The Impact of Social Network Marketing on Consumer Purchase Intention in Pakistan: Consumer Engagement as a Mediator

Areeba Toor, Mudassir Husnain* and Talha Hussain

ABSTRACT

Manuscript type: Research Paper

Research aims: This paper investigates the impact of social network marketing on consumer purchase intention and how it is affected by the mediating role of consumer engagement.

Design/Methodology/Approach: This study analyses data taken from 300 existing users of social network marketing websites in Pakistan. Structural equation modelling was employed to test the model developed.

Research findings: Results indicate that social network marketing is significantly related to consumer purchase intention. They further demonstrate that consumer engagement acts as a partial mediator in how social network marketing impact on consumer purchase intention.

Theoretical contributions/Originality: This study expands on the existing research of social network marketing by investigating the indirect effect of consumer engagement on the relationship between social network marketing and consumer purchase intention in the context of Pakistan.

Practitioner/Policy implications: The findings drawn from this study imply that marketers should respond to the rising importance

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of social networking sites because of their powerful influence on consumer purchase intention. This suggestion can be implemented by companies through the continuous monitoring of consumer concerns by adjusting their online marketing strategies.

**Research limitation/Implications:** Future studies should consider using a qualitative approach, namely interviews to gain a better understanding of consumers’ insights and experiences influencing their commitment and purchase intentions. Additionally, more weight can be added to the literature by comparing the influence of electronic word-of-mouth e-WOM to the marketing campaigns carried out by various companies in various social websites.

**Keywords:** Consumer Engagement, Pakistan, Purchase Intention, Social Network Marketing

**JEL Classification:** M3

1. **Introduction**

With the passage of time, new modes and trends of digital technologies have begun to encroach into traditional modes of doing business. If conventional businesses and organisations do not acknowledge the presence and impact of digital technology on commerce such organisations may cease to exist. Take the example of Nokia, a popular and reliable producer of mobile phones in the 1990s. Due to its reluctance to adjust to today’s technology, Nokia is no longer a competitor in mobile gadgets. Likewise, traditional retailers are facing a huge challenge today as many younger generation of purchasers are resorting to online shopping (Krbová & Pavelek, 2015). This transformation in lifestyle shows that current trend of living needs to acknowledge that today’s mode of communication has changed and traditional businesses need to adjust and accommodate to these changes. The world today is surrounded by technology in particular, high technology; hence, it is appropriate to understand how social network marketing can impact consumer purchase intention.

As can be seen in today’s marketing sphere, social media uprising has transformed the communication setting and this has impacted marketing communication considerably. The change has rapidly altered the existing marketing field thereby, creating ties between marketers and other consumers. This evolution has produced novel potentials and opportunities within commerce and trade to such extent that it is changing how consumers respond to making purchases as exposure
to a variety of brands of products and services (Shaw, 2012) become accessible.

Social network marketing, a subset of social media marketing, is one of the novel and eminent marketing attempts that has brought consumers as participants instead of observers. Under this innovative marketing approach, brands and consumers are connected without any limitation in time, location and means of communication as the approach facilitates a two-way communication instead of the traditional one-way communication (Kim & Ko, 2012). This observation is also noted by Kozinets, Hemetsberger, and Schau (2008) and Merz, Yi, and Vargo (2009) who mention that the emergence of an advanced communication technology has changed the attitude of consumers from that of being submissive contributors to one of lively originators and manipulators as seen in the social media.

This revolutionary impact has touched the world and Pakistan is no stranger to it either. In the last few years, there has been a rapid growth in the usage of social media in Pakistan where the use of Facebook, as a social platform for communication, was noted to be one of the most widely used social platforms, with a record of 19 million users (Kemp, 2015). These figures imply that using Facebook as a social platform of communication is a growing trend even in Pakistan. Consequently, the use of Facebook has led to many opportunities for businesses to prosper. This phenomenon has raised the awareness of many other organisations in various industries. As a result, companies are joining the bandwagon to promote their products and services alike through Facebook. As argued by Jack Ma, who is the founder of the huge Chinese e-commerce firm, Alibaba, failure to utilise the social network platform as a media to interact with consumers and other business associates or prospects and potentials may lead them to be excluded from the industry, thereby, losing their position in the market (Barhemmati & Ahmad, 2015).

On the same note, Phillips and Noble (2007) argue that with the upsurge of social media platforms, the traditional mass media has become less effective as a marketing tool. They forecast that social network marketing would be the future marketing tool that will have a profound impact on consumers, compared to the conventional methods. Undeniably, social media, primarily Facebook, has attracted a considerable amount of attention in recent years, particularly among Pakistanis which include students (Shafique, Anwar, & Bushra, 2010). This social media platform has become part of the students’ lives and Facebook is constantly used by many to communicate their respective
interests, works, interactions and personal relationships (Hussain, 2012). Despite the importance of the social media and its impact on the various sectors of commerce, majority of the studies conducted in the Pakistani context focused mainly on the impact of social media on education and training (Nawaz, Abbas, Javed, Mughal, & Nabeel, 2015; Arif & Kanwal, 2016; Hussain, 2012). Therefore, it cannot be denied that the pedagogical role of social media and its role in communication, collaboration, learning, and instruction within educational institutions, is one of the areas that have been frequently explored and understood.

Within marketing management literature, it appears that the issue of consumer engagement has received substantial consideration from marketing experts (Dessart, Veloutsou, & Morgan-Thomas, 2015), in particular, with reference to research involving social media. In the context of business, consumer engagement involves maintaining customer attention and this has been highlighted by the Marketing Science Institute (MSI) a research-based global organisation (MSI, 2016), as one of the key research concerns between the period of 2014 and 2016 (Islam & Rehman, 2016). This issue is highlighted by researchers (Sprott, Czellar, & Spangenberg, 2009) as a prime driver of the decision making process of consumers because consumer engagement can result in consumer satisfaction, loyalty, trust and commitment (Brodie, Ilic, Juric, & Hollebeek, 2013; Hapsari, Clemes, & Dean, 2017). Moreover, bonds between seller and buyer can be easily formed through consumer engagement. As the two parties bond, the value creation experience for both could be nurtured. This implies that the increasing accessibility of social media platforms should be viewed positively as such platforms appear to facilitate consumer engagement. Further, these social media platforms can provide opportunities for the consumers to get connected with retailers as well as other buyers. Through social media use, sellers can build a relationship with existing and new consumers and consequently, a community of users of social media platform can be formed whereby sellers and buyers interact and communicate with each other in terms of problems and solutions to resolve problems.

Nonetheless, despite the increased practical importance of social media and its impact on consumer engagement, particularly in the online context which encompass all social networking domains, this aspect of business marketing has been under-researched (Fournier & Lee, 2009; Ngai, Taoa, & Moon, 2015; Dessart et al., 2015). Given the lack of studies conducted in this area, the current study thus, aims to investigate the effect of social network marketing on consumer purchase
intention among Pakistani consumers. Additionally, this study also aims to investigate the mediating role of consumer engagement on the relationship between social network marketing and consumer purchase intention.

The remainder of this paper is organised as follows: Section 2 presents the review of previous literature on the underpinning theory, social network, consumer engagement and consumer purchase intention. Section 3 develops the hypotheses while section 4 discusses the methodology employed. Section 5 and 6 highlight the findings of the study while section 7 concludes the paper.

2. Literature Review

2.1 Theoretical Foundation

The theoretical foundation of this study is based on the Uses and Gratification Theory (UGT), developed by Katz and Blumler (1974). This theory is primarily used on conventional media as an endeavour to analyse consumers’ behaviour. However, with the advent of the Internet and new platforms of interactions including emails, instant messaging, blogging, skyping, what’s apping and various other forms of communication, the same theory has also been significantly applied on social media studies (e.g., Ngai, Taoa, & Moon, 2015).

In the context of this study, the application of the UGT is based on the assumption that the consumer is an active and self-conscious contributor in media choice; the consumer is also driven by personal goals rather than the influence of the media. This theory thus assumes the position that the consumers, will seek out the media that fulfills their needs and so their gratification. Consequently, it is the consumer’s gratification that would lead to the recurring media use. Thus, the media choice of the consumer is considered to be objective-oriented and value-focused (Dahl, 2014).

The application of the UGT has been considered by various social media studies primarily, for exploring the uses and motives behind social network platform usage (Dunne & Lawlor, 2010; Lee & Ma, 2012; Bolton, Parasuraman, Hoefnagels, Migchels, Kabadayi, & Gruber, 2013; Khan, 2016; Wang, Yang, & Chen, 2016), for identifying the factors that drive social network platform consumers’ engagement (Oliveira, Huertas, & Lin, 2016), for developing models and hypotheses which investigate the stimulation of positive engagement behaviour.
with other constructs including usage intensity, brand strength, brand loyalty (Vries & Carlson, 2014), for examining social media content (Dolan, Conduit, Fahy, & Goodman, 2016) and for investigating mobile social network advertising (Wu, 2016). The UGT has been applied on traditional platforms as well as on technological media as a means of understanding how the emotional, cognitive and other emerging needs of the consumers, are gratified; it has also been applied in specific cases as a means to understand how the various media had successfully attracted the viewership of consumers. Based on its vast and successful applications, it is thus argued that the UGT fits well with the current study which aims to investigate how social media influences consumers’ intention to purchase.

In today’s borderless world, people throughout the globe are using social media in real time for various purposes of communication, with majority spending almost a quarter of their daily time, surfing social networks (Forbes, 2017). Companies offering services and products are determined to get the attention of social network consumers thus, these companies are redesigning their marketing strategies and policies. Among these is the strategy of integrating social media into their marketing scheme, one aspect of change that is hoped to project their products, services and brands to the outside world.

Previous studies have employed the UGT largely to explain why users use certain social media (Dunne & Lawlor, 2010; Lee & Ma, 2012; Husnain, Qureshi, Fatima, & Akhtar, 2016; Khan, 2016; Oliveira, Huertas, & Lin, 2016; Wang et al., 2016) namely status seeking, information hunting, socialising, and entertainment. With the widespread usage of social media today, it is important for studies to determine its impact on consumer purchase and the marketing success of products and services. It is also important to understand how effective is social media in arousing purchase intentions among consumers. This is because research (Smith, 2011) has shown that 88 per cent of marketers are utilising social media as a marketing tool where a total of USD 60 billion is being spent annually for social media advertisements in the U.S. Moreover, the contact that companies are able to develop with their customers through the social media platform is also expected to generate higher returns for the marketers (Okazaki & Mueller, 2007). Observations indicate that many of these consumers tend to be loyal and provide recurrent purchases. To date, the importance of the social media has been highlighted but there has been little understanding on
how social media use would lead to consumers’ purchase intention in Pakistan.

2.2 Social Media and Social Network Marketing

In the context of this study, the term, social media, is used as a reference to the “wide range of internet based services and mobile services that allow users to participate in online exchanges, contribute to user-created contents, or join online communities” including blogs (e.g., Tumblr), wikis (e.g., Wikipedia), social bookmarking (e.g., Digg), social networking sites (e.g., Facebook, Twitter, LinkedIn) and media-sharing sites (e.g., YouTube, Instagram). This definition is proposed by Dewing (2012, p. 1). As a result of the technological revolution that is happening around the world, social media has flourished in every sphere of communication and as a result of this, there has been innovative ways of communicating among people. The advent of social media has influenced the way companies create links with their customers and the services offered by social media are not only high tech but also fast, effective and convenient. They are spontaneous, visual and can be broadcasted almost in any part of the world as long as there is Internet. As users of these social media, prospective consumers thus involve themselves as groups with particular interests and it is this aspect of their peculiarity that allows for effortless marketing strategies (Kahle, Valette-Florence, & Ebrary, 2012).

Social networking works through certain social media sites which allow users to create their profiles, share information, interact and communicate with other users within the same sites (Kaplan & Haenlein, 2010). Social network marketing is used by strategic marketers as a marketing tool because these social networks are hugely popular among individual and thus become visible sites for advertising. Other than its expedient access, the environments can be customised to accommodate the profiles of the consumers. Thus, the usefulness of the social network depends on the marketers, who have a choice of exploiting and optimising the room for advertising to its fullest potential and shaping the room for advertisement according to the needs and inclinations of the consumers. Research on social media categorises consumers as either contributors who are actively posting comments or as observers/followers who only observe and watch what others post (Schlosser, White, & Lloyd, 2006; Shoa, 2009). In 2009, it was noted
that about 53 per cent of social media users were identified as active
social media observers/followers instead of active contributors who
contribute to the contents on social media. This phenomenon, however,
has changed over time with many users becoming active consumers
and active contributors (Ngai et al., 2015).

According to Yusufzai (2016), Internet users in Pakistan are more
likely to use social media including Facebook, Twitter, and Instagram,
for the purpose of reaching out to the government’s outreach programs,
businesses as well as the entertainment industry. This implies that
Pakistan is at par with other countries when it comes to social media
usage. However, despite its increasing dependence on social media for
various outreach, few research has focused on its influence on consumer
purchases. Of the few studies conducted, Nasir, Vel, and Mateen
(2012) examine how social media affected the purchasing behaviour of
Pakistani women. Their study reveals that Pakistani women consider
the traditional word of mouth form of advertising to be more authentic
than social media advertising in making purchase decisions related to
apparels. While this study provides some insights into the social media
usage in Pakistan, it concentrates on women and the garment industry
only. In that regard, it restricts the generalisability of the results.

In another study, Nawaz et al. (2015) investigate the impact of social
media on the decision making process of 126 respondents working in
higher institutes of education in Pakistan. Their study discloses that the
decisions made by the social media users are influenced by the criticisms
and information shared by other users. Examining the adoption of social
media among distance learners of higher public institutions, Arif and
Kanwal (2016) note that majority of the respondents are familiar with
social media technologies and Facebook appeared to be the one most
frequently used. The study further shows that perceived usefulness,
perceived behaviour control and attitude as factors that could influence
the users to use social media. Since these studies focus on training and
the education sector, the findings may not be able to illustrate to what
extent social media can affect the purchasing behaviour of social media
users in Pakistan. Thus, the current study aims to fill in this literature
gap.

2.3 Consumer Purchase Intention

In studying the field of marketing, advertising and selling, it cannot be
disputed that a purchase intention tends to occur at the phase of the
decision-making process where the consumer has developed a definite readiness to proceed towards a product or brand (Dodds, Monroe, & Grewal, 1991; Wells, Valacich, & Hess, 2011). This purchase intention is an imperative indicator for evaluating consumer behaviour since it can gauge the likelihood of a consumer to purchase a product. The higher the purchase intention, the higher a consumer’s readiness to purchase a product.

In a recent study conducted by Mirabi, Akbariyeh, and Tahmasebifard (2015), it is found that factors such as product quality, brand and advertisement can be the most important factors that contribute to consumer’s purchase intention. These factors act as the very reason for companies to invest more on the marketing efforts achieved through novel means besides traditional approaches as both approaches can help to boost their market shares. Consumer purchase intention has been used as a key construct in marketing researches in a variety of contexts but they include varying variables such as consumer attitudes (Hidayat & Diwasasri, 2013), perceived value (Shaharudin, Pani, Mansor, & Elias, 2010), perceived risk, usefulness and the ease of use (Faqih, 2013). In an online environment alone, many studies (e.g., Thamizhvanan & Xavier, 2013; Weisberg, Te’eni, & Arman, 2011; Rose, Clark, Samouel, & Hair; 2012) have explored the factors that could affect consumer purchase intention. In their study, Chang, Cheung, and Lai (2005) identify more than 80 variables as antecedents of consumer purchase intention. These were categorised as the perceived characteristics of the websites, product characteristics and consumer characteristics. Knowing that it is not possible to explore all the variables that could affect consumer purchase intention, this study is thus restricted to investigate the effect of social network marketing and consumer engagement on purchase intention. The growth of social media websites such as Facebook, Twitter and Youtube has provided consumers with remarkable opportunities to share and disseminate information and contents about a related product or brand used. As a result, consumers have become more informative and concerned about obtaining information on product features before making any purchase (Ahmed & Zahid, 2014). This phenomenon indicates the pertinent role of social media marketing and consumer engagement in providing information to other users thereby, building their preferences and choices of purchase.
2.4 Consumer Engagement

In the context of this study, consumer engagement refers to the “level of a customer’s physical, cognitive and emotional presence in their relationship with a service or organisation” (Patterson, Yu, & De, 2006, p.3). While consumer engagement may appear synonymous to consumer involvement, Mollen and Wilson (2010), have differentiated between the two; where both require a consumption entity, engagement is ahead of involvement as it requires an ‘active relationship’ with the brand, gratifying both experimental and instrumental values. Consumer engagement has been considered as a deliberate imperative activated by marketers for the purpose of instituting and maintaining a competitive edge over others (Sedley & Perks, 2008). Consumer engagement may also be applied by marketers as a worthy forecaster of business performances (Sedley & Perks, 2008). In this regard, consumer engagement is an important element and it has harnessed significance over the years. This is because when there is media fragmentation due to the availability of several media choices there will be a decrease in consumer devotion. Businesses have to refine their marketing efforts to engage consumers as engaged consumer is more loyal and emotionally connected to the brand (Sorenson & Adkins, 2014).

3. Hypotheses Development and Conceptual Model

3.1 Social Network Marketing and Consumer Purchase Intention

Around the world today, there is clear competitiveness and keenness among businesses to enter into places where there is a concentration of people, whether physical or virtual. This is because marketers need to employ diverse methods to preserve the brand loyalty of their customers since the various brand components coupled by traditional marketing may not suffice to generate revenue for the respective companies. Consequently, there is a need to search for novel means such as events, direct marketing, Internet marketing and social media marketing. Among these few avenues, social media marketing has become the most desired platform for marketing products and services (Keller, 2008; Kotler & Keller, 2007) due to its accessibility and wide usage throughout the world. Consequently, businesses are now ardently using social media to connect with consumers.

Besides its widespread usage, social network marketing also provides a considerable advantage to businesses in terms of social commerce and possibly, expenditure minimisation. Social network
marketing facilitates quick and viral delivery offers and it grabs the attention of consumers fairly quickly and this can generate an increased purchase intention (Baird & Parasnis, 2011). Dehghani and Tumer (2015) find that Facebook advertising can significantly affect the brand image and brand equity by offering greater interactivity, personalisation and feedback. This process can in turn, affect consumer purchase intentions. Pjero and Kercini (2015) in their study focusing on social media and its influence on consumer behaviour observe that information about products and services offered in the virtual world can positively impact the purchase intentions of consumers. A consumer may be influenced by eWOM (electronic word-of-mouth) by other users.

In Pakistan, a similar trend involving the virtual world is also surfacing rapidly. A study conducted by Bilal, Ahmed, and Shehzad (2014) reveals that Pakistanis using online platforms have had their buying decisions duly influenced by social media usage. They use these online social mediums to gather information about diverse ‘companies, brands, products and services’ and most of them chose to use Facebook. This finding appears to be in tandem with the report made by the Pakistan Advertisers’ Society (2015) which states that the sale of drinks, ice creams, sun screen, swimming kits and other summer products have reached the apex in comparison to previous years. This phenomenon is due to the marketing done through social media. Based on these findings, the hypothesis is formulated as follows:

$$H_1: \text{ Social network marketing has a positive impact on consumer purchase intention.}$$

### 3.2 Social Network Marketing and Consumer Engagement

A few years back, the concept of consumer engagement was about catching the attention of consumers by emphasising on ‘touch-points’ when marketing products and services (Lea, 2012). Presently, with a vast range of merchandise options, media means and novel shopping experiences, consumer engagement is about making supreme efforts and constructing emotional ties which can steer the word of mouth marketing and generate future sales (Magneto, 2015). It has been recognised that today’s companies need to utilise the influence of social media to engage consumers instead of using it only as a platform for intensifying their products and brand promotions (Forbes, 2015). Social media can be used to engage consumers by creating value for them. In other words, strengthening social network marketing as a medium
for business promotion is necessary. In 2009, Harris and Rae (2009) argue that social network marketing will be a significant ingredient of marketing in the future and this has been proven correct today. From the outward perspective, social network marketing can trade consumer infuriation with engagement and from the inward perspective, social network marketing can act as a medium that can transform the traditional focus on control to one that embraces virtual collaboration and interaction. Technology is viewed by companies as an increasingly vital means for structuring consumer engagement, as is evidenced by the growing popularity of electronic tools (Economic Intelligence Unit, 2007). Undeniably, social media sites offer companies the additional means to interact with customers through new and innovative methods. Thereby resulting in conversations instead of parallel communications, as quoted by a fast-growing company Bonobos’s CFO, ”If someone posts a query via social media, we get back to them and quickly” (PriceWaterhouseCoopers, 2013, p.7). Based on these arguments, the hypothesis is formulated as follows:

\[ H_2: \] Social network marketing has a positive impact on consumer engagement.

### 3.3 Consumer Engagement and Consumer Purchase Intention

Barhemmati and Ahmad (2015) find that the existence of emotional ties between buyers and companies (i.e., by engaging the consumers) offer companies immense prospects to achieve relationship marketing objectives. This strategy helps to persuade consumers into buying the products or services offered by respective companies. Consumer engagement has become a major concern for online retailers. Studies (e.g., Magneto, 2015) find that highly engaged consumer bring 23 percent more revenues as they spend more on every purchase and buy products more frequently. This resultingly enhances consumer’s lifetime worth, while also reducing expenditure to attain a new consumer. Conceptually, these vastly engaged consumers are also likely to persuade their family members and friends to become consumers (Magneto, 2015). Based on the previous findings, the hypothesis is formulated as follows:

\[ H_3: \] Consumer engagement has a positive impact on consumer purchase intention.
3.4 Mediation

The following literature discusses the relationship among social network marketing, consumer engagement and consumer purchase intention. The dealings of shoppers and retailers at social networking sites is deduced to generate an engagement which is not only momentary but can also lead to an emotional and extended relationship between the two parties, if managed proficiently. Based on this process of increased consumer engagement, it is likely that sales will also increase since engaged consumers are not only contented or dedicated but are expressively connected to the company’s brand (Sorenson, 2014). Consumer engagement on social networking sites is largely supported by an emotional attachment which is directed to enhance their purchase behavior. Such an engagement would lead to increased consumer loyalty who can then promote the brand and its products to other consumers in the virtual world (Asperen, Rooij, & Dijkmans, 2017) as a result of their interactions. In that regard, the hypothesis is formulated as follows:

\[ H_4: \text{Consumer engagement mediates the relationship between social network marketing and consumer purchase intention.} \]

Following the outcome of extant literature, a research framework which posits that social network marketing has a positive impact on consumer purchasing intention and consumer engagement is developed. Consumer engagement is also expected to mediate the relationship between social network marketing and consumer purchase intention, as is illustrated in Figure 1.

![Theoretical Framework](image)

**Figure 1**: Theoretical Framework
4. Research Methodology

4.1 Population and Sampling

A quantitative approach was applied in this study where an online questionnaire was developed to test the theoretical framework and hypotheses developed. The rationale for adopting this approach is that a survey conducted through the use of a designed questionnaire can reach more respondents, regardless of their location and time. A questionnaire also saves participation time since it is online and can be accessed at the respondent’s time. Further, upon extraction, it is also easier for interpretation as it involves standard data collected which is then subjected to rigorous quantitative analysis (Sekaran & Roger, 2016; Saunders, Lewis, & Thornhill, 2009). The unit of analysis comprises individuals who use social networking sites. To ensure that this study collected data from the appropriate samples, a screening question asking the average daily time spent on these social networking sites was used. In this context, non-probability sampling was used to select the respondents because randomisation would be impractical due to the large population (Etikan, Musa, & Allkassim, 2015). This justification has also been supported by Schonlau, Fricker, and Elliott (2002) who note that the approach applied in this context is particularly valuable for hard-to-reach electronically connected populations. In focusing on social media users of Pakistan, data were collected within 2 weeks in June 2016. Ten respondents per item was used as a rule of thumb to determine the sample size (Arrindell & Ende, 1985; Velicer & Fava, 1998). With a total number of 22 items tested in the questionnaire, this study targeted 220 respondents although the questionnaires were distributed to 300 individuals.

4.2 Operationalisation of Constructs

All the items measuring each construct were adapted from existing studies (Table 1). Eight items measuring social network marketing were adapted from Kim and Ko (2012) and Ahmed and Zahid (2014). Consumer engagement was measured through a scale adapted from Weman (2011), Gummerus, Liljander, Weman, and Pihlström (2012) while 7 items to measure consumer purchase intention were extracted from McKnight and Chervany (2002), Wang and Chang (2013), Yoo and Donthu (2001). All the items used a five point Likert scale ranging from 1= Strongly Agree to 5= Strongly Disagree.
Table 1: Constructs and Measures Employed

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Measures</th>
<th>Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social network marketing</td>
<td>I like to use social networking sites to increase my knowledge about the</td>
<td>Kim and Ko (2012); Ahmed and Zahid</td>
</tr>
<tr>
<td></td>
<td>products, services and brands.</td>
<td>(2014)</td>
</tr>
<tr>
<td></td>
<td>I am satisfied with the social network marketing of brands, I follow.</td>
<td></td>
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<tr>
<td></td>
<td>The social network marketing of brands is very attractive.</td>
<td></td>
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<tr>
<td></td>
<td>Using social network sites of brands is fun.</td>
<td></td>
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<td></td>
<td>Contents shown on social networking sites of brands are interesting.</td>
<td></td>
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<tr>
<td></td>
<td>Social networking sites of brands enable information sharing with others.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Conversation or opinion exchange with others is possible through brands</td>
<td></td>
</tr>
<tr>
<td></td>
<td>social networking sites.</td>
<td></td>
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<tr>
<td></td>
<td>It is easy to deliver my opinion on brands social networking sites.</td>
<td></td>
</tr>
<tr>
<td>Consumer engagement</td>
<td>I often visit pages of brands I follow on social networking sites.</td>
<td>Weman (2011); Gummerus, et al. (2012)</td>
</tr>
<tr>
<td></td>
<td>I often read posts of brands I follow on social networking sites.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>I often use the “like” option on brands posts; I follow on social</td>
<td></td>
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<tr>
<td></td>
<td>networking sites.</td>
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<td></td>
<td>I often comment on brands pages on social networking sites.</td>
<td></td>
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<tr>
<td></td>
<td>I follow brands pages of my interest to get information (e.g., new</td>
<td></td>
</tr>
<tr>
<td></td>
<td>products).</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Being part of brands I follow on social networking sites, increased my</td>
<td></td>
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<tr>
<td></td>
<td>trust on that brands.</td>
<td></td>
</tr>
<tr>
<td>Consumer purchase intention</td>
<td>Using social networking sites of brands help me make decisions better</td>
<td>McKnight and Chervany (2002); Wang</td>
</tr>
<tr>
<td></td>
<td>before purchasing goods and services.</td>
<td>and Chang (2013), Yoo and Donthu</td>
</tr>
<tr>
<td></td>
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<td>(2001)</td>
</tr>
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</table>
Using social networking sites of brands increase my interest in buying products and services.

I am very likely to buy products or services recommended by my friends on social networking sites.

I will definitely buy products as marketed on brands’s social networking sites, I follow.

I intend to purchase products as marketed on brand’s social networking sites, I follow.

It is likely that I will purchase products as marketed on brand’s social networking sites, I follow.

I expect to purchase products as marketed on brands’s social networking sites, I follow.

### 4.3 Demographics of Participants

Of the 300 questionnaires distributed, 243 were retrieved, resulting in 81 per cent response rate. As can be seen in Table 2, majority of the respondents were between 26-35 years old (50.2 per cent) while the balance was between the ages of 18-25 (45.7 per cent). The respondents were almost equally distributed between males (49 per cent) and females (51 per cent). Of this, 42.8 per cent reported a personal income of below Rs. 25,000 and 5.8 per cent of the respondents reported an income of above Rs. 150,000. Of these participants, 45.75 per cent were employed, 33 per cent were students and 6.6 per cent had their own businesses.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Categories</th>
<th>Frequency</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Age</td>
<td>18-25</td>
<td>111</td>
<td>45.7</td>
</tr>
<tr>
<td></td>
<td>26-35</td>
<td>122</td>
<td>50.2</td>
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<td></td>
<td>36-45</td>
<td>8</td>
<td>3.3</td>
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<tr>
<td></td>
<td>46-55</td>
<td>2</td>
<td>0.8</td>
</tr>
</tbody>
</table>
In terms of the social network sites used, majority used Facebook (88.1 per cent), a finding reflected in Kemp’s (2015) study. In looking at the criteria used to measure their daily time spent on social media platforms, it was noted that majority of the respondents spent between 1-3 hours daily on social networking sites.

5. Results

5.1 Measurement Model

Confirmatory Factor Analysis was carried out by using AMOS to test the measurement model. Different indices including Relative Chi-square (CMIN/DF), Goodness of Fit (GFI), Comparative Fit Index (CFI) and Root Mean Square Residual (RMR) were considered in confirming the fitness of the data. The value of the CMIN/DF is 2.087, an indication...
which is below 3, as recommended by Kline (1998). The values of the GFI, AGFI and CFI are noted to be sample sensitive. For a sample size ranging between 150-250, the value of the GFI, AGFI and CFI should be within the range of 0.89-0.93, 0.87-0.91 and 0.90-0.97 respectively. However, the widely considered least optimal value, irrespective of sample size, is 0.9 for the measures (Sivo, Fan, Witta, & Willse, 2006). In the context of this study, all the fit indices employed are found to have achieved the cut-off values (CFI= 0.91, GFI = 0.89, CMIN/DF = 2.981, RMSEA = 0.065 and RMR 0.049). Thus, indicating that the data fit the model well.

In order to further ensure that the measurements used are valid and reliable, all the constructs of interests were evaluated based on convergent validity and discriminant validity. As shown in Table 3, all the constructs have a composite reliability that is greater than 0.7 (Bagozzi & Yi, 1988). In addition, the average variance extracted (AVE) values of these constructs achieved the cut-off value of 0.5. All the factor loadings of items tested are found to be significant at p<0.001. Using the Fornell and Larcker’s (1981) approach, the discriminant validity was tested. All the constructs are found to have a substantially higher square root of AVE values when compared to their correlations with other constructs (Table 4). In summary, the results of the measurement model test meet the validity and reliability criteria. Therefore, the constructs and items used in the measurement model are suitable to be used for testing the structural models and hypotheses developed.

Table 3: Results of Convergent Validity

<table>
<thead>
<tr>
<th>Measures</th>
<th>Factor (*) Loading</th>
<th>Cronbach Alpha</th>
<th>Composite Reliability</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Network Marketing</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I like to use social networking sites to increase my knowledge about the products, services and brands.</td>
<td>0.765</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>I am satisfied with the social network marketing of brands, I follow</td>
<td>0.832</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Using social network sites of brands is fun.</td>
<td>0.827</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The Impact of Social Network Marketing on Consumer Purchase Intention in Pakistan: Consumer Engagement as a Mediator

<table>
<thead>
<tr>
<th>Statements</th>
<th>Factor Loadings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social networking sites of brands enable information sharing with others</td>
<td>0.784</td>
</tr>
<tr>
<td><strong>Consumer Engagement</strong></td>
<td></td>
</tr>
<tr>
<td>I often visit pages of brands I follow on social networking sites.</td>
<td>0.794</td>
</tr>
<tr>
<td>I often read posts of brands I follow on social networking sites.</td>
<td>0.861</td>
</tr>
<tr>
<td>I often use the “like” option on brands posts; I follow on social networking sites.</td>
<td>0.732</td>
</tr>
<tr>
<td>I often comment on brands pages on social networking sites.</td>
<td>0.839</td>
</tr>
<tr>
<td>I follow brands pages of my interest to get information (e.g., new products).</td>
<td>0.901</td>
</tr>
<tr>
<td><strong>Consumer Purchase Intention</strong></td>
<td></td>
</tr>
<tr>
<td>Using social networking sites of brands help me make decisions better before purchasing goods and services.</td>
<td>0.765</td>
</tr>
<tr>
<td>Using social networking sites of brands increase my interest in buying products and services.</td>
<td>0.859</td>
</tr>
<tr>
<td>I am very likely to buy products or services recommended by my friends on social networking sites.</td>
<td>0.848</td>
</tr>
<tr>
<td>I will definitely buy products as marketed on brands’ social networking sites, I follow.</td>
<td>0.749</td>
</tr>
<tr>
<td>I intend to purchase products as marketed on brand’s social networking sites, I follow.</td>
<td>0.806</td>
</tr>
</tbody>
</table>

Note: 4 items were dropped due to the low factor loadings
Table 4: Results of Discriminant Validity

<table>
<thead>
<tr>
<th></th>
<th>Consumer engagement</th>
<th>Social network marketing</th>
<th>Consumer purchase intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Consumer engagement</td>
<td>0.652</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Social network marketing</td>
<td>0.621</td>
<td>0.746</td>
<td></td>
</tr>
<tr>
<td>Consumer purchase intention</td>
<td>0.597</td>
<td>0.653</td>
<td>0.736</td>
</tr>
</tbody>
</table>

5.2 Structural Model and Hypotheses Testing

The analysis derived from the structural model showed results in CMIN/DF = 2.027, GFI = 0.917, AGFI = 0.892, CFI = 0.939, RMSEA = 0.051 and RMR = 0.05. These results indicate that the data fit the model well. Table 5 presents the results of the hypotheses testing. The examination of the hypotheses was based on the t-value, with a value greater than 1.96, representing a significant path. The results imply that social network marketing has a positive significant effect on consumer engagement (β = 0.92, t = 5.73, p < 0.001), and consumer purchase intention (β = 0.45, t = 3.75, p < 0.001). Therefore, H₁ and H₂ are supported. Additionally, consumer engagement has a positive significant relationship with consumer purchase intention (β = 0.28, t = 3.04, p = 0.002). Hence, H₃ is supported.

Table 5: Structural Model Analysis

<table>
<thead>
<tr>
<th>Estimated path coefficient</th>
<th>Standard error</th>
<th>Critical ratio</th>
<th>Hypothesis</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social network marketing → Consumer engagement</td>
<td>0.92</td>
<td>0.16</td>
<td>5.73***</td>
</tr>
<tr>
<td>Social network marketing → Consumer purchase intention</td>
<td>0.45</td>
<td>0.12</td>
<td>3.75***</td>
</tr>
<tr>
<td>Consumer engagement → Consumer purchase intention</td>
<td>0.28</td>
<td>0.07</td>
<td>3.04**</td>
</tr>
</tbody>
</table>

Note: ***p<0.001; **p<0.05
5.3 Testing Mediation

In addition to the direct effect, this study also tested the mediation effect of consumer engagement on the relationship between social network marketing and consumer purchase intention by using Baron and Kenny’s (1986) method which comprises the four-step approach. First, the path between the independent variable and dependent variable must be significant. Second, the path between the independent variable and mediator must be significant. Third, the path between the mediator and the dependent variable must be significant. Fourth, the path between the independent and dependent variable must be significantly reduced when the mediator is added.

As is indicated in Table 5, social network marketing is significantly related to consumer purchase intention, satisfying the first condition. Secondly, the effect of social network marketing on consumer engagement indicates a significant relationship, implying that the second condition is met. Additionally, consumer purchase intention also has a significant relationship with consumer engagement, thereby, satisfying the third condition. The fourth step is to include the mediator consumer engagement into the model so as to examine whether it reduces the effect. It is found that the inclusion of consumer engagement reduces the variance from 0.428 to 0.339 thereby, indicating consumer engagement as a partial mediator (Figure 3). Thus, $H_4$ is supported.

![Figure 3: Mediating Effect](image-url)
6. Discussion

Building on the User Gratification Theory, this study investigates the relationship among social network marketing, consumer purchase intention and consumer engagement. The outcome derived from this study demonstrates that consumer engagement serves as a crucial factor in arousing purchase intention among consumers. The role of consumer engagement, as a mediator in this study, also facilitates in explaining how companies could use social media marketing as a tool to increase consumer purchasing intention.

In this study, social network marketing is found to have a significant effect on consumer purchase intention in the context of Pakistan. The finding indicates that Pakistani consumers can be influenced by online word-of-mouth communication through social media sites. Unlike the approach of traditional ways of marketing, social network marketing, as an environment, provides consumers an interactive platform which is used not only with people they know but also complete strangers. During these interactions, consumers communicate and share their knowledge about their interests on certain products and services provided by the respective companies. It is deduced that these interactions may influence the consumers in their purchase intentions. The finding of this study is supported by prior empirical works conducted in Western countries (Baird & Parasnis, 2011; Dehghani & Tumer, 2015) as well as in Pakistan (Bilal et al., 2014). Unique platforms offered by social websites such as Facebook tend to be able to create viral effects and this can help to expose Pakistani consumers to certain products or services thus, generating their positive attitudes towards purchase intentions. Moreover, the increasing trend of Pakistani youths towards the use of social media for educational purposes may also attract them to turn to social media for information about particular products and services. Likewise, this possibility can also impact on purchase intentions.

In line with previous studies conducted by Barhemmati and Ahmad (2015) and VanMeter and Grisaffe (2013), this study finds that social network marketing is significantly related to consumer engagement. Since an increasing number of people are spending time interacting with online communities through social media platforms such as Facebook, more interactions can be expected based on shared interests, political perspectives or particular activities such as travelling and food services. With the new and added features provided by social network sites, users are able to instantly connect and exchange information, upload
The Impact of Social Network Marketing on Consumer Purchase Intention in Pakistan: Consumer Engagement as a Mediator

videos and promote concepts and ideas with others. Individuals who become emotionally attached to social media platforms can be expected to become more engaged with companies (VanMeter & Grisaffe, 2013). Thus, social network marketing activities, can lead consumers to become more engaged with the sites. Consequently, consumers can become actively engaged in providing constructive feedback towards particular brands and products.

This study has also found that consumer engagement is positively related with consumer purchase intention, an outcome supported by Rosetta (2014), who demonstrated that engaged consumers stay committed with the intent to build closer links with the brand, sometimes despite a bad experience. Consumer engagement preceded by emotional attachment can enhance and improve consumer purchase behaviour towards a brand thereby, leading to customer loyalty. Such an attitude is often demonstrated through the positive word of mouth promotion passed on to other users of the virtual world (Barhemmati & Ahmad, 2015). Similar results have been identified in the Pakistani context in a recent study by Anam and Faiz (2016) who find that consumer engagement efforts by organisations can enhance consumer delight, which ultimately leads to consumer loyalty. In a social network environment, consumers expect to learn about products and services or brands. This effort is heavily dependent on online reviews gained from experienced friends, family members or even strangers. All these parties can impact on the consumers’ decision-making process. Despite the fact that majority of the Pakistani users are considered to be observers/followers (Nasir et al., 2012), the number of people who are using these websites are constantly increasing (Kemp, 2015). This is the result of the features of social network marketing which facilitates quick and viral delivery.

As predicted, this study also reports that consumer engagement acts as a mediator between social network marketing and consumer purchase intention. Based on this outcome, it is deduced that this result highlights the impact of social media which companies rely on in their effort to strategically position consumer engagement, from which the full potential of their customers can be reaped. The social network effect on consumer purchase intention can only be fully leveraged by the willingness of the site users to share and communicate information and their experiences on certain products and services.
7. Conclusion

The findings gained from this study will be able to contribute to the body of literature in a number of ways. First, this study extends the knowledge on how social media marketing effects can be related to consumer purchase intention. In a rapidly evolving technology world, it appears that Pakistan has also experienced a rapid growth of social media usage in the last few years, which render a specific study to be conducted within the country context. The findings support the fact that many Pakistanis are very much engaged with social media platforms such as Facebook. While studies in the past have concentrated on social media marketing by using the UGT as an approach, majority had focused on the reason users attended to certain media. Nonetheless, this study is able to expand on the use of the UGT to highlight the outcome of social media marketing and its impact on consumer purchase intention. In that regard, this study has shown that social media could be used as a marketing tool to successfully arouse consumer purchase intention. Given that the social media has unique features which allow for viral effects, consumers could be offered greater opportunities to share their personal experiences and other additional information with regards to brands, products or services. This strategy can highlight the possible effect of consumer engagement in purchase intention. Further, unlike prior studies that looked at the impact of social network on education and pedagogical implications, this study is more business inclined in nature as it investigates the effect of social media on purchase intention.

The results of this study imply that marketers in Pakistan need to consider the strategic role of consumer engagement in arousing purchase intention. They also need to strategically enhance their social media marketing communication so that the maximum benefits of engaging customers can be reaped. Marketers should consider offering some additional support to consumers through their social media page design, for example, allow space for consumers to share their related experiences and opinions of using certain products or services with other consumers. This kind of information can help other consumers to decide on what they want to purchase. By posting comments and adding reviews about products or services, other consumers will also be influenced. This strategy will enable marketers to acquire the relevant information concerning the consumption attitude of users of social media platform which can then be used to improve their marketing
strategies. Thus, marketers should be responsive to the rising importance of social networking sites. The sites can influence consumer purchase intention. Improvement in marketing strategies can be accomplished by continually amending their online marketing strategies according to the concerns of the consumers. In addition, marketers need to devise an activity that can engage consumers in the virtual world since the social media environment enables these consumers to communicate with one another freely and directly, regardless of time, content, frequency of conversation or location. This flexibility offered by social media platforms need to be viewed with more openness. If all of these can be accomplished, marketers working for respective companies will soon be able to learn how to shape consumers’ communication in such a way that it becomes consistent with the respective companies’ goals and strategies. Through a deeper understanding of consumers, marketers also learn about the expectations and intentions of consumers.

Although the findings of this study may offer significant contributions and managerial implications, this study also bears some limitations. Firstly, since this study was conducted using close ended questionnaires, future research may consider employing interviews as an approach to better understand social media users and their insights and experiences which can influence their commitment and purchase intentions. Secondly, future research may need to consider examining the impact of e-WOM and making a comparison of this with the traditional marketing efforts carried out by companies. Such a comparison can make more significant contributions to the literature and managerial implications. Thirdly, by widening the impact of other demographic factors on social media marketing, more fruitful insights can be generated for the marketers, thus the companies. Finally, a study incorporating other factors besides consumer engagement should also be considered.

References


Fornell, C., & Larcker, D.F. (1981). Structural equation models with unobservable variables and measurement error: Algebra and statistics. *Journal of Marketing Research, 18*(3), 382-388.


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