develop a long-term relationship with that brand. This reduces the likelihood of switching to competitors, even in a highly competitive market. This result is consistent with previous studies, which emphasize the importance of brand image in shaping consumer behavior (Robbani et al., 2025; Fernanda et al., 2025). In the coffee shop context, brand image is often influenced by factors such as ambiance, service quality, and overall customer experience. The findings imply that building and maintaining a strong brand image is essential for achieving sustainable competitive advantage. Coffee shop businesses should focus on delivering consistent and high-quality experiences that reinforce their brand identity and strengthen customer loyalty.

The Mediating Role of Customer Engagement in the SMM–Loyalty Relationship

The results demonstrate that customer engagement significantly mediates the relationship between social media marketing and consumer loyalty. This indicates that SMM contributes to loyalty only when it successfully generates engagement. Without engagement, the impact of SMM remains limited. From an engagement marketing perspective, this finding highlights the importance of interactive and meaningful content in fostering customer participation. Social media strategies that encourage interaction, such as user-generated content and real-time communication, are more effective in building engagement and loyalty. This finding is supported by previous studies, which suggest that customer engagement serves as a bridge connecting marketing activities to customer loyalty outcomes (Tam et al., 2024). Therefore, businesses should focus on creating content that stimulates interaction rather than simply promoting products.

The Mediating Role of Customer Engagement in the Brand Image–Loyalty Relationship

Customer engagement also mediates the relationship between brand image and consumer loyalty, indicating that brand perception influences loyalty both directly and indirectly. A positive brand image encourages engagement, which in turn strengthens loyalty. This finding aligns with customer-based brand equity theory, which suggests that strong brand associations lead to deeper customer relationships. Engaged customers are more likely to internalize brand values and develop emotional attachment, which enhances loyalty. Empirical evidence confirms that engagement serves as a key mechanism linking brand perception to behavioral outcomes (Darmadi et al., 2021). Therefore, businesses should focus not only on building a strong brand image but also on fostering engagement to maximize its impact on loyalty.

Conclusion

This study aims to examine the relationships between social media marketing, brand image, customer engagement, and consumer loyalty in coffee shops in Makassar City using a Partial Least Squares Structural Equation Modeling (PLS-SEM) approach. The results confirm the proposed research objectives and provide several key findings supported by quantitative evidence. The results indicate that social media marketing ($\beta = 0.307$, $p < 0.001$) and brand image ($\beta = 0.233$, $p = 0.004$) positively and significantly influence customer engagement, highlighting their importance in encouraging customer interaction. Customer engagement also has a significant positive effect on consumer loyalty (β = 0.203, p = 0.002), supporting its role in fostering long-term customer relationships. Brand image exerts the strongest direct influence on consumer loyalty (β = 0.661, p < 0.001), whereas social media marketing does not have a significant direct effect (β = 0.079, p = 0.289). Mediation analysis confirms that customer engagement significantly mediates the effects of both social media marketing and brand image on consumer loyalty. The model explains 63.1% of the variance in consumer loyalty ($R^2 = 0.631$), indicating strong explanatory power.

The findings suggest that coffee shop businesses should prioritize strengthening brand image and encouraging customer engagement through interactive social media strategies that foster meaningful customer relationships and ultimately enhance loyalty. However, the study is limited to three coffee shops in Makassar City and employs a non-probability sampling technique, which may reduce the generalizability of the results. In addition, the model only examines selected variables and excludes other potentially important factors. Therefore, future research should involve larger and more diverse samples across different regions and business sectors, while incorporating variables such as trust, perceived value, customer satisfaction, and customer experience. Longitudinal studies are also recommended to better capture changes in consumer behavior over time.

Acknowledgment

-

References

Ahmed, S., Islam, R., & Rahman, M. (2022). The role of customer engagement in fostering brand loyalty in digital environments. *Journal of Retailing and Consumer Services*, 64, 102789. https://doi.org/10.1016/j.jretconser.2021.102789

Ali, T., Ali, J., & Xiaoling, G. (2022). Impact of experiential consumption on consumer behavior in emerging markets. *Sustainability*, 14(3), 1123. https://doi.org/10.3390/su14031123

Darmadi, D., Suryani, T., & Rahayu, M. (2021). The effect of brand image on customer engagement and loyalty in digital marketing. *Journal of Marketing Analytics*, 9(4), 234–245. https://doi.org/10.1057/s41270-021-00122-3

Dharmanatha, I. G. N., Sukaatmadja, I. P. G., & Yasa, N. N. K. (2024). Social media marketing and its impact on customer loyalty: The mediating role of trust and engagement. *International Journal of Data and Network Science*, 8(1), 101–112. https://doi.org/10.5267/j.ijdns.2023.10.003 f

Dwivedi, Y. K., Ismagilova, E., Hughes, D. L., Carlson, J., Filieri, R., Jacobson, J., Jain, V., Karjaluoto, H., Kefi, H., Krishen, A. S., Kumar, V., Rahman, M. M., Raman, R., Rauschnabel, P. A., Rowley, J., Salo, J., Tran, G. A., & Wang, Y. (2021). Setting the future of digital and social media marketing research. *International Journal of Information Management*, 59, 102168. https://doi.org/10.1016/j.ijinfomgt.2020.102168

Fernanda, R., Putri, D., & Kurniawan, A. (2025). The influence of brand image on consumer loyalty in the food and beverage industry. *Journal of Business Research*, 172, 114112. https://doi.org/10.1016/j.jbusres.2023.114112

Foroudi, P., Gupta, S., Sivarajah, U., & Broderick, A. (2021). Investigating the effects of smart technology on customer engagement and loyalty. *Technological Forecasting and Social Change*, 162, 120346. https://doi.org/10.1016/j.techfore.2020.120346

Ginting, S. (2023). The role of social media content quality in enhancing customer engagement. *Jurnal Manajemen dan Pemasaran*, 17(2), 89–102. https://doi.org/10.9744/jmp.17.2.89-102

Gössling, S., Scott, D., & Hall, C. M. (2021). Pandemics, tourism, and global change. *Journal of Sustainable Tourism*, 29(1), 1–20. https://doi.org/10.1080/09669582.2020.1758708

Handayani, R., & Sarwono, J. (2023). Competitive strategies in the Indonesian coffee shop industry. *Journal of Asian Business and Economic Studies*, 30(2), 145–160. https://doi.org/10.1108/JABES-02-2022-0031

Helin, H., & Fadli, M. (2025). Brand image and purchase decision: Evidence from coffee shop consumers. *International Journal of Consumer Studies*, 49(1), 88–102. https://doi.org/10.1111/ijcs.12876

Kim, J., & Lee, H. (2023). The impact of hybrid working on consumer behavior and lifestyle. *Journal of Consumer Behaviour*, 22(4), 567–580. https://doi.org/10.1002/cb.2103

Lim, X. J., Cheah, J. H., Ng, S. I., & Wong, M. W. (2022). Customer engagement and loyalty in the digital age. *Journal of Retailing and Consumer Services*, 65, 102842. https://doi.org/10.1016/j.jretconser.2021.102842

Lu, Y., Wang, B., & Zhang, X. (2025). Customer engagement in digital commerce platforms. *Electronic Commerce Research and Applications*, 61, 101345. https://doi.org/10.1016/j.elerap.2024.101345

Pertiwi, D. A. (2023). The role of social media marketing in building brand equity. *Jurnal Ilmu Manajemen*, 11(1), 55–66. https://doi.org/10.26740/jim.v11n1.p55-66

Purnomo, M., Yuliati, Y., Shinta, A., Riana, F. D., & Ricart Casadevall, S. (2021). Developing coffee culture among Indonesia's middle-class: A case study in a coffee-producing country. *Cogent Social Sciences*, 7(1), 1949808. https://doi.org/10.1080/23311886.2021.1949808

Putri, D. A. T., Mulyati, D. J., & Mulyati, A. (2025). Pengaruh Experiential Marketing, Kualitas Pelayanan dan Fasilitas terhadap Keputusan Pembelian D'Coffee Cup Ngagel Surabaya. *Journal Social Society*, 5(1), 451–461. https://doi.org/10.54065/jss.5.1.2025.718

Rachmadhaniyati, R. (2021). Social media marketing and customer engagement: Evidence from SMEs. *Jurnal Manajemen Bisnis*, 18(3), 210–225. https://doi.org/10.38043/jmb.v18i3.3100

Robbani, M., Setiawan, B., & Hidayat, R. (2025). The effect of brand image on customer loyalty in hospitality sector. *Tourism Management Perspectives*, 45, 101123. https://doi.org/10.1016/j.tmp.2023.101123

Sunarti, S., Mulyati, A., & Pratiwi, N. M. I. (2025). Pengaruh Store Atmosphere, Lokasi dan Kualitas Pelayanan terhadap Keputusan Berkunjung pada Warkop Sedulur Tunggal Kopi Cabang Nginden Semolo Surabaya. *Journal Social Society*, 5(1), 306–322. https://doi.org/10.54065/jss.5.1.2025.698

ISSN 2808-8506

Tam, C., Santos, D., & Oliveira, T. (2024). The role of digital engagement in marketing performance. *Journal of Business Research*, 169, 113987. https://doi.org/10.1016/j.jbusres.2023.113987

Tenrisau, M. A., & Mangara, S. (2025). Social media marketing effectiveness in Indonesian SMEs. *Jurnal Ekonomi dan Bisnis*, 28(1), 45–60. https://doi.org/10.24914/jeb.v28i1.5678