

## **Retailers, don't ignore me on social media! The importance of consumer-brand interactions in raising purchase intention - Privacy the Achilles heel**

Anabel Gutierrez, Royal Holloway University of London, UK

Punjaisri Khanyapuss, College of Management Mahidol University, Thailand

Bhavini Desai, Regent's University London, UK

Sharifah Alwi, Cranfield University, UK

Simon O'Leary, Canterbury Christ Church University, UK

Wornchanok Chaiyasoonthorn, King Mongkut's Institute of Technology Ladkrabang, Thailand

Singha Chaveesuk, King Mongkut's Institute of Technology Ladkrabang, Thailand

### **Abstract**

Effective interactions are essential for retail brands to progressively nudge consumers towards purchase. While social media provides the platform for brands to directly connect with consumers, it is critical that brands take privacy concerns seriously. This paper address common questions retailers ask: How do brands develop effective interactions with consumers on social media? Do consumer-brand interactions impact purchase intention? Does privacy matter? Through 541 UK participant responses and using social exchange theory, this research examines consumer-brand interactions on social media, focusing on how social media activities, attitudes towards social media advertising, and privacy, impact upon purchase intention. Our results show that brands must establish strong relationships through high-quality consumer-brand interactions to significantly raise purchase intentions, while also carefully managing consumers' privacy expectations. Effective privacy management positively mediates the link between social media and purchase intention but ignore privacy, and it becomes the Achilles heel of the relationship.

## **Keywords**

Social media activities; Retail brands; Consumer-brand interaction; Privacy concerns; Advertising; Social exchange theory.

## **1. Introduction**

Human interactions are evolving as social media use rises. Such platforms provide opportunities for one-to-one exchanges and for groups, organisations and governments to engage directly with people, with informal communications and for commercial, social, political and educational aims. Over a decade, the daily time spent on social media worldwide has increased from 90 to 147 minutes in 2022 (15% of typical daily waken hours), with individual countries peaking at 233 in the Philippines (24%), compared to 120 (13%) in the United States (US) (Statista, 2022a). This attracts increasing attention from retail brands seeking to enhance their engagement with consumers through consumer-brand interaction (CBI). Social media serves as both a socialising agent for user interactions and an opportunity for brands to enhance purchase behaviour, with Schivinski et al. (2016) signalling three types of social media activities; consuming, contributing and creating. These highlight the interactive nature of social media as a platform for effective consumer-brand interaction (CBI), a phenomenon found to be an important driver in strengthening the relationship between consumers and brands. This in turn helps enhance consumers' behavioural intentions towards loyalty, purchase and positive electronic word-of-mouth (eWOM) (Shanahan et al., 2019; Mirbagheri & Najmi, 2019; Dash et al., 2021). However, inappropriate CBI can also have negative effects such as reinforcing brand scepticism for many online users (Carlotto & O'Leary, 2018; Cheung et al., 2021).

Users are increasingly exposed to social media advertising with United Kingdom (UK) spend on social media advertising in 2021, at \$8.3bn, placing it third behind US at \$56.7bn and China at \$45.1bn (Statista, 2022b). Past studies indicate that positive attitudes towards social media advertising leads to favourable brand-related outcomes such as brand memory and purchase intention (Young et al., 2019; Geng et al., 2021). Social media provides retail brands with a platform for interaction (Dessart, 2017; Ozuem et al., 2021; Cheung et al., 2021) and, if advertising is perceived to match brand image, more engagement can be expected (Chang et al., 2019; Cao et al., 2021). This research extends this by exploring how CBI mediates the extent to which social media activities (SMA), attitudes toward social media advertising (ATSMA) and privacy concerns (PCs), influence purchase intention (PIN).

Experience shows that social media offers both benefits and risks, often heightening users' self-disclosure fears. Regular online data breach news compounds this and increases individuals' concerns about privacy (Jacobson et al., 2020; Muhammad et al., 2022). However, a privacy paradox exists where Pomfret et al. (2020) find that actual consumer behaviour often contradicts such privacy concerns, as reflected in users' widespread acceptance of social media platforms' terms and conditions even though only 1% have read them (Sandle, 2020). Privacy calculus theory may explain the privacy paradox, suggesting that the benefits of personalisation can outweigh privacy concerns (Gutierrez et al., 2019). Many studies focused on privacy concerns use different perspectives such as data sharing and social media usage (Barth et al., 2017; Muhammad et al., 2022), but little is known about privacy concerns affecting consumers' purchase intentions where exposure to social media advertising exists. Furthermore, social media advertising like in-feed ads often interferes with consumers' ongoing activities and if they feel that their primary task is interrupted by social media advertising, this may be considered intrusive, leading to annoyance

and similar emotions (McCoy et al., 2012; Cao et al., 2021; Rana & Arora, 2021). Zhu & Kanjanamekanant (2021) find that the fluid nature and boundaries of privacy is dependent on the perceived relationship between users and the social media platform, suggesting that personalised advertisement (ad/ads) should not be based on purchased third party data but on that held solely by the brand, to help reduce privacy concerns and enhance ad attitudes.

This paper has two objectives: First, to explain how consumers' SMA and AT SMA influence their PIN via CBI. Second, to investigate how consumers' privacy concerns impact PIN in the context of social media. The theoretical gaps can be viewed in two ways; firstly, many studies have investigated the impact of social media marketing, but very few undertook a controlled investigation of the role of CBI as a mediator for SMA; secondly, privacy is still a concern (PCs) for consumers, both for transaction security and in 'leaving a digital footprint' during brand interaction through social media platforms (Bhargava & Velasquez, 2021; Muhammad et al., 2022), but previous studies have not provided an insight into the influence of privacy when considering CBI as a mediator within all the constructs.

## **2. Theoretical background and hypothesis development**

### **2.1 Social media engagement and activities**

Over recent decades, social media platforms or social network sites (SNS), such as Facebook, YouTube, Twitter, Instagram and TikTok emerged and these, plus others, continue to evolve. SNS are defined as tools for creating and exchanging user-generated content using internet-based software that allows consumers to directly interact with brands (Hyun, Thavisay & Lee, 2022). In the UK, Facebook gained the largest share of social media online purchases with 59%, followed by Instagram at 26% and YouTube at 18% (Statista, 2022c). More than 50% of social media users follow brands on social media (De Vries et al., 2017), enabling them to create

and share their brand content, in ways that were not possible in contexts such as TV commercials (Mirbagheri & Najmi, 2019). Nevertheless, social media has created new interaction opportunities even for TV channels when social media activities run on a second screen. Vazquez et al. (2020) found that consumer engagement with influencers during TV broadcasts develops parasocial interactions between influencers and followers, increasing involvement with the characters and the narrative of the shows. Moreover, with the growing importance of social commerce, e-commerce and social media combined (Hyun, Thavisay & Lee, 2022), there is a significant potential to improve the consumers' relationships that emerge from consumer-brand interactions in social media, leading to increased purchase behaviours.

Cultivation theory indicates that the time spent on media consumption correlates with the likelihood that peoples' perceptions of the real world become aligned with what the media conveys (Tsay-Vogel et al., 2018; Hermann et al., 2020; Wei et al., 2020). Social media content cultivates consumers' perceptions and attitudes of reality via a collective symbolic environment that conveys stories and values to large groups of people (Tsay-Vogel et al., 2018; Hermann et al., 2020). Although the messaging system of social media is fragmented, individualised and socially closed due to the parameters of social networks (Wei et al., 2020), brands can customise their messages to fit the nature of individual consumers across different social media platforms. One facilitator is the tracking system on social media, used to generate 'big data from willing users' compendia. Indeed, owing to the trackability and addressability of the social media environments, social media advertising becomes relevant, beneficial, interactive and informative, hence motivating consumers to connect with and purchase the brand (Alalwan, 2018). While Jacobson et al. (2020) identify the positive relationship between social media engagement and purchase intention, other studies corroborate that social media engagement also influences consumers' brand perception and

knowledge (Shanahan et al., 2019; Martín-Consuegra et al., 2019). This is reflected in the fact that consumers increasingly search for brand information via social media platforms (De Vries et al., 2017; Bento et al., 2018). In effect, when brands have an online presence, they can use social media as a platform to actively communicate and interact with existing and potential consumers.

Different brand-related activities on social media attract different types of engagement. Schivinski et al. (2016) indicated three types of social media activities (SMA); consumption, contribution and creation. These depict the interactive aspect of social media, empowering consumers' engagement and enhancing their behavioural intentions towards purchase, loyalty and positive eWOM (Martín-Consuegra et al. 2019; McClure & Seock, 2020). The minimum level of SMA is 'consumption' where consumers observe, read and familiarise with the content (Schivinski et al., 2016), but do not participate in brand related activities. As a contributor, consumers actively engage with the content through liking, sharing, commenting and even becoming involved in peer-to-peer/content interactions. Creation involves the model of User Generated Content (UGC) which represents the highest level of online brand-related engagement, with consumers creating their own content about the brand (Schivinski et al., 2016), content that may stimulate further consumption and/or contribution by peers. The evolving level of SMA is considered to influence CBI and PIN.

## **2.2 Consumer-brand interaction on social media**

Consumer-brand interaction (CBI) is an emerging concept in marketing across academia and practice (France et al., 2018), and is continuously evolving within the digital landscape (Eigenraam et al., 2018). According to So et al. (2014), interaction is one of the five underlying dimensions that constitute consumer brand engagement CBE, where interaction involves sharing and exchanging ideas, thoughts and feelings about experiences with the brand (Paramita et al., 2021). Some authors have made a distinction between CBE and CBI. Hollebeek, et al. (2014, p.149)

define CBE as “A consumer’s positively valenced brand-related cognitive, emotional and behavioural activity during or related to focal consumer/brand interactions” proposing three corresponding dimensions 1) cognitive processing, 2) affection and 3) activation. The activation dimension of CBE, defined as “a consumer’s level of energy, effort and time spent on a brand in a particular consumer/brand interaction” (Hollebeek, et al., 2014, p. 154), is particularly interesting in social media context due to its inextricable link with CBI.

While no explicit CBI definition is agreed upon, research has used CBI as an independent construct that enhances CBE through the intensity of consumer participation on social media platforms (Cheung et al., 2021). Consumer participation represents the relational manifestation of engagement along a continuum from passive to active participation that results in consumers' enjoyment of active participation and social interaction, not only with the brand but also the brand-community (Mirbagheri & Najmi, 2019; Paramita et al., 2021). In social media context, the brand-related content from consumers and organisations is found to affect brand attitudes and brand equity (Schivinski & Dabrowski, 2016; Khobzi et al., 2019; McClure & Seock, 2020). This is particularly the case when brand communication contains interactive and entertaining elements that are fun and playful, and where consumers have been shown to exert a greater cognitive effort to understand and appreciate the brand (Ashley & Tuten, 2015; Barger et al., 2016). When the brand content on social media provides fun and interesting information, it strengthens consumers' brand affection (Hollebeek et al., 2014; Ismail, 2017; Cao et al., 2021). Brand content that has entertaining elements such as games, anecdotes, contests, giveaways, dynamic animations, pictures and videos are perceived as fun, exciting and flashy; creating excitement and fulfilling consumers' needs for aesthetic enjoyment and emotional release, motivating consumers to interact

with the brand-related content (Hayes et al., 2021; Khan, 2022), amplifying their interaction with the brands, and generating positive consumer experiences.

Despite the significant role that CBI plays in reflecting the behavioural aspect of consumer brand engagement (CBE) and its role in shaping consumers' brand responses, including purchase intention, there is a lack of research with CBI focus. Furthermore, researchers have investigated the antecedents and outcomes of CBE (France et al., 2018; Khan et al., 2016) but insights into what influences CBI remain limited.

For this study, we define CBI as consumers' committed enjoyment of actively participating in brand-related social media activities that enhance the relationship between consumers and brands. It appears that, as consumers become engaged in social media activities, it increases their exposure to brand-related social media content, due to the interactive nature of social media marketing, including its advertising. This paper proposes that consumers' social media activities (consumption, contribution, creation) and attitudes towards social media advertising, can affect their level of interaction with the brand, and this affects their purchase intention. Hence, this study identifies CBI as a critical mediator.

### **2.3 Privacy in the context of social media**

Despite the growth of social media, issues around privacy remain a topic of consumer concern. In the online context, privacy concerns refer to the degree to which internet users are concerned about the extent to which their personal information is collected and used by an online entity (Gutierrez, et al., 2019). Recent data breach scandals have added to this uncertainty over how they can safely use social media, how they perceive social media advertising and, as consumers become more and more conscious of their self-disclosure behaviours on social media, it increases their perception of the risks associated with social media behaviours (Bhargava &



Velasquez, 2021; Muhammad et al., 2022). There is a trend for brands to personalise consumer experience (Arora et al., 2021) and for social media platforms or SNS to allow for such personalisation in their privacy policies and terms & conditions, text that most consumers agree to but never actually read and so do not appreciate its implications. These contradictions, also known as the personalisation-privacy paradox, have been examined in previous research and reflect the complexity and dynamic role of privacy (Barth & De Jong, 2017; Hayes et al., 2021; Bright et al., 2022; Ameen et al., 2022). However, users' motivations for information, social-interaction and entertainment, also need to be taken into consideration. Drawn from uses and gratification theory, a study found that users with informational motivations have lower trust of social media advertising than consumers with the motivation of social-interaction and entertainment (Carlson et al., 2021). This view signals that motives drive behaviour and how consumers who perceive and react to media. Hence, brands need to consider the congruency between ad content and users' motivations and aim to minimise the potential negative effect. Consumers feel greater control over their personal information when content is useful, relevant and as expected. In contrast, incongruence in the case of users with entertainment motivations, enhances trust and minimises privacy concerns as it suggests that the user is not being tracked, so they are not interrupted during their entertainment state.

This study highlights how privacy concerns play an important role in how consumers interpret and react to social media content, including ads. For consumers to enjoy the full benefits of social media usage, such as social interaction initiations, richer social contacts and friendships, users must perceive value in exchange for personal information, fostering self-disclosure (Liyanaarachchi, 2021; Pallant et al., 2022). Consumer interest in interactions with others via social media can be evidenced by the growth of influencers and viral marketing (Jacobson et al.,

2020; Jozani et al., 2020; Dwivedi et al., 2021). Similarly, brands seek to engage their consumers on social media by offering them a range of benefits that enhance consumers' brand experience such as convenience, information, hedonic enjoyment and monetary rewards (Kordzadeh & Warren, 2017; Gutierrez et al., 2019; Paramita et al., 2021). With the trackability of social media, advertising on this platform can be personalised to enhance perceived relevance and congruence to consumers (Carlson et al., 2021; Pallant et al., 2022). Consequently, consumers consider the information exchange with the brands on social media as a fair one (Barth & De Jong, 2017; Hayes et al., 2021). Therefore, this paper proposes that privacy concerns play a role in shaping consumers' interactions with brands and their purchase intention.

Furthermore, Bright et al. (2022) found that privacy concerns mediate the effect between factors such as ad intrusiveness, ad intent, privacy self-efficacy and privacy violation to predict social media fatigue. Hence, this research examines the role of privacy concerns (PCs) during social media activities (SMA), attitudes towards social media advertising (AT SMA), consumer-brand interaction (CBI), and its relationship with purchase intention (PIN).

## **2.4 Social Exchange Theory (SET)**

SET has been influencing social behaviour studies for the last six decades, establishing that exchanges involve a series of transactions that are usually seen as interdependent and contingent on the actions of others (Cropanzano & Mitchell, 2005), and extend into symbolic values beyond those of material goods alone. These highly interdependent transactions have the potential to generate high-quality relationships over time and, in the context of this study, CBI and PCs role can be explained through the foundational ideas of SETs: a) rules and norms of exchange, which are guidelines of exchange adopted by the participants; b) resources exchanged, that can be classified as economic and socioemotional resources; and c) the relationship that emerges between

two interacting partners (whether individuals or institutions) during social exchange transactions, creating feelings of personal obligation, gratitude, and trust.

While several theories explain individual causal effects between some of the constructs discussed previously, such as SMA, ATSMA, PCs, CBI and PIN, this research found it valuable to examine them all together, using social exchange theory to better understand consumers' social interactions with brands. Social exchange theorists classify information as one of the exchanged resources and define the distinction between negotiated and reciprocal exchanges. Negotiated exchanges assume that exchange partners know the terms of an exchange, agree upon them in advance and include the benefits and costs related to the exchange, such as in e-commerce transactions. Consumers sharing personal information on social media in exchange for social support, recognition, and other benefits, is an example of reciprocal exchange, as no one is formally obliged to reciprocate to a certain extent or based on a time constraint (Urbonavicius et al., 2021).

As outlined in prior sections, a relationship between consumer and brands emerges when social exchange occurs in social media. When consumers perceive value from the brand content and ads, they are more willing to invest their time in interactions with brands' social media activities (Martín-Consuegra et al., 2019). The concept of reciprocity is critical in social exchange (Cropanzano & Mitchell, 2005; Jahari et al., 2022) and in the context of this research, CBI represents a social exchange relationship, that emerges and is developed during the process of trust-based, sequential, mutual exchange interactions (Urbonavicius et al., 2021). Hence, supporting CBI as a mediator between SMA and purchase intention and between ATSMA and purchase intention. When consumers perceive that exchange between them and the brand yields positive outcomes, such as convenience, personalised ads, monetary rewards, enjoyment, self-

presentation and status, the benefits of sharing data outweigh their privacy concerns (Gutierrez et al. 2019; Jahari et al., 2022) as previous approaches to privacy (privacy calculus and privacy paradox) explain. However, this research suggests that additional to the consumers' privacy assessment, PCs are shaped by SMA and ATSMA as result of the form and intensity of social exchange interactions.

### **3. Conceptual model and hypothesis development**

#### **3.1 Effect of social media activities (SMA) on purchase intention (PIN)**

Social media activities (SMA) represent consumer interaction with social media content, including brand-generated and/or peer-generated content across SNS (Martín-Consuegra et al., 2019; Cao et al., 2021). SNS offer brands a platform and opportunity to influence consumers' brand engagement through their ability to encourage CBI (Carlson et al., 2019). Brands often initiate activities to draw social media users to engage with them (Harrigan, et al., 2018), and this influences their brand knowledge, attitudes and preference (Hollebeek et al., 2014; Barger et al., 2016; Schivinski & Dabrowski, 2016; Ismail, 2017). Such reality alignment between the social media platform used and the consumer's perceived world can be expected to influence their brand preferences and thus also influence their purchase intention (Zhu & Kanjanamekanant, 2021). Therefore, this paper hypothesises the following:

H1: Social media activities (SMA) influence purchase intention (PIN).

#### **3.2 Effect of attitudes towards social media advertising (ATSMA) on purchase intention (PIN)**

In consumer behaviour literature, attitudes have been identified as a strong antecedent to behavioural intention (Muhammad et al., 2022). In their study, cognitive attitude is the evaluative response (positive or negative) towards the object, while emotions such as enjoyment, trust, fear

and loyalty are part of the affective attitude. While behavioural attitudes have been widely examined in the context of social media, AT SMA develops in quite different ways, as identified by Shareef et al. (2018). In their study, they concluded that attitude towards social network advertisement is formed and persuaded by hedonic motivations, source derogation, self-concept, message informality and experiential messages. Similarly, Muhammad et al. (2022) demonstrated that social media users' joint cognitive and affective attitudes influence behavioural intention. When consumers engage in social media activities, they are exposed to brand communications in various formats, including advertising (Morris et al., 2016). Social media advertising is usually informative and entertaining, and consumers often find it fun and playful as they make that cognitive effort to understand the brand (Ashley & Tuten, 2015; Barger et al., 2016; Abid, 2021).

Rana & Arora (2021) explain the association between advertisement significance and consumers' favourable attitudes, highlighting the intellectual procedure people perform, based on their individual characteristics or personality traits, to stimulate ad message recall and escalate persuasive effects. Wei et al. (2022) find advertising value as a predictor of attitudes towards advertising, while further studies explore the relationship between attitudes towards advertising and attitudes towards the brand (Schivinski & Dabrowski, 2016; McClure & Seock, 2020) that lead to purchase intention (PIN). There appears to be a positive relationship between consumers' attitudes towards personalised social media advertising and sales (Jacobson et al., 2020; Lee et al., 2021). Therefore, the following hypothesis is formulated:

H2: Attitude towards social media advertising (AT SMA) influences purchase intention (PIN).

### **3.3 The mediating effect of consumer-brand interaction (CBI)**

Many individuals engage on social media to build their social capital, enhance their self-worth and self-esteem, and satisfy their enjoyment needs (Shareef et al., 2018; Jozani et al., 2020). Social media helps brands enjoy positive consumer brand responses such as brand attitude, preference, purchase intention and equity when those brands can encourage social media users to interact with their brand. However, SET established that social units (brand and consumers online communities) are precarious and unstable as their members come and go as changes occur in the social media environment, making their interactions contingent on stable structures and incentives that motivate and shape repetitive patterns of behaviour and interaction (Lawler & Thye, 1999).

To improve consumer-brand interaction (CBI), brands on social media often initiate brand-related content that is entertaining and interesting (Hollebeek et al., 2014; Ismail, 2017; Muhammad et al., 2022). Games, anecdotes, contexts, giveaways, dynamic animations, pictures and videos are embedded on brands' social media platforms to create excitement and fulfil consumers' needs for aesthetic enjoyment and emotional release (Cao et al., 2021; Paramita et al., 2021). Consequently, when consumers interact with the brand on social media, they are developing psychological brand immersion (Ashley & Tuten, 2015; France et al., 2018; Merrilees, 2016), leading to the alignment of their online world and that portrayed by the brand's social media. The positive interactive experience that consumers enjoy with a brand via their social media activities may then positively influence their purchase intention towards those brands (Shareef et al., 2018; Abid, 2021). As SET posits, the interdependent relationship between consumers and brands is grounded on reciprocity and rewarding actions from others that perpetuates an exchange cycle that reinforces over time as more exchanges occur (Casper & Thaichon, 2021). Therefore, the following hypotheses are proposed:

H3a<sub>1</sub>: Social media activities (SMA) influence consumer-brand interaction (CBI)

H3a<sub>2</sub>: Consumer-brand interaction (CBI) mediates the relationship between social media activities (SMA) and purchase intention (PIN).

In a similar vein, social media advertising can influence positive consumer responses to the brand when considering consumers' perceived ad value as a representative proxy of their attitudes towards advertising. When consumers find advertising beneficial, interactive, informative and containing an element of novelty, they are motivated to purchase the brand (Alalwan, 2018; Abid, 2021).

The effective use of social media by brands, including advertising, yields positive influences on purchase intention (Cao et al., 2021; Hayes et al., 2021), and the ability to facilitate consumer-brand interaction is viewed as one of the key benefits of social media marketing over its traditional counterparts (Paramita et al., 2021; Hayes et al., 2021; Wei et al., 2022). More importantly, brands should maintain consumers' interest and continued interaction to reap the benefits of their social media marketing efforts to form bonds with their consumers (Shareef et al., 2018; Harrigan et al., 2018; Cao et al., 2021), supporting the notion of reciprocal exchanges established by SET. Therefore, this study proposes the following hypothesis:

H3b<sub>1</sub>: Attitude towards social media advertisement (ATSMA) influences consumer-brand interaction (CBI).

H3b<sub>2</sub>: Consumer-brand interaction (CBI) mediates the relationship between attitude towards social media advertisement (ATSMA) and purchase intention (PIN).

### **3.4 The role of privacy concerns (PCs)**

When engaging in SNS, consumers disclose details about themselves and the degree of self-disclosure is often correlated with the degree of perceived risks (Jacobson et al., 2020). Richer

social contacts and friendships, developed through SMA, help reduce PCs as they represent the benefits that consumers are willing to exchange for their self-disclosure (Liyanarachchi, 2021; Pallant et al., 2022). Furthermore, for consumers who often engage in SMA, privacy concerns become less accentuated, while for consumers with weaker relationships through SNS, partly due to limited SMA, privacy concerns remain prominent (Tsay-Vogel et al., 2018). Hence, the following hypothesis is proposed:

H4: Social media activities (SMA) influence privacy concerns (PCs).

Social media marketing studies show that, when content is visible and relevant, it helps consumers form positive attitudes towards social media advertising and raises their willingness to consume the branded content (Abid, 2021; Zhu & Kanjanamekanant, 2021; McClure & Seock, 2020). Jozani et al. (2020) found that younger generations, who are more engaged on social media than older generations, more often perceive higher social benefits from disclosing their information, interests, experiences and overall life online. Such data facilitates the opportunity for advertisers to provide consumers on SNS with customised brand messages that fit their areas of interest. Therefore, social media advertising is often considered high in perceived relevance and possesses the entertaining, hedonic and informative elements that are related to purchase intention (Alalwan, 2018). During higher levels of social media activities, consumers are often exposed to and engaged with social media advertising embedded in the SNS (Voorveld et al., 2018), creating opportunities to evaluate social media advertising. SET assumes exchanges are contingent on actors' identities, including their context, motivations and self-knowledge. As previously discussed, for some consumers, privacy concerns are reduced through engagement in social media and personalisation. For others, such personalised messaging could further inhibit their social media engagement and compound negative attitudes towards social media advertisement, the



consequence of which could even be a reduction in purchase intention. Hence, the following hypothesis is proposed:

H5: Attitudes towards social media advertising (ATSMA) influence privacy concerns (PCs).

The omnipresence of self-disclosure on social media dilutes concerns of privacy when consumers perceive SNS as a venue to facilitate their self-expression and make evident their self-concept online (Thorkildsen & Xing, 2016). However, self-disclosure on social media could also be influenced by users' negative experiences of privacy breaches (Morimoto, 2021). Perceived relevance is also found to increase privacy concerns, leading to advertising avoidance (Jung, 2017; Bright et al., 2022). When privacy concerns are prominent for consumers, such personalised messaging could further inhibit their social media activities and compound negative attitudes towards social media advertisement, the consequence of which could even be a reduction in CBI affecting purchase intention. A key principle of SET is the rules and norms of exchange between the actors; understanding the privacy rules and information boundaries between stakeholders allows controlled information flow to exist (Zhu & Kanjanamekanant, 2021). Once an individual shares information with somebody, a co-ownership of the information is anticipated. This moves the exchange relationship from an individual to a collective focus where consumers, who are compensated for providing their information to marketers, reduce their privacy concerns as they believe a legitimate co-ownership exists to control and make use of their information within the collective privacy boundaries. When brands respect consumer personal and collective boundaries, the relationship formation of CBI increases and sets in motion further SMA interactions. However, Zhu & Kanjanamekanant (2021) found that when external data from third parties is used for ad personalisation, it causes privacy turbulence and impacts how users interact with platforms and

respond to the advertisement. If the exchange is perceived as unfair, CBI is reduced having an influence on PIN. Hence, the following hypotheses are proposed:

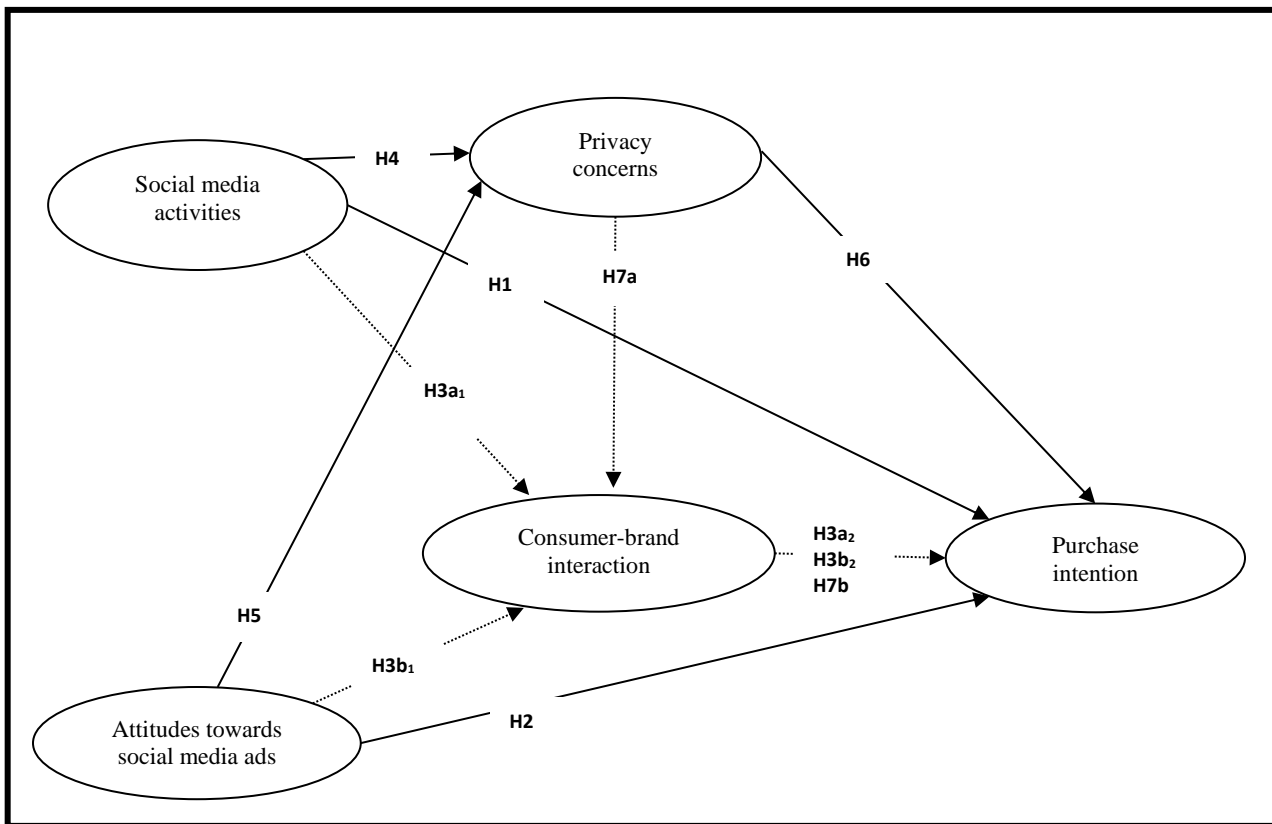
H6: Privacy Concerns (PCs) influence purchase intention (PIN).

H7a: Privacy concerns (PCs) influence consumer-brand interaction (CBI).

H7b: Consumer-brand interaction (CBI) mediates the relationship between Privacy Concerns (PCs) and purchase intention (PIN).

The model in Figure 1 illustrates these hypothesised relationships.

**Figure 1: Proposed Conceptual Model**



#### 4. Research methodology

##### 4.1 Sampling and data collection

A descriptive survey research design was used to test the hypotheses. A survey was administered by a Qualtrics panel to recruit UK individuals who are active on social media. Their interactivity on social media is necessary as they should be exposed to activities on social media, including advertising, so that they could respond to the questions. A survey overview and consent form were provided to each respondent before survey completion. A qualifier question on place of residence ensured that only UK residents participated. Anonymity and confidentiality were assured to all respondents. Descriptions of the respondents are outlined in Table 1.

**Table 1: Descriptive profiles of survey respondents.**

| <b>Characteristics</b>                 |                     | <b>Frequency</b> | <b>Percentage (%)</b> |
|--|---------------------|------------------|-----------------------|
| <b>Gender</b>                          | Male                | 232              | 43                    |
|  | Female              | 303              | 56                    |
|  | Prefer not to say   | 6                | 1                     |
| <b>Age</b>                             | 18 to 24 years      | 104              | 19                    |
|  | 25 to 34            | 135              | 25                    |
|  | 35 to 44            | 120              | 22                    |
|  | 45 to 54            | 95               | 18                    |
|  | 55 to 64            | 58               | 11                    |
|  | 65+                 | 29               | 5                     |
| <b>Education</b>                       | Below High School   | 66               | 12                    |
|  | High School         | 228              | 42                    |
|  | Bachelor degree     | 154              | 29                    |
|  | Master degree       | 74               | 14                    |
|  | Doctoral degree     | 19               | 4                     |
| <b>Income</b>                          | 9,999 GBP or lower  | 109              | 20                    |
|  | 10,000 – 19,999 GBP | 134              | 25                    |
|  | 20,000 – 29,999 GBP | 99               | 18                    |
|  | 30,000 – 39,999 GBP | 72               | 13                    |
|  | 40,000 – 49,999 GBP | 56               | 10                    |
|  | 50,000 GBP or above | 71               | 13                    |
| <b>Follow music page</b>               | Yes                 | 340              | 63                    |
|  | No                  | 201              | 37                    |
| <b>Follow news page</b>                | Yes                 | 429              | 79                    |
|  | No                  | 112              | 21                    |
| <b>Follow politicians page</b>         | Yes                 | 255              | 47                    |
|  | No                  | 286              | 53                    |
| <b>Follow food &amp; beverage page</b> | Yes                 | 367              | 68                    |
|  | No                  | 174              | 32                    |
| <b>Follow electronics page</b>         | Yes                 | 365              | 68                    |
|  | No                  | 175              | 32                    |
| <b>Follow sports page</b>              | Yes                 | 295              | 54                    |

|  |     |     |    |
|--|-----|-----|----|
|  | No  | 246 | 46 |
| <b>Follow services page</b>                                  | Yes | 260 | 48 |
|  | No  | 281 | 52 |
| <b>Follow beauty &amp; fashion page</b>                      | Yes | 324 | 60 |
|  | No  | 217 | 40 |
| <b>Bought products via social media in the past 3 months</b> | Yes | 289 | 53 |
|  | No  | 252 | 47 |

Note: GBP indicates Great Britain Pound (monetary unit across UK).

#### **4.2 Pre-test and pilot study**

To validate the measurement scales, a pre-test was carried out to ensure that the measures represented the constructs. Three experts and one practitioner helped with the content and face validity; no adjustments were required. A pilot study was conducted using Qualtrics to test the internal consistency of the measures with social media consumers. There were 20 questionnaires received and these were administered by Qualtrics and two of the authors. The results of the pilot study indicated that the six constructs had a high level of internal consistency: Cronbach's alpha (>0.70); SMA (0.86); AT SMA (0.98); CBI (0.97); PCs (0.78); and PIN (0.97). The main data collection then proceeded. In total, 550 responses were received, of which 541 were considered usable responses. Thus, the response rate is 98%.

#### **4.3 Measures development and data assessment**

All constructs were adopted from previous studies, using seven-point Likert-scales, ranging from 'strongly disagree' (1) to 'strongly agree' (7). Social media activity (SMA), representing online consumption, contribution, and creation of consumers, was measured based on the scales developed by Schivinski et al. (2016), in consistency with Cao et al. (2021) and Muntinga et al. (2011). Consumer-brand interaction (CBI) was measured from the 5-item scale of Martín-Consuegra et al. (2019). Attitude towards social media advertisement (AT SMA) was measured from the 5-item scale adapted from Shareef et al. (2018). Purchase intention (PIN) was from the

5-item scale of Alalwan (2018). Privacy concerns (PCs) were measured from the 6-item scale of Gutierrez et al. (2019).

All scales were adapted to measure within the social media context, using reflective measurement models. To assess the validity of the scales, a confirmatory factor analysis (CFA) was performed, leading to some item deletions. Table 2 provides a list of all items used in the final model along with the psychometric properties of the measures.

**Table 2: Construct, dimension, items, and CFA standardised loadings**

| <b>Construct/dimensions</b>   | <b>Item</b>   | <b>CFA loadings</b> |
|---|---|---------------------|
| Attitude towards social media advertisement (AT SMA).<br>Shareef et al. (2018).                                       | I like to receive advertising posts on my social media feed   | 0.991               |
|   | I like to view advertising posts on social media feed   | 0.965               |
|   | I am interested in sharing advertising I like with my social media connections                          | 0.844               |
| Privacy concerns (PCs).<br>Gutierrez et al. (2019).   | I am concerned that companies are collecting too much information about me through my social media data | 0.811               |
|   | It bothers me when I do not have control over how companies use my social media data                    | 0.872               |
|   | It bothers me when companies do not disclose how my social media data will be used                      | 0.917               |
|   | I am concerned that companies could sell my social media data to others                                 | 0.902               |
|   | I am concerned that unauthorised parties can easily access my social media data                         | 0.892               |
| Consumer-brand interaction (CBI).<br>Martín-Consuegra et al. (2019).  | In general, I like to get involved in brand social media sites  | 0.895               |
|   | I am someone who likes actively participating in brand social media site discussions                    | 0.960               |
|   | I often participate in activities of the brand social media sites                                       | 0.995               |
| Social media activities (SMA) with 3 dimensions; contribution, creation and consumption.<br>Schivinski et al. (2016). | I initiate posts on social media  | 0.913               |
|   | I write reviews on social media   | 0.880               |
|   | I post videos/photos that show my brand consumption on social media                                     | 0.903               |
|   | I follow blogs/fan page(s) on social media  | 0.786               |
|   | I comment on posts/videos/photos on social media sites  | 0.857               |
|   | I share posts on social media   | 0.904               |
| Purchase intention (PIN).<br>Alalwan (2018).  | I am likely to buy products from the brands that are promoted on social media                           | 0.895               |
|   | I plan to purchase products from brands that are promoted on social media.                              | 0.920               |

|  |   |       |
|--|---|-------|
|  | My willingness to buy products from the brands I engage with on social media is generally high. | 0.912 |
|--|---|-------|

Note: All correlations are significant at  $p < 0.01$  level (2-tailed).

The overall reliability and validity of the measurement instrument is good; composite reliability (CR) ranges from 0.93 to 0.96; average variance extracted (AVE) is between 0.76 and 0.89; and discriminant validity was satisfied, as none of the squared correlations between pairs of constructs exceeded the AVE of the two constructs (Fornell & Larcker, 1981). CFA loadings are between 0.78 and 0.93, hence convergent validity is met. Table 3 provides the correlation matrix alongside the reliability and discriminant validity.

**Table 3: Correlations and reliability estimates.**

| Analyses, plus <i>Cronbach's alpha coefficients.</i> | ATSMA       | PCs         | CBI         | PIN         | SME         | Composite Reliability (CR) | Average Variance Extracted (AVE) |
|--|-------------|-------------|-------------|-------------|-------------|----------------------------|----------------------------------|
| 1. Attitude towards social media ads (ATSMA)         | <b>0.94</b> |             |             |             |             | 0.95                       | 0.88                             |
| 2. Privacy concerns (PCs)                            | 0.16        | <b>0.88</b> |             |             |             | 0.95                       | 0.77                             |
| 3. Consumer-brand interaction (CBI)                  | 0.87        | 0.22        | <b>0.95</b> |             |             | 0.97                       | 0.90                             |
| 4. Purchase intention (PIN)                          | 0.89        | 0.19        | 0.89        | <b>0.91</b> |             | 0.94                       | 0.83                             |
| 5. Social media activities (SMA)                     | 0.82        | 0.18        | 0.86        | 0.85        | <b>0.88</b> | 0.95                       | 0.77                             |

Note: All correlations are significant at  $p < 0.01$  level (2-tailed); Cronbach's alpha coefficients are shown in bold italics along the diagonal.

## 5. Hypotheses testing and result

### 5.1 Structural model - Direct effects

AMOS version 26 (v.26) was used to evaluate the structural model, which is derived from existing theories and reflective in nature. The resulting overall fit measures indicate that the hypothesised model is an acceptable representation of the empirical data (Steiger, 2007):  $\chi^2(160) = 529.341$ ,  $p = 0.00$ ; CFI = 0.973; TLI = 0.968; RMSEA = 0.065. The results exhibited in Table 4 confirm that social media activities (SMA) have a statistically significant positive direct effect on

purchase intention (PIN);  $\beta = 0.183$ ,  $p = 0.00$ . Thus, H1 is supported. H2 is also supported as the result demonstrates that attitude towards social media advertisement (ATSMA) positively affects PIN ( $\beta = 0.438$ ,  $p = 0.00$ ). The result further indicates the negative relationship between SMA and privacy concerns (PCs);  $\beta = -0.167$ ,  $p < 0.05$ . Thus, H4 is supported. Yet, ATSMA is not statistically found to influence PCs;  $\beta = -0.022$ ,  $p > 0.05$ . H5 is thus rejected. H6 is also rejected as PCs are not statistically found to affect PIN;  $\beta = -0.012$ ,  $p > 0.05$ .

## 5.2 Structural model - Mediation effects

To examine mediation effects as conceptualised earlier (H3a<sub>1-2</sub>, H3b<sub>1-2</sub> and H7a-b), all significant parameters were tested using the well-established procedures of Baron and Kenny (1986) for mediation test stages, Kelloway (1995) for interpretation of partial and full mediation conditions, and Zhao et al., (2010) for indirect or direct effect conditions, and the structural equation modelling (SEM) standardised indirect effect technique. The results show a positive influence of SMA on CBI ( $\beta = 0.431$ ,  $p = 0.00$ ), supporting H3a<sub>1</sub>. Particularly, SMA → CBI → PIN yielded a result of  $\beta = 0.431$ ,  $p = 0.00$  and  $\beta = 0.351$ ,  $p = 0.00$ , while the direct effect remains significant as per H1 ( $\beta = 0.183$ ,  $p = 0.00$ ). Furthermore, the total effects of SMA on PIN are  $\beta = 0.340$ ,  $p < 0.01$ , while the indirect effects are  $\beta = .157$ ,  $p < 0.01$ . Thus, H3a<sub>2</sub> is supported for partial mediation (Kelloway 1995; Zhao et al., 2010). Likewise, the results show a positive relationship between ATSMA and CBI ( $\beta = 0.509$ ,  $p = 0.00$ ), supporting H3b<sub>1</sub>. Note that a partial mediation was found for H3b<sub>2</sub>: ATSMA → CBI → PIN yielded a result of  $\beta = 0.509$ ,  $p = 0.00$  and  $\beta = 0.351$ ,  $p = 0.00$ . The direct effects are significant as per H2 ( $\beta = 0.438$ ,  $p = 0.00$ ). Furthermore, the total effects ( $\beta = 0.618$ ) and the indirect effects ( $\beta = 0.179$ ) were found statistically significant at  $p < .01$ .

Thus, H3b<sub>2</sub> is supported for partial mediation. H7a is also supported as the relationship between PCs and CBI is significant, albeit negative ( $\beta = -0.059$ ,  $p < 0.01$ ). The hypothesis H7b is supported for full mediation because the direct effects (PCs  $\rightarrow$  PIN) were statistically found non-significant as per H6 ( $\beta = -0.012$ ,  $p > 0.05$ ), while PCs  $\rightarrow$  CBI  $\rightarrow$  PIN ( $\beta = -0.059$ ;  $\beta = 0.351$ ) were found significant at  $p < 0.01$  and  $p = 0.00$  respectively. Furthermore, the total effects of PCs on PIN are non-significant ( $\beta = 0.032$ ,  $p > .05$ ), while the indirect effects of PCs on PIN are statistically significant ( $\beta = 0.021$ ,  $p < 0.01$ ). In the case of full mediation, Zhao et al. (2010) emphasise that only the indirect effects need to be significant (that is,  $a \times b = p < 0.01$ ; and  $c = > 0.05$ ).

**Table 4: Summary of path coefficients of all hypotheses.**

| Hypotheses       |   | B  | Type      | Result                             |
|------------------|---|--|-----------|------------------------------------|
| H1               | Social media activities $\rightarrow$ Purchase intention  | 0.183***   | Direct    | Supported                          |
| H2               | Attitude towards social media ads $\rightarrow$ Purchase intention  | 0.438***   | Direct    | Supported                          |
| H3a <sub>1</sub> | Social media activities $\rightarrow$ C-B interaction   | 0.431***   | Direct    | Supported                          |
| H3a <sub>2</sub> | Social media activities $\rightarrow$ C-B interaction $\rightarrow$ Purchase intention<br>Direct effects<br>Indirect effects<br>Total effects           | 0.183***<br>0.157**<br>0.340**                         | Mediation | Supported;<br>partial<br>mediation |
| H3b <sub>1</sub> | Attitude towards social media ads $\rightarrow$ C-B interaction   | 0.509***   | Direct    | Supported                          |
| H3b <sub>2</sub> | Attitude towards social media ads $\rightarrow$ C-B interaction $\rightarrow$ Purchase intention<br>Direct effects<br>Indirect effects<br>Total effects | 0.438***<br>0.179**<br>0.618**                         | Mediation | Supported;<br>partial<br>mediation |
| H4               | Social media activities $\rightarrow$ Privacy concerns  | -0.197*  | Direct    | Supported                          |
| H5               | Attitude towards social media ads $\rightarrow$ Privacy concerns  | -0.022 <sup>ns</sup>                                   | Direct    | Rejected                           |
| H6               | Privacy concerns $\rightarrow$ Purchase intention   | -0.012 <sup>ns</sup>                                   | Direct    | Rejected                           |
| H7a              | Privacy concerns $\rightarrow$ C-B interaction  | -0.059**   | Direct    | Supported                          |
| H7b              | Privacy concerns $\rightarrow$ C-B interaction $\rightarrow$ Purchase intention<br>Direct effects<br>Indirect effects<br>Total effects                  | -0.012 <sup>ns</sup><br>0.021**<br>0.032 <sup>ns</sup> | Mediation | Supported;<br>full<br>mediation    |

Note: \* Significant at  $\leq 0.05$  level; \*\*Significant at  $\leq 0.01$  level; \*\*\*Significant at  $= 0.00$  level; NS = non-significant.

## 6. Discussion

Organisations strive to connect effectively with existing and potential consumers and, with the increasing popularity of social media, have placed their brands on various platforms. Retail



brands have initiated multiple consumer engagement activities on both their own social media sites and on others as a form of social media advertising. In doing so, brands may neglect the concerns consumers have over privacy. Yet, this needs to be treated with caution as the existence of privacy concerns could turn consumers away. This study defines consumer-brand interaction (CBI) in the context of social media and explores how CBI mediates the extent to which social media activities (SMA), attitudes toward social media advertising (ATSMA) and privacy concerns (PCs), influence purchase intention (PIN). Social exchange theory (SET) is used in this study to explain the interdependent relationship between consumers and brands, grounded on reciprocity and rewarding action to maintain an exchange cycle where the rules and norms of exchange allow the development of trust-based and mutual exchange interactions. The results show that both social media activities (SMA) and attitudes toward social media advertising (ATSMA) directly influence purchase intention (PIN). Furthermore, CBI mediates both constructs (SMA and ATSMA), enhancing even further purchase intention (PIN).

CBI features within consumer brand engagement (CBE) literature, though previous studies (Hollebeek et al., 2014; Martín-Consuegra et al., 2019) highlighted the cognitive, emotional and behavioural aspects of CBE, this research focused on CBI as the manifestation of the behavioural aspect and its important role to understand consumer engagement. In particular, our results illustrate that positive social media activity exchanges influence PIN and increase the likelihood of that brand being considered when consumers intend to purchase in that product or service category consistently with Ozuem et al. (2021). Additionally, our results found that CBI mediates the relationship between social media activities (SMA) and purchase intention (PIN). Our study also reveals that, although consumers with positive attitudes towards social media advertising express greater brand purchase intentions, this intention is reinforced by CBI. In effect, enhanced

attitudes towards social media advertising (ATSMA) can both directly influence purchase intention (PIN) and indirectly influence it by driving consumers towards brand interaction. CBI has a key mediating role in forging the consumer-brand relationship that leads to increased purchase intention. While previous studies focus on what leads consumers towards brand engagement (Khan et al., 2016; France et al., 2018), this research highlights how social media activities (SMA) and social media ads (ATSMA) influence the development of CBI, leading to increased purchase intentions due to social exchange interactions that benefit all participants.

While social media activities (SMA) have a negative effect on privacy concerns (PCs), attitudes towards social media ads (ATSMA) do not. When consumers with concerns about privacy feel that the brand uses their social media information inappropriately, their exchanges with the brand decline. Though only some consumers are aware of how brands use their data, data protection policies around the world, such as the general data protection regulations (GDPR) or even privacy initiatives such as Apple iPhone's privacy approach, are changing the landscape. That said, this may in part still add to consumers' concerns about what happens to their personal information, which may result in reduced brand purchase intention, especially when their SMA experiences are negative. This suggests that organisations need to build consumer-brand relationships with consumers' privacy preferences in mind (Barth & De Jong, 2017; Hayes et al. 2021). Nevertheless, in contrast to their impact on social media activities (SMA), privacy concerns are not impacted by attitudes towards social media ads (ATSMA). Enhanced attitudes towards social media advertising have a direct and influential effect on consumers' purchase intention, and this remains true even when there are privacy concerns. Privacy concerns can be triggered when social media advertising provides customised brand messaging because users feel that the brand has access to and/or can track their behaviours. However, when positive attitudes towards social

media advertising exist, consumers remain interested in purchasing the brand despite privacy concerns. Attitudes influence how individuals perceive a situation and induce behaviours congruent with that attitude, as reflected in a previous study which identified that congruency between ad content and users' informational motivations dilutes the negative privacy effect (Carlson et al., 2021). That study concluded that when positive attitudes towards social media advertising exist, consumers consider that the benefits of relevant brand information outweigh concerns about privacy and purchase intention remains positive. This reinforces the overall importance in brands finding ways to work together to develop positive consumer attitudes towards social media advertising.

Finally, our study highlights the positive full mediation effect of CBI in overcoming privacy concerns. The results show a non-significant negative effect between privacy concerns (PCs) and purchase intention (PIN) that can be explained due to the fluid nature of privacy and individuals' identities (Zhu & Kanjanamekanant, 2021). However, (PCs) do have a negative impact on CBI and when examining the impact of the three constructs simultaneously, the results highlight the positive full mediation effect of consumer-brand interaction to overcome privacy concerns. This may be explained due to the stronger positive impact of CBI via SMA and ATsMA, indicating that consumers' privacy concerns would not turn them away from engaging with and purchasing brands' products and services. Previous studies, such as Thorkildsen and Xing (2016), Gutierrez et al. (2019), Liyanaarachchi (2021), and Pallant et al. (2022) described consumers making a trade-off between self-disclosure and privacy concerns because the benefits of sharing their data exceeded their privacy concerns. Other studies considered privacy to be more complex, with Tsay-Vogel et al. (2018) identifying social media as a socialising agent for its users. Furthermore, when consumers are inundated by digital messaging of multiple types, they start to perceive this as social

reality, leading in time to a more relaxed approach to privacy. Our results confirm that privacy concerns are somewhat diluted by high levels of positive social media exchanges, but those concerns about privacy are not negated and still influence consumers' decisions about brands on social media.

The following section will discuss specific theoretical contributions, and the managerial implications for marketers, that may be drawn from these results.

## **7. Theoretical contributions**

Acknowledging the importance of social media marketing for retail brand management in the digital era, the theoretical contributions of this work are three-fold.

Firstly, knowledge about social media marketing is extended by highlighting consumer-brand interaction (CBI) as the critical pathway towards enhancing purchase intention. Previous studies have not simultaneously considered the effects of social media activities (SMA), social media ads (ATSMA), consumers' concerns about privacy (PCs) and the mediating effect of consumer-brand interaction (CBI), on purchase intention (PIN). Our model explores those effects, and the results illustrate how these constructs interact to shape consumer behaviour and increase purchase intention.

Secondly, while no explicit CBI definition is agreed upon, we integrate social exchange theory (SET) to define and provide evidence of CBI as a social exchange construct, consistent with the foundational principles of SET. We define consumer-brand interaction (CBI) as consumers' committed enjoyment from actively participating in brand-related social media activities that enhance the relationship between consumers and brands, differentiating CBI as the relational manifestation of consumer brand engagement (CBE). The three core principles of SET

(Cropanzano & Mitchell, 2005) identify that for a relationship to emerge over time, rules and norms of exchange should exist for participants to exchange resources. In our study, CBI is the relationship that emerges from a series of transactions (SMA, SMAT, PCs, PIN) that exchange resources, such as social media content, personalised ads, consumers' time, personal data, and user-generated content. Rules and norms of exchange are critical and, while economic exchange rules are clearer in areas such as e-commerce, social exchange is more complex as it involves brands, consumers, and a variety of social media platforms, each setting their own parameters. Hence, we advance CBI knowledge through setting it in social exchange theory.

Finally, this research contributes towards expanding the privacy theory. While privacy calculus has been used extensively to explain online privacy concerns, our study uses social exchange theory to provide evidence that consumer-brand interaction (CBI) fully mediates the effect of privacy concerns (PCs) on purchase intention (PIN), reversing the negative effect of PCs and supporting the notion of privacy being of a fluid and complex nature that extends beyond that of a cost-benefit assessment.

## **8. Managerial implications**

Social media marketing is a critical channel for brands, and retail brands need to ensure that their content is consistent with their brand image and values, is personalised and designed to ensure that consumers interact with the brand. A potential mechanism to achieve this is that of 'co-ownership' (Zhu & Kanjanamekanant, 2021) which establishes the collective information boundaries that brands should consider when developing their content and personalised advertising, this leading to higher quality interactions with the online brand community through co-created value (Quach et al., 2020; Ozuem et al., 2021).

Just as a positive attitude towards social media and brand engagement can positively influence consumers' purchase intentions, their concerns around privacy can negate this. This research highlights the importance for brands to develop long-term relationships with individuals, in ways that connect them at cognitive and emotional levels. Every consumer has individual behavioural traits that influence their decision to practice loyalty and purchase intentions within a community and, hence, further personalisation may be needed.

Achieving effective relationships with consumers represents a balancing act of collecting enough data to understand consumer behaviour while also addressing potential concerns that consumers may have about the brand's data protection policies, the ethics concerning how consumer data is used, and how perceptions of privacy concerns can be minimised. Brands could respect the boundaries for harvesting consumers' data, as a means of establishing brand trust, by providing mechanisms to readily control privacy settings and by educating consumers on how to keep safe. Hence, marketers could embrace the challenge of cookie-less environment and consider new approaches to data ethics (Bright et al., 2022; Gerdes, 2022).

Retail brands also have the responsibility to ensure that the interactions they promote on social media fit individuals' motivational reasons to interact with the brand, including efficacy, information exchange and hedonic enjoyment. While marketers should aim to increase social media activities, they need also to consider the potentially toxic consequences. An extreme example of this is the recent announcement made by the brand LUSH where, to ensure safer environments for their users, the brand decided they will no longer use social media platforms across the 48 countries in which they operate (Lush, 2021; Bhargava & Velazquez, 2021).

Furthermore, the increasing use of artificial intelligence (AI) by brands may be viewed negatively by consumers and may harm that critical relationship between consumers and brands,

particularly when consumer privacy is proving to be an evolving and fluid concept as more cutting-edge technologies evolve and data protection regulations increase. Brands and marketers need to ensure that they adopt sustainable practices such that their business model is not overly biased towards the collection of personal data and consider the multiple stakeholders across the brand supply chain (Bell et al., 2021; Jacobs et al., 2021; Bhargava & Velazquez, 2021).

## **9. Limitations and future research directions**

This study has its limitations. First, the sample was recruited via Qualtrics and participants identified themselves as social media users residing in the UK. The sample was composed of respondents with a wide age range, even though it is known that individuals from different generations vary in terms of their social media consumption behaviour. Future research could conduct a comparative study across different generations as this could provide further insights for brands that target certain generations. Furthermore, this study is cross-sectional, showing consumer-brand interactions as a mediator between privacy concerns and purchase intention. It would be interesting to see if the effects change with time as consumers interact and engage with the brand. A longitudinal study could be used to detect changes in perceptions of privacy, as well as identifying other factors that trigger or stabilise those perceptions. Finally, as concerns over privacy vary across countries, future research could consider a comparative study across different countries or cultures that differ in how they integrate social media into their lives.

Future research is suggested to better understand how brands could implement privacy and data protection regulations to increase data transparency while still addressing the tension between individuals' privacy and the value of data for brands. Consumer-brand interactions are changing the nature of interaction that social media brings to consumers and new cutting-edge technologies,

including extensive use of artificial intelligence (AI), will increase the type of data collected by marketers. Therefore, further research is needed to support brands in decision-making for responsible innovation that reflects ethical considerations beyond privacy concerns across the brand's supply chain (Bell et al., 2021; Manning et al., 2022).

Moreover, the privacy concept is fluid and shaped by context and, while this research reports the relationships and interactions between privacy and other constructs for UK users of social media who interact with brands, it is likely the results would vary in other countries and contexts. Social media users now have a higher awareness of privacy risks due to the many reported scandals and data breaches. So, it is possible that privacy results will vary if, instead of analysing privacy within the social media context, consumer behaviours were assessed on different technologies such as virtual reality or the metaverse. Hence, further research is needed to understand privacy concerns across multiple ecosystems, countries and cultures (Negash et al., 2021).

## **10. Conclusions**

This paper conceptualises consumer-brand interaction as a relationship that emerges from the committed and active exchanges of consumers and brands in brand-related social media activities. The findings indicate that, if consumers have high levels of general social media activities with brands, this positively impacts purchase intentions. Furthermore, if the brand has established effective consumer-brand interactions during consumers' social media activities, this positively mediates the consumer-brand relationship and leads to enhanced purchase intentions. Enhanced brand purchase intentions are also demonstrated by consumers who have positive attitudes towards social media advertising. Effective consumer-brand interactions are also found to improve consumer attitudes towards social media advertising, and this leads to enhanced brand purchase intentions. Although prior studies indicated that brands' social media activities raise



consumers' concerns about privacy and reduce purchase intentions, this research indicates that brand purchase intentions remain, despite concerns about privacy, when effective consumer-brand interactions exist.

In summary, forming effective consumer-brand interaction is the key to raising retail brand purchase intention on social media as it lubricates the links between consumers' social media activities and brand purchase intentions, as well as the links between consumers' overall attitudes towards social media advertising and enhanced brand purchase intentions. Forming effective consumer-brand interactions aids the enhancement of consumers' purchase intentions and, if consumer information is perceived by the consumer to have been handled appropriately, this enhanced consumer-brand interaction helps overcome consumer concerns about privacy.

#### **Funding source:**

This work was supported by King Mongkut's Institute of Technology Ladkrabang, Thailand. The funding source has no role in this research.

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