



Impact of the Social Demonstration of Luxury Brands on Brand Engagement Behaviors: Role of Consumer-brand Identification

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ABSTRACT

Drastic dynamism in internet technology and the evolution of social media has had a major impact on the way firms interact and build relationships with their customers online. Social networking sites such as Facebook, allow firms to interact directly with their customers through online brand communities (OBCs). This study draws from the social impact, social identity and social exchange theory to explore social demonstration as an external and consumer brand identification as an internal force that influences brand engagement on OBCs. The study looks into the impact of the social importance of luxury brands specifically and the extent to which consumers personally identify with the brand on specific brand engagement behaviors; operationalized as participation and promotion based on the behavioral aspect of brand engagement. An online questionnaire was administered to the fans of particular fashion designer clothing brand pages on Facebook and data was gathered from 332 respondents. The empirical findings of the study concluded that consumers choose to identify more with luxury brands that are socially dominant in order to enhance their social image among others. Therefore luxury brand marketers must focus on developing a strong brand personality that matches the identity of target customers.

Keywords: Social Demonstration, Brand Engagement Behavior through Online Brand Communities, Consumer Brand Identification

JEL Classification: M1

1. INTRODUCTION

Within the past few years, the phenomenon of social media on the Internet has drastically changed the way firms interact and build relationships with their customers. Social networking sites (SNSs) such as Facebook have allowed firms to interact directly with their customers through online brand communities (OBCs). These Facebook brand pages allow firms to showcase and promote their products, invite valuable feedback and evaluations from users and establish an interactive bond with their customers. Through these OBCs consumers are not only the recipients of target marketing, rather social media has allowed consumers to act as key players in the process of brand development and value creation by exerting influence on the image of a brand through their product reviews, word of mouth (WOM) and experiences shared on such online communities (Wang and Hajli, 2014).

According to Kang et al. (2016), an online community is defined as “a form of communication among online social groups based on

interactions or group purchases and exchanges among people with similar interests.” Numerous online communities exist that vary in terms of the scope of activities, the purpose of operation, method of creation and the entity that creates the community. The community can be either created by the corporation to attract customers toward a particular brand or created by consumers seeking to interact with like-minded individuals who share common interests or preferences toward a product or brand. The prominence of customer-led communities is growing rapidly as consumers can exert a strong influence on the marketing value of a brand through the spreading of positive and negative word-of-mouth and can influence the opinions and decisions of other members of the community through active interactions on such online communities (Kang et al., 2016). Therefore marketers must pay close attention to the content generated on their brand pages by consumers and the approaches adopted by users in interacting and engaging with the brand online.

Recently social media marketing strategies have shifted their focus from simply increasing the fan base to actively engaging

its fans as active OBC members tend to spend more money on the brand than others. Moreover they contribute to creating value and developing an image for the brand through social interactions on online platforms. Engagement with consumers in this way helps build relationships that result in stronger outcomes than the mere purchase of the brand such as brand commitment and brand loyalty (Zailskaitė-jakštė and Kuvykaitė, 2016).

However it appears that most members join the Facebook brand pages for functional benefits such as discounts and offers and do not actively engage with the other users and the brand. Social media analysts have found that the majority of the content created online is by a small proportion of the fan base. Therefore researchers have called for further investigation into the factors that influence users' engagement with the brand in the online context. Few researchers such as Stephen et al. (2015) and Luarn et al. (2015) have examined how various content characteristics affect user engagement with brands on social media and concluded that content that is presented less like advertising results in greater engagement.

In another study by Kim et al. (2015) the frequency, media type and content orientations were explored as the qualitative factors of a brand's social media messages that influence consumer responses on Facebook pages. The findings suggested that photos and interaction-focused content secured greater responses in terms of likes, shares and comments. Kabadayi and Price (2014) explored individualistic differences in the form of personality traits that influence the liking and commenting behavior of individuals online. This study looks into the external social and internal personal factors influencing consumer engagement and seeks to understand which factors influence particular and specific engagement behaviors to determine differing marketing implications.

Building on the theoretical foundations of the social identity theory, social impact theory (SIT) and the social exchange theory Simon et al. (2016) proposed certain external and internal factors influencing users' engagement online. The study focused on the brand as being the focal attraction, driving consumer engagement behaviors through the social strength and noticeability of the brand and based on the extent to which consumers identified with the brand. They concluded from the findings that the social strength of the brand influenced engagement behaviors indirectly by impacting their personal drive.

The current study offers an extension to the work of Simon et al. (2016) by exploring the dynamics of consumer engagement with OBCs specifically for luxury brands. The framework is built on the rationale that luxury brands are consumed by status seeking individuals who are susceptible to interpersonal influences as they value the perceptions and judgments of others regarding their social image and behave as such to enhance their image. Therefore this study seeks to explore whether the social strength of luxury brands is a strong, external driving force for consumer engagement behaviors in the online context.

According to the Social Comparison Theory, individuals compare themselves with others, specifically their social reference

groups in order to evaluate themselves and tend to imitate their consumption patterns, adopting those that are consistent with their own self-identity (Yi-Cheon et al., 2014). When talking about luxury brands, consumption is highly visible to others' therefore consumers are sensitive to others' judgment of them and their purchase behavior. Consumers primarily purchase luxury brands based on the concern of how others view them and therefore, are more likely to be responsive to interpersonal influence. Moreover, given the collectivistic culture that prevails in most Asian countries, consumers are socially considered to be more susceptible to interpersonal influence and therefore exhibit greater preference towards luxury brands.

This study explores the impact that the social demonstration (SD) (significance) of a luxury brand has on the engagement behaviors that individuals exhibit in the online context, more specifically engagement with OBCs developed on SNSs such as Facebook. Users engage with brand communities on SNSs by exhibiting various behaviors such as liking the page, leaving comments, sharing experiences, inviting friends to like the page and spreading good WOM etc. Apart from behavioral engagement, users tend to engage with the brand community mentally (cognitive engagement) and emotionally (affective engagement).

However, current literature has focused more on exploring the behavioral aspect of consumer brand engagement due to the significant practical implications of engaging users in this manner such as generation of greater sales revenue, consumer brand commitment, brand loyalty and improved brand performance. The current study also recognizes the need to investigate how external forces affect certain engagement behaviors and therefore looks into specific behavioral engagement behaviors, namely participation and promotion which has not been explored in previous research.

Moreover, this study incorporates consumer brand identification (CBI) as an internal force influencing engagement with OBCs. Furthermore, based on the idea that luxury brand consumers seek to enhance their social image they are most likely to identify with socially dominant and significant brands hence, the study also looks into the mediating effect of CBI on the relationship between SD of the brand and brand engagement behaviors for luxury brands. The research questions posed in this study are; does SD have an impact on brand engagement behaviors i.e. participation and promotion for luxury brands? And does CBI mediate the relationship between SD and engagement behaviors i.e. participation and promotion for luxury brands? Based on these questions our objectives are to determine the impact of the SD of a brand on consumer brand engagement behaviors i.e. participation and promotion for luxury brands and to establish the mediating role of CBI between SD of a brand and consumer brand engagement behaviors i.e. participation and promotion for luxury brands.

2. LITERATURE REVIEW

The following section thoroughly discusses the conceptual space of the constructs and the definitions as established by different researchers.

2.1. Consumer Brand Engagement through OBCs

2.1.1. Definitions, conceptualizations and measurements

Many researchers have attempted to explore the concept of consumer engagement and defined the construct in both the offline and online context. Based on prior research it has been deduced that consumer engagement is a multi-dimensional concept and that there is inconsistency and lack of uniformity in the current literature regarding the definition and dimensionality of this construct. Among the many researchers attempting to define consumer engagement, Sashi (2012, p. 267) explored it by examining practitioner views of the construct and defined it in accordance with the marketing concept, as a concept that “focuses on customers and their needs, aims to provide superior value relative to competitors by generating, disseminating, and responding to intelligence regarding customer needs in keeping with market orientation, and seeks to build trust and commitment in relationships with customers as suggested by relationship marketing.”

Dessart et al. (2015) proposed that engagement with others through online communities affects brand interactions on three levels of engagement: Affective, cognitive and behavioral. These three dimensions of consumer engagement have been further explored in seven sub dimensions: Enthusiasm i.e. (in-built level of curiosity and appeal regarding OBCs), enjoyment i.e. (consumer’s amusement and pleasure derived from online interaction), attention i.e., (cognitive availability voluntarily dedicated to interacting with online communities), absorption i.e. (inability to dissociate oneself from interacting with the online community), sharing i.e. (collaborative and interactive exchange of information), active learning i.e. (using the community to update oneself regarding new trends and latest information and for advice related to purchase decisions) and endorsing i.e. (publically favoring group activity, content or ideas through liking and spreading WOM).

Based on the behavioral dimension of consumer brand engagement this study measures the construct in terms of two engagement behaviors i.e. participation (liking, commenting sharing experiences and seeking opinions), and promotion (offering WOM and referring products to others).

2.1.2. Theories covering consumer brand engagement

Four of the ten foundational premises supporting the S-D logic have been adopted by Brodie et al. (2011, p. 260) to define consumer engagement as “a psychological state that occurs by virtue of interactive, co-creative customer experiences with a focal agent/object (e.g., a brand) in focal service relationships. It occurs under a specific set of context- dependent conditions generating differing CE levels; and exists as a dynamic, iterative process within service relationships that co-create value. CE plays a central role in a nomological network governing service relationships in which other relational concepts (e.g., involvement, loyalty) are antecedents and/or consequences in iterative CE processes. It is a multidimensional concept subject to a context-and/or stakeholder-specific expression of relevant cognitive, emotional and/or behavioral dimensions.”

2.1.3. Research streams

The introduction of web 2.0 tools and technologies has transformed the way sellers and customers interact and build relationships.

Marketers are constantly developing strategies to engage consumers on brand communities by encouraging endorsement by users online in the form of likes, comments, sharing of posts and product reviews, as members who actively participate in activities on Facebook brand pages tend to develop greater commitment towards the brand resulting in enhanced brand loyalty (Zheng et al., 2015).

Many studies have applied the social exchange theory to explain how individuals analyze the costs and benefits of engaging with a brand to determine their subsequent behavior. Findings of a study by Gummerus et al. (2012) have shown that customer behavioral engagement (such as liking, commenting and reading content etc.) results in greater perceived relationship benefits, specifically social, economic and entertainment benefits, yet only perceived entertainment benefits generate greater loyalty and satisfaction. This suggests that it is the amusement element that such brand communities offer that results in loyalty towards the brands rather than economic or social benefits offered.

2.2. SD

2.2.1. Definitions, conceptualizations and measurements

According to the SIT, Harton and Bullock (2007, p. 522) defined social impact as “the amount of social influence individuals (or social presences) have on one another and is a multiplicative function of strength (elements that make a person more persuasive or better able to resist persuasion, such as expertise, physical attractiveness, or personality), immediacy, and number. Immediacy is defined as closeness in social space. Number is the number of people doing the influencing or being influenced, and is also a power function.”

Drawing on the SIT and based on the rationale that the brand itself is the driving force that attracts consumers and directs their behaviors in online communities, researchers have introduced SD as an external social force influencing engagement behaviors. According to SIT, the social impact of the focal brand depends on the strength (importance and significance) of the brand, immediacy (closeness with users) and number of social presences. Sedikides and Jackson (1990) contended that the greater the strength of social force or presence, the greater is the impact. Similarly the more immediate the sources are the more influential they are. This study has focused on the social impact of the brand based on its strength i.e. the social significance or demonstration of the brand. SD is defined by Fischer et al. (2010, p. 825) as the “use of brands as symbolic device to project and communicate the consumer’s self-concept.” As consumers use brands to influence how other perceives them, they are most likely to associate themselves with socially significant brands i.e. (brands with high SD).

2.2.2. Theories covering SD

The core theory underlying the concepts of SD is the SIT which uses mathematical equations to determine the level of social impact that a social force may exert on an individual. Social impact is the result of social forces measured in terms of strength, number and closeness of the source of impact. SIT has been connected to the concept of SD in a study by Simon et al. (2016) in order to measure the social impact a brand has on consumer behavior, where SD symbolizes the strength of the social force i.e. the brand.

2.2.3. Research streams

The rarity and high price of a consumer-object add to the SD of the brand; the level of difficulty faced in obtaining an object and its high price both signal high value and serve an important role in impressing others and drawing attention which is central to the value of luxury consumption (Yi-Cheon et al., 2014). Luxury brands trigger the desire to consume goods that affirm status and contribute to the self-concept or identity and therefore appeal more to those who wish to enhance their social image and who are conscious of the views and perceptions of others. SD has further been explored in a study by Asamoah et al. (2011) as a motive that drives consumer decision-making. Based on Maslow's hierarchy of needs, SD has been studied as a motive aimed at attaining belongingness to a social group and enhancing one's self-esteem. Findings of this study prove that SD is a strong motive driving consumer purchase behavior, regardless of culture or country.

2.3. CBI

2.3.1. Definitions, conceptualizations and measurements

Drawing on SIT, consumer-brand identification has been proposed as a personal force that influences consumer brand engagement. When consumers perceive their personal identity to overlap with the brand's identity they are more likely to build strong associations with brand pages (Simon et al., 2016). CBI has been defined by Lam et al. (2010) as a "customer's psychological state of perceiving, feeling, and valuing his or her belongingness with a brand." CBI is built upon the customer's association with the brand identity which helps create brand equity and as a result of strong self-identification with a brand, consumers are less likely to switch to a new brand thus creating loyalty and trust towards the brand.

2.3.2. Theories covering CBI

The SIT offers a psychological view of an individual's sense of who they are based on their belongingness to social groups. Being a member of a group offers a sense of pride and self-esteem which contributes to the social identity of an individual. Three mental processes have been proposed through which individuals evaluate whether one belongs to the in-group or out-group; first, social categorization to understand the members of a group, second, social identification which involves adopting the identity of the group one has categorized as belonging to and third, social comparison which involves comparing the group with others to evaluate the group.

2.3.3. Research streams

Research suggests that when consumers identify strongly with the brand or the company, this tends to reinforce trust and confidence in the brand, whereas, strong identification with the brand community reinforces the affective and emotional dimensions of the brand. Both forms of consumer identification positively influence consumer's attitude toward brand loyalty and encourages the spreading of positive WOM and promotion of products through referrals (Marzocchi et al., 2013). Wirtz et al. (2013) proposed a conceptual framework to better understand OBCs and consumer engagement and identify four key dimensions that define an OBC (brand orientation; core focus the brand or wider shared interests, internet-use; offline vs. online and funding). They further identify the drivers of engagement with OBCs, focusing on brand-related drivers and

social drivers. Strong identification with the brand offers emotional and functional benefits and in effect encourages users to participate and associate themselves with the respective brand community.

2.4. Model Conceptualization and Hypotheses Development

Brands play a significant role in the customer decision making process as the brand helps consumers communicate themselves and differentiate themselves from others. Moreover, the brand name offers greater guarantee and trust regarding the quality and performance of the product, therefore consumers enjoy the additional benefit of lower risks associated with purchase decisions (Fischer et al., 2010). Hence, the brand in itself is a strong driver of consumer behaviors.

According to the SIT, the greater the strength of the social force which has been taken to be the focal brand in this study, the greater the impact (Sedikides and Jackson, 1990). As consumers use brands as a symbolic device to project and communicate their self-concept, (Fischer et al., 2010) they are most likely to associate themselves with socially significant brands that add depth to their social identity (Schau and Gilly, 2003).

Moreover, consumers use brands to portray their social status and are concerned with the symbolic image that a brand encompasses and how it adds to their personal identity, therefore SD of the brand is a major factor determining their behavior decisions irrespective of country or culture (Asamoah et al., 2011). High SD will therefore have a higher impact on consumer engagement (Simon et al., 2016) and consumers will seek to associate themselves with the brand by publically endorsing it through liking, commenting and promoting the brand through OBCs.

Luxury brands in particular are used as a status symbol and as a means to signal belongingness to a group and therefore provide a perfect mode to communicate social identity to other consumers. Moreover, as they offer high visibility to others, the SD is likely to be greater for luxury brands (Fischer et al., 2010) resulting in stronger brand engagement behaviors. Based on this theoretical foundation, the current study proposes the Hypothesis 1 and the same explanation for Hypothesis 5.

H₁: The SD of a luxury brand will have a positive impact on participation dimension of brand engagement behaviors.

Consumers associate themselves with brands to reconfirm their self-concept and enhance their self-image. Social significance of a brand, therefore makes that brand more desirable for the objectives of identification (Simon et al., 2016). Moreover, luxury brands signal a high living standard and therefore consumers will identify more with brands that enhance their social image. Hence, SD will have a greater impact on consumer-brand identification for luxury brands.

H₂: SD of a luxury brand will have a positive impact on consumer-brand identification.

Liking a Facebook page, posting comments and sharing views are expressions of brand engagement. Users engage with brands

online by “liking” the brand page when brands allow them to express themselves on SNSs such as Facebook and when the brand reflects their inner self (self-identity) and social self. Such brands result in greater brand love and consumers are willing to offer WOM for brands that are congruent with their self-identity (Wallace et al., 2014). Hence, this study proposes that high consumer-brand identification will therefore have a higher impact on consumer brand engagement behaviors for luxury brands.

H₃: Consumer-brand identification will have a positive impact on “participation” brand engagement behaviors for luxury brands.

When consumers perceive their personal identity to overlap with the brand’s identity and when brand pages offer consumers the opportunity to enhance their self-image they are more likely to engage in collective brand-related activities on a brand page (Simon et al., 2016). Consumers use luxury brands to enhance their social identity and therefore will identify more with such brands, resulting in greater exhibition of engagement behaviors with OBCs.

H₄: Consumer-brand identification will mediate the relationship between SD and participation engagement behaviors.

Promotion has been operationalized as the second dimension measuring consumer brand engagement behaviors through OBCs. Therefore, building on the same rationale as for participation, this study further suggests that the social strength of the brand and CBI will encourage users to promote the brand by spreading favorable WOM, recommending the brand to others and inviting other users to like the brand page etc. Moreover, SD will have an indirect impact on promotion through CBI as suggested for participation engagement behaviors.

H₅: The SD of a luxury brand will have a positive impact on “promotion” brand engagement behaviors.

H₆: Consumer-brand identification will have a positive impact on ‘promotion’ brand engagement behaviors for luxury brands.

H₇: Consumer-brand identification will mediate the relationship between SD and promotion engagement behaviors.

3. RESEARCH METHODOLOGY

This section provides insights regarding the methodology adopted for the study under the headings of research design, measurement and operationalization of variables, population and sample, data collection and data analysis techniques. The current study can be classified as correlation and regression study that tests seven hypotheses investigating the impact of SD of luxury brands on specific brand engagement behaviors i.e. participation and promotion and the indirect impact of this variable through consumer-brand identification. The unit of analysis under study is individuals who engage with luxury brand Facebook pages from whom data has been collected once over a period of 2 months.

3.1. Measurement and Operationalization of Variables

A questionnaire was used to measure all variables involved in the study by adopting items from previous research work. All questions were adopted using the Likert scale (Likert, 1967), measuring responses on a 5-point scale ranging from 1 (strongly disagree) to 5 (strongly agree). Consumer brand engagement was disintegrated into two dimensions i.e. participation and promotion and was measured through these dimensions, which focuses on the behavioral aspect of the construct.

3.2. Population and Sample

The population consisted of Facebook users in Pakistan who had engaged with a luxury brand Facebook page. This study focuses on the luxury clothing industry and has defined luxury clothing as high-end custom-made designer wear. Seven top designers were selected from among the top ranking according to Facebook Fashion Stats-Pakistan only, a publication by Social bakers; a social media marketing solutions provider (largest audience, 2016) and their Facebook page members were targeted to form the sample of this study. Thus this study adopted the purposive sampling technique, more specifically judgment sampling where data was collected from specific groups of individuals who could provide the desired information and conformed to the set criteria.

3.3. Data Collection Procedure

The participants were contacted via a message on Facebook and provided with a personalized link to the online questionnaire. Two questions were posed to screen the participants to ascertain that they were Facebook members who had “Liked” at least one luxury brand page on Facebook from among the seven top fashion designers of Pakistan. These questions can be seen in Appendix 1. Those answering none were screened out. Each participant was asked to insert the name of one luxury retail clothing brand he/she had “Liked” on Facebook. After eliciting the target brand in this manner, a survey was presented to the respondent with items designed to measure the variables in the conceptual model.

4. RESULTS AND ANALYSIS

4.1. Normality Checks

The Shapiro-Wilk’s test ($P > 0.05$) (Shapiro and Wilk, 1965; Razali and Wah, 2011) and a visual inspection of the histograms, normal Q-Q plots and box plots showed that the variables were approximately normally distributed (with no outliers), with a skewness of 0.078 (SE = 0.134) and kurtosis of -1.062 (SE = 0.267) for SD, a skewness of -0.32 (SE = 0.134) and kurtosis of -1.859 (SE = 0.267) for CBI, a skewness of 0.324 (SE = 0.134) and kurtosis of -1.216 (SE = 0.267) for Participation and a skewness of 0.288 (SE = 0.134) and kurtosis of -1.10 (SE = 0.267) for Promotion (Cramer, 1998; Cramer and Howitt, 2004; Doane and Seward, 2011).

4.2. Measures Assessment (Reliability and Validity)

4.2.1. Reliability

Reliability was assessed through measuring Cronbach’s alpha. Values can be seen in Table 1. The Cronbach’s alpha of the items for each construct is above .700, a recommended cut-off value for satisfactory reliability (Nunnally, 1978). Therefore instrument reliability was found to be satisfactory.

4.2.2. Confirmatory factor analysis (CFA)

Individual CFA's were conducted for four latent constructs. The results of CFA were analyzed using the reference ranges as guided by Anderson and Gerbing (1988) like for $\chi^2/df \leq 3$, and for normed fit index (NFI), goodness-of-fit index (GFI), and comparative fit index (CFI) ≥ 0.90 respectively and for root mean square error of approximation (RMSEA) the reference range of < 0.08 was considered as cut off value.

Four items for SD were assessed for reliability and validity. All standardized factor loadings of the latent constructs were significant and larger than 0.50 which is an indication of item reliability (Hair et al., 2012). For SD, $\chi^2/df = 3.40$, GFI = 0.99, NFI = 0.99, CFI = 0.99 and RMSEA = 0.08.

Seven items for CBI were subjected to CFA; one out of seven items was deleted based on lower factor loadings, and the final fit indices for CBI were $\chi^2/df = 1.91$, GFI = 0.99, NFI = 0.99, CFI = 0.9, RMSEA = 0.05. Seven items for CB participation were subjected to CFA, and the final fit indices for CB participation were $\chi^2/df = 2.30$, GFI = 0.95, NFI = 0.93, CFI = 0.94, RMSEA = 0.06, for CB promotion five items were subjected to CFA and the fit indices for CB promotion were $\chi^2/df = 0.79$, GFI = 0.99, NFI = 0.99, CFI = 1.0, RMSEA = 0.00 (Table 1).

The values of CR and AVEs can be seen in Table 2.

4.3. Descriptive of Demographics (Table 3)

Of a total sample of 332, the majority of the respondents were within the age bracket of 26-35 years (67.8%), 22.6% within 19-25 years age bracket, 6.3% less than 18 years and 3.3% within the age bracket of 36-55 years. Majority of the respondents were females (71.1%) and 28.9% were male. Furthermore, more than 50% (54.8%) of the respondents were located in Lahore, 31.9% in Islamabad and 13.3% were located in other non-specified locations. Frequency details of age, gender and location can be seen in Table 3.

4.4. Descriptive of Study Variables

The descriptive statistics, including the minimum value, the maximum value, the mean value, the standard deviation, skewness, kurtosis and correlation for each construct are listed in Table 4. The description of each survey item can be found in the attached questionnaire.

4.5. Hypothesis Testing

4.5.1. Direct relations

First, for external social forces, the impact of SD on consumer brand participation behaviour is significant and positive ($\beta = 0.39$, $P < 0.001$), in support of H1. Moreover, for internal forces, CBI value of the brand also positively influences consumer brand participation behaviour significantly ($\beta = 0.49$, $P < 0.001$), thus supporting H3. R^2 value shows that 71% of the variance in

participation behaviors is explained by SD and consumer brand engagement (Table 5).

Further, SD of brand has a significant positive impact on consumer-brand identification ($\beta = 0.79$, $P < 0.001$), thus supporting H2. R^2 value shows that 62% of the variance in CBI is explained by SD (Table 6).

Second, for external social forces, the impact of SD on consumer brand promotion behaviour is significant and positive ($\beta = 0.32$, $P < 0.001$), in support of H5. Moreover, for internal forces, CBI value of the brand also positively influences consumer brand promotion behaviour significantly ($\beta = 0.45$, $P < 0.001$), thus supporting H6. R^2 value shows that 53% of the variance in promotion behaviors is explained by SD and consumer brand engagement (Table 7).

4.5.2. Mediation analysis

To check the mediation of CBI between SD and participation (PAR), we followed four step approach developed by Baron and Kenny (1986). As Model-I in Table 8 confirms that the effect of SD on PAR is statistically significant ($F = 538.46$, $P < 0.001$, $\beta = 0.78$, $R^2 = 0.62$). Thus, the second regression in Model-II model was carried out to confirm the effect of SD on CBI. The results provide ($F = 547.77$, $P < 0.001$, $\beta = 0.79$, $R^2 = 0.62$). Third regression was performed in Model-III to predict the relationship of CBI and PAR. The results provide ($F = 627.98$, $P < 0.001$, $\beta = 0.81$, $R^2 = 0.65$). In Model-IV when SD and CBI were regressed together on PAR, it can be seen that the β value significantly reduced from 0.78 to 0.39 but remained significant and R^2 increased from 0.62 in Model-I to 0.71 in Model-IV and the $\Delta R^2 = 0.09$. Based on change in β values and ΔR^2 , it was concluded that CBI partially mediates the effects of SD on PAR. An online Sobel test was also performed to check the significance of mediation.

Same four step approach was used to check the mediation of CBI between SD and promotion (PRO) (Table 9). The results can be seen in Table 9 that the β value is significantly reduced from 0.67 to 0.32 and R^2 increased from 0.46 to 0.53 and the $\Delta R^2 = 0.07$. Based on change in β values, ΔR^2 , it was concluded that CBI partially mediates the effects of SD on PRO. The conceptual research model is illustrated in Figure 1.

5. DISCUSSION AND CONCLUSION

The results of the study provide interesting conclusions regarding the impact of external and internal factors on specific brand engagement behaviors for luxury brands on Facebook. The findings suggest that the SD of luxury brands does in fact have a direct positive impact on both the participation ($\beta = 0.39$, $P < 0.01$) and promotion ($\beta = 0.32$, $P < 0.01$) engagement behavior of users online. Previously SD proved to only have an indirect impact on

Table 1: Cronbach's alpha results

Variables	No of items	Cronbach's alpha	Variables	No of items	Cronbach's alpha
Social demonstration	4	0.84	Participation	7	0.95
CB identification	7	0.89	Promotion	5	0.94

Table 2: CFA results

Construct and items	Factor loadings	Construct and items	Factor loadings
Social demonstration $\alpha=0.84$		Promotion $\alpha=0.94$	
$\chi^2/df=2.30$, GFI=0.99, NFI=0.99, CFI=0.99, RMSEA=0.08		$\chi^2/df=0.79$, GFI=0.99, NFI=0.99, CFI=1.0, RMSEA=0.00	
SD1	0.83	CBPRO1	0.86
SD2	0.83	CBPRO2	0.83
SD3	0.84	CBPRO3	0.93
SD4	0.58	CBPRO4	0.83
Consumer brand identification $\alpha=0.90$		CBPRO5	0.81
$\chi^2/df=1.91$, GFI=0.99, NFI=0.99, CFI=0.9, RMSEA=0.05			
CBI1	Deleted		
CBI2	0.85		
CBI3	0.62		
CBI4	0.76		
CBI5	0.91		
CBI6	0.86		
CBI7	0.64		
Participation $\alpha=0.94$			
$\chi^2/df=2.30$, GFI=0.95, NFI=0.93, CFI=0.94, RMSEA=0.06			
CBPAR1			
CBPAR2			
CBPAR3			
CBPAR4			
CBPAR5			
CBPAR6			
CBPAR7			

α : Cronbach's alpha, GFI: Goodness of fit index, NFI: Normed fit index, CFI: Comparative fit index, RMSEA: Root mean square error of approximation, CFA: Confirmatory factor analysis

Table 3: Descriptive of demographics (N=332)

Demographics	Frequency	Percent	Cumulative percent
Age			
<18	21	6.3	6.3
19–25	75	22.6	28.9
26–35	225	67.8	96.7
36–55	11	3.3	100
>56	-	-	-
Total	332	100	-
Gender			
Male	96	28.9	28.9
Female	236	71.1	100
Total	332	100	-
Location			
Lahore	182	54.8	54.8
Karachi	-	-	54.8
Islamabad	106	31.9	86.7
Other	44	13.3	100
Total	332	100	-

general engagement through consumer brand engagement. This suggests that luxury brand purchasers do indeed consider how socially important a brand is and engage more with brands that are socially more prominent and noticeable.

Moreover, consumer brand engagement appears to predominantly influence consumer brand engagement for luxury brands. The findings suggest a stronger positive impact on both participation ($\beta = 0.49$, $P < 0.01$) and promotion ($\beta = 0.45$, $P < 0.01$) as compared to SD. This supports prior findings that suggest that when consumers identify with the brand image they incorporate those brands into their self-concept by engaging with them online in order to endorse their belongingness to the brand community.

Furthermore, SD for luxury brands also has a significantly strong positive impact on CBI ($\beta = 0.79$, $P < 0.01$). Also a positive impact on participation ($\beta = 0.39$, $P < 0.01$) and promotion ($\beta = 0.32$, $P < 0.01$) engagement behaviors through the mediating effect of CBI which suggests that consumers seek to identify more with socially significant brands as they enhance their self-image and therefore engage with OBCs for luxury brands.

Overall, this study concludes that both SD and consumer brand engagement have a significant impact on both types of engagement behaviors.

6. SIGNIFICANCE OF STUDY

Prior research has proved that if customers engage frequently and intensively in brand community activities, a positive brand image is projected in their minds, enabling the building of a strong brand

Figure 1: Conceptual model

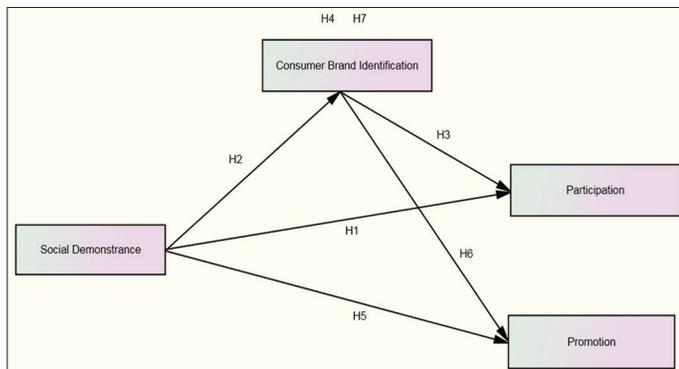


Table 4: Descriptive of study variables (N=332)

Constructs	Min	Max	Mean	SD	Skewness	Kurtosis	1	2	3	4
1 Social demonstration	4.00	20.00	11.68	4.58	0.07	-1.06	1	0.79**	0.78**	0.67**
2 Consumer brand identification	7.00	32.00	20.98	7.32	-0.32	-0.85	-	1	0.81**	0.70**
3 Participation	7.00	35.00	18.24	9.03	0.32	-1.21	-	-	1	0.89**
4 Promotion	5.00	25.00	13.22	6.54	0.28	-1.10	-	-	-	1

**P<0.01

Table 5: Regression analysis of consumer brand participation w.r.t social demonstration and consumer brand identification (N=332)

Variables	B	S.E	β	T	R ²	F	Durbin Watson	VIF
Constant	-3.72	0.81		-4.55	0.71	409.96**	2.04	2.66
Social demonstration	0.77	0.09	0.39	8.17**				
CB identification	0.61	0.05	0.49	10.37**				

**P<0.001

Table 6: Regression analysis of consumer brand identification w.r.t social demonstration (N=332)

Variables	B	S.E	β	T	R ²	F	Durbin Watson	VIF
Constant	6.2	0.67	-	9.24	0.62	547.78**	1.15	1.00
Social demonstration	1.2	0.05	0.79	23.4**				

**P<0.001

Table 7: Regression analysis of consumer brand promotion w.r.t social demonstration and consumer brand identification (N=332)

Variables	B	S.E	β	t	R ²	F	Durbin Watson	VIF
Constant	-0.64	0.75		-0.85	0.53	192.16**	2.11	2.66
Social demonstration	0.45	0.08	0.32	5.23**				
CB identification	0.40	0.05	0.45	7.44**				

**P<0.001

Table 8: Mediation analysis of CBI between SD and CB PAR (N=332)

Model	IV	DV	B	SE	β	T	R ²	F	ΔR^2
Model-I	SD	PAR	1.55	0.06	0.78	23.20**	0.62	538.46**	0.09
Model-II	SD	CBI	1.26	0.05	0.79	23.40**	0.62	547.77**	
Model-III	CBI	PAR	0.99	0.04	0.81	25.06**	0.65	627.98**	
Model-IV	SD	PAR	0.09	0.09	0.39	8.17**	0.71	87.41**	
	CBI		0.05	0.05	0.49	10.37**			

**P<0.001. SD: Social demonstration, PAR: Participation, CBI: Consumer brand identification

Table 9: Mediation analysis of CBI between SD and CBPRO (N=332)

Model	IV	DV	B	SE	β	T	R ²	F	ΔR^2
Model-I	SD	PRO	0.96	0.05	0.67	16.80**	0.46	282.29**	0.07
Model-II	SD	CBI	1.26	0.05	0.79	23.40**	0.62	547.77**	
Model-III	CBI	PRO	0.63	0.03	0.70	18.17**	0.50	330.45**	
Model-IV	SD	PRO	0.45	0.08	0.32	5.23**	0.53	192.16**	
	CBI		0.40	0.05	0.45	7.44**			

**P<0.001. SD: Social demonstration, PRO: Promotion, CBI: Consumer brand identification

reputation. This in turn increases the firm's financial performance (Wong and Merrilees, 2015). Thus, understanding the antecedents of consumer brand engagement is of great significance for retail brands. This study provides useful insights into the impact of internal personal and external social forces on brand engagement through OBCs.

This study contributes to current research regarding online brand engagement by exploring the impact of SD and consumer brand engagement on specific engagement behaviors. This study defined, conceptualized and empirically measured engagement with OBCs

in terms of two specific engagement behaviors; participation and promotion by focusing on the behavioral aspect of engagement. Therefore the results of this study will enable marketers who aim to enhance specific engagement behaviors such as liking a brand page, sharing product reviews, posting comments and sharing experiences or spreading favorable WOM to focus their efforts based on differential personal and external forces. Moreover, this study looks into engagement behaviors on Facebook specifically for luxury brands. These findings will help retailers of luxury brands to understand the significance of the social and personal impact that their brand makes on consumer engagement behavior.

7. PRACTICAL IMPLICATIONS

The results of this study have implications that help online brand marketers to encourage the meaningful engagement of consumers in a brand community on Facebook. With regard to external social forces, marketers need to emphasize the social significance and essence of the brand. This can be done by creating a strong brand personality that highlights the brand's values and differentiates it from other similar brands. This will enhance the brands noticeability and will provide opportunities that highlight the brand's unique selling proposition.

Regarding internal personal forces, marketers must highlight the core values of the brand in order to clearly present the identity and image of the brand to consumers and must encourage opportunities that allow consumers to develop a personal relationship with the brand. This will help facilitate personal identification with the brand. Further, marketers must explore the identity and personality of its target market and develop a socially strong brand image and personality that matches the identity of its target market. This will help enhance CBI and encourage greater engagement with the brand through OBCs.

8. DIRECTIONS FOR FUTURE RESEARCH

Although this study has found encouraging results and interesting implications, there are certain limitations that require further research. Firstly by restricting the product category to retail clothing brands, the findings are limited to the clothing industry only. The impact of external social and internal personal forces may differ when investigating a different set of product brands, categories or industries. Therefore future research may carry out an analytical comparison of the effects on different types of brands or product categories.

Moreover, there are three levels of consumer engagement; behavioral, affective (emotional engagement) and cognitive (mental engagement). This study however focuses only on the behavioral aspect of consumer brand engagement by measuring participation and promotion activities of users on Facebook. Whereas, how emotionally attached and mentally involved a consumer is with an OBC may offer great potential to marketers in terms of creating brand loyalty, brand love and generating greater revenue. Therefore further research must be conducted to look into the impact of external and internal forces on engagement at the cognitive and affective level.

Finally, it would be interesting and useful to look into which behavioral activities result in higher purchase intent, repetitive purchases and favorable financial performance. This would provide useful insights for marketers regarding which type of specific behavior to encourage; if promoting behaviors result in greater purchase intent, brands aiming to achieve this may focus more on encouraging users to spread favorable WOM by enhancing CBI as based on findings of this study when consumer identity overlaps with the brand's identity they are more likely to promote the brand to others.

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APPENDIX

Appendix 1

Variable	Items
Social Demonstration	SD1 To me the brand is indeed important because I believe that other people judge me on the basis of it SD2 I purchase particular luxury brands because I know that other people notice them SD3 I purchase particular brands because I have much in common with the other buyers of that brand SD4 I pay attention to the brand because its buyers are just like me
Consumer-Brand Identification	CBI1 My sense of who I am (i.e. my personal identity) and my sense of what this brand represents (i.e. the brand's identity) overlap CBI2 When someone praises this brand, it feels like a personal compliment CBI3 I would experience an emotional loss if I had to stop using this brand CBI4 Overall, I can identify with this brand CBI5 This brand symbolizes the kind of person I really am inside CBI6 This brand reflects my personality CBI7 This brand is an extension of my inner self
Participation	PAR1 I cooperate with the other fans from this brand community PAR2 I actively engage in the brand community's activities PAR3 I share brand-related experiences with the other fans from this brand community (e.g. in form of postings, photos, or videos) PAR4 I respond to questions or comments of the other fans from this brand community (in form of comments or "likes" PAR5 I help other people by providing them with information about the product / brand on the Facebook Fan Page PAR6 I join events organized through the Facebook Fan page PAR7 When I consider new products, I ask my contacts on the social networking site for advice
Promotion	PRO1 I recommend the Facebook Fan Page to my friends PRO2 I send invitations to ask others to become a fan to the Facebook fan page PRO3 I click "like" for this brand in order to spread the good word about this brand PRO4 I recommend this brand to friends and family on Facebook PRO5 I tend to forward my friends positive reviews on products of this brand