

The Interplay of Social Commerce, Consumer Engagement, and Brand Value Co-Creation: A Study of South African Markets

Siphiwe Dlamini

University of Cape Town

Rogan Muirhead

University of Cape Town

Mia van Aardt

University of Cape Town

Acknowledgements:

No acknowledgements

Cite as:

Dlamini Siphiwe, Muirhead Rogan, van Aardt Mia (2025), The Interplay of Social Commerce, Consumer Engagement, and Brand Value Co-Creation: A Study of South African Markets. *Proceedings of the European Marketing Academy*, 54th, (123399)

Paper from the 54th Annual EMAC Conference, Madrid, Spain, May 25-30, 2025



The Interplay of Social Commerce, Consumer Engagement, and Brand Value Co-Creation: A Study of South African Markets

Abstract

Due to the emergence of social media technologies, social commerce has gained attention over the years. This study aims to investigate the use of social commerce as a brand-management tool and its impact on consumer engagement, brand value co-creation and social-commerce intent on South African consumers over 18. A single cross-sectional survey of 231 respondents was conducted with a descriptive research design. Multiple linear regression and bivariate correlation were used to test the study's hypothesis. Positive relationships were discovered between social value, ratings and reviews, recommendations, and referrals on consumer engagement. Furthermore, consumer engagement strongly impacted social-commerce intent and brand value co-creation. Lastly, brand value co-creation was discovered to have a strong positive relationship with social-commerce intent. Brand strategies that consider social value, recommendations, referrals, ratings and reviews in their social-commerce tactics will positively impact consumer engagement with their brand and, therefore, increase brand value-co creation and social commerce intent. Subsequently, they may also increase consumer purchase intent, thus, improving the gains of their brand. This study proposes a comprehensive model that explains user experience and s-commerce factors in s-commerce intention platforms and provides insights into the factors of customer engagement in the s-commerce context. The study improves the current understanding of s-commerce intent by proposing and validating a conceptual model mediated by customer engagement in s-commerce.

Keywords: Social Commerce, Consumer Engagement, Brand Value Co-Creation

Track: International Marketing & Marketing in Emerging Countries

1. Introduction

E-commerce has developed into a new online business model known as social commerce or s-commerce, defined as e-commerce transactions or activities performed via social media networks (Leong et al., 2020). This development has transformed the customers' role and enabled them by putting them uniquely positioned to influence other users and guide purchasing decisions (Busalim et al., 2021). By 2020, worldwide s-commerce revenue was anticipated to be \$80 billion (Leong et al., 2020). According to Lee and Lee (2019), nearly 40% of social-media users purchase products after sharing or saving products on social-media platforms. This shows how consumer engagement, using s-commerce constructs, can significantly influence the s-commerce intent of the consumer. Despite this growth, some scholars and marketers are sceptical of its sustained success (Hu et al., 2021). For example, Amazon closed its s-commerce business Spark (Hu et al., 2021). Integrating social networks into s-commerce has generated value-added qualities for businesses with user-generated content (Leong et al., 2020). S-commerce differs from traditional e-commerce in that it is based on various social media networks that focus on commercial activities, which allow users to review and seek recommendations from other users (Leong et al., 2020). Furthermore, e-commerce generates value through communities and communities amongst users (Leong et al., 2020). There is a strong emphasis on customer engagement, unlike in the e-commerce context. The sustainability of s-commerce depends on the users, who must consistently engage and share information over time (Hu et al., 2021). The bargaining power has not evolved into the customer rather than the seller, creating a more customer-based focus (Leong et al., 2020).

There are inconsistencies concerning consumer behaviour and s-commerce both in theoretical perspectives and empirical relationship settings (Dwivedi et al., 2023). While the literature has argued the importance of interactions and communication between customers as the core for building trust in s-commerce (Leong et al., 2020; Cheng et al., 2018), customer engagement's role in facilitating these interactions and communications is lacking. Prior studies on the s-commerce intention have shown that users' engagement is essential to the success of an s-commerce business (Shen et al., 2019). While other studies have shown that relationship quality through engagement influences s-commerce (Hajli, 2014). Furthermore, the concept of customer engagement has been investigated in social media (de Oliveira Santini et al., 2020). Customer engagement has been found to have a significant value for businesses,

directly affecting firm performance and behavioural intention (de Oliveira Santini et al., 2020). In addition, prior studies offer little insight into the combination of the factors that need to be considered to impact customer engagement in s-commerce. Moreover, social commerce needs to be understood and its relationship with other constructs (Algharabat & Rana, 2021). Therefore, this study aims to answer the following research question: How do specific s-commerce factors influence consumer engagement and brand value co-creation in South Africa?

2. Literature Review

2.1. Consumer Experiential Value on Consumer Engagement

For unique experiences to be established, social-media platforms aim to tailor their offering for the best possible user experience to promote consumer engagement (Hwang et al., 2020). Consumer engagement can be defined by a combination of behavioural and psychological perspectives (Busalim et al., 2019). These experiences are assigned value by consumers, as it is influential to their future social-media and s-commerce usage. The cognitive experiential value consumers gain is very similar to their functional value, as it is based on the efficiency of the s-commerce site (Li & Ku, 2018). A study by Li and Ku (2018) found that efficiency, and therefore functionality, is a significant factor when consumers consider switching from an e-commerce site to an s-commerce site. It is proposed that:

H1: Cognitive value positively affects consumer engagement in s-commerce.

Hedonic value, in the s-commerce space, reflects the shopping experience itself, independent of task-related activities (Babin & Attaway, 2000). This looks at the pleasurable aspects of shopping instead of shopping chores for consumers. This shows the importance of hedonic experiential value for s-commerce sites and their effects on consumer engagement. Thus, the hypothesis is:

H2: Hedonic value positively affects consumer engagement in s-commerce.

Social experiential value from s-commerce includes social approval, social status and self-esteem (Nadeem et al., 2021). Consumers' deriving higher social value from social-

networking sites is said to lead to greater consumer engagement (Nadeem et al., 2021). Given the above, the following hypothesis is put forward:

H3: Social value positively affects consumer engagement in s-commerce.

The ethical experiential value constructs of privacy and security are vital, given consumers' current challenges in social networking and s-commerce sites (Akman & Mishra, 2017). A study by Wang and Herrando (2019) found that privacy assurance positively influences the trust that consumers have in s-commerce sites. This led to the development of the fourth hypothesis:

H4: Ethical value positively affects consumer engagement in s-commerce.

2.2 Social Commerce Constructs on Consumer Engagement

Consumer reviews are an important, influential factor in product sales and consumer willingness to pay (Ahmad & Laroche, 2017). Ratings and reviews build trust, which in turn may affect the frequency of consumer engagement with an s-commerce site (Ventre et al., 2020). This led to the development of this study's fifth hypothesis:

H5: Ratings and reviews positively affect consumer engagement in s-commerce.

Forums and communities provide platforms for social interaction and information-sharing between consumers (Chen et al., 2017). This allows customers ways to seek other people's expertise, which may influence their purchase behaviour (Li & Ku, 2018). Thus, we hypothesise that:

H6: Forums and communities positively affect consumer engagement in s-commerce

Recommendations and referrals through electronic word of mouth are said to have a weighted impact on consumer perception and, therefore, engagement (Ahmad & Laroche, 2017). The information-sharing that occurs through s-commerce sites is more sincere than recommendations provided by merchants (Li & Ku, 2018). This led to the development of this study's seventh hypothesis:

H7: Recommendations and referrals positively affect consumer engagement in s-commerce.

2.3. S-commerce consumer engagement on brand value co-creation

The effect of brand value co-creation on consumer engagement is said to be commonly acknowledged within the marketing literature (Ventre et al., 2020). Consumer engagement with an s-commerce site affects the brand value co-creation process of said site's brand (Nadeem et al., 2021). The importance of consumer engagement has been proved through research of social media as a platform for making sales, alongside building and conveying a brand image (Lee & Lee, 2019). S-commerce intention is highly driven by prior consumer engagement (Ventre et al., 2020). Li and Ku (2018) found that the personal experience of a consumer's engagement was found to impact the switching intention from e-commerce to s-commerce positively and, therefore, having s-commerce intent. Consumers are said to be good co-creators of value when they engage in dialogue and interaction activities with other consumers and suppliers (Tajvidi et al., 2021). This is because participation in online information exchange between consumers is said to directly influence consumer behaviour (Ridings & Gefen, 2004). It is expected that:

H8: Consumer engagement positively affects brand value co-creation

H9: Consumer engagement positively affects social-commerce intent

H10: Brand value co-creation positively affects social-commerce intent

3. Methods

The target population for this study was social-media users above 18 living in South Africa in 2022. The respondents were targeted through social-media platforms, sharing and reposting by follower users. A five-point Likert scale was used, where existing measurement scales were adapted from Nadeem et al. (2021), Ventre et al. (2020) and Li and Ku (2018).

4. Results

For analysis, 231 responses were used. Of the study's respondents, 67.6% were 18-26, 11.2% were 27-41, and 13.6% were 45 years or older. This study's respondents were 66.8% female, 32.77% male, and 0.43% preferred not to reveal their gender identity. The respondents were asked which social-media platforms they engage with most frequently and 85.2% stated Instagram and 14.8% Facebook. Of the valid responses, 81.8% were aware of Instagram for Business, and 95.7% were aware of purchasing through Facebook Market Place.

When analysing Cronbach's alpha, cognitive value, hedonic value, social value, ethical value, recommendations and referrals, brand value co-creation, s-commerce intent, and consumer engagement, all had Cronbach's alphas greater than 0.8. A factor analysis was run to assess the validity of this study's scales. The analysis determined that two factors loaded, explaining 71.04% of the variance in the data. These factors are per Kaiser's criterion that all factors loaded should have Eigenvalues greater than 1. When looking at the factor loadings, the study assessed which constructs loaded onto which. Cognitive value, hedonic value, ethical value, recommendations and referrals loaded onto Factor 2. This was done through the assessment of the rotated component matrix.

The linear regression model had an R^2 value of 0.468, indicating moderate strength in the model. An adjusted of 0.451 indicates that the independent variables in the model explain 45.1% of the total variance in consumer engagement.

Social value, ratings and reviews, and recommendations and referrals are all significant predictors of consumer engagement at the 5% significance level and t-statistics greater than 1.96, 4.742, 2.514 and 4.8, respectively. However, cognitive value, hedonic value, ethical value and forums and communities had an insignificant impact on customer engagement, with t-statistics reported as -0.185, -0.890, 0.452, and 0.637, respectively.

A correlation coefficient of 0.773 indicates a strong positive correlation between consumer engagement and brand value co-creation. A correlation coefficient of 0.681 indicates a strong positive correlation. Lastly, a correlation coefficient 0.694 indicates a strong positive correlation between brand value co-creation and social commerce intent.

5. Discussion

This study found no significant relationship between the cognitive, hedonic, and ethical values gained from the user experience of an s-commerce site and consumer engagement. This contrasts with the study by Nadeem et al. (2021) that found significant positive relationships between cognitive value, hedonic value and ethical value from the user experience of an s-commerce site on consumer engagement. This means that the cognitive, hedonic and ethical value consumers derive from s-commerce is after the social value consumers gain. This is supported by a study done by Li and Ku (2018), which found that social presence, social

support and social benefit were the driving factors that attract consumers to s-commerce. Consumers gain social value through their user experience of an s-commerce site; they engage more with the s-commerce site. This is consistent with previous literature that found that social value positively affects consumer engagement (Nadeem et al., 2021).

Furthermore, no significant relationship was found between forums and communities and consumer engagement. This contrasts with the results obtained by Ventre, Molla-Descals and Frassetto (2020), which found a positive and significant relationship between forums and communities as an s-commerce construct and consumer engagement with an s-commerce site. Recommendations and referrals had the greatest effect on consumer engagement. This is consistent with previous literature that found that recommendations and referrals, as an s-commerce construct, positively affect social-commerce intent and consumer engagement (Ventre et al., 2020).

Results from this study show that ratings and reviews affected consumer engagement in s-commerce. This is consistent with previous literature that found that ratings and reviews, as an s-commerce construct, positively affect s-commerce intent and, therefore, consumer engagement (Ventre et al., 2020). This study found a significant and strong positive correlation between consumer engagement and brand value co-creation, which is consistent with the studies of Ventre et al. (2020) and Nadeem et al. (2021).

A significant and strong positive correlation between consumer engagement and s-commerce intent was found, consistent with the results of Lee and Lees (2019), which found that certain s-commerce constructs positively influence consumer engagement, stimulating s-commerce intent. In addition, a significant and strong positive correlation exists between brand value co-creation and s-commerce intent, similar to those of Nadeem et al. (2021) and Lee and Lee (2019). It is, therefore, reasonable to conclude that when customers engage with a brand's social media and are part of the co-creation of brand value, there is a strong positive impact on the s-commerce intent of customers.

6. Implications

Theoretically, this study contributes to current knowledge by proposing a comprehensive model that explains user experience and s-commerce factors in s-commerce

intention platforms and provides insights into the factors of customer engagement in the s-commerce context. The study incorporates cognitive, hedonic, social, ethical, ratings and reviews, communities, recommendations, and brand value co-creation, based on their broad scope and conceptual foundations as the distinct factors that drive s-commerce engagement. Historically, these have been considered in isolation. The contributions of this study improve the current understanding of s-commerce literature by proposing and validating a conceptual model mediated by customer engagement in s-commerce.

Practically, marketers can increase the social value consumers derive from an s-commerce site through the focus on offering social approval, social status and self-esteem by encouraging engagement and interaction between the brand and other consumers. This can be done using interactive Instagram stories and posts. Marketers can encourage recommendations, referrals, ratings, and reviews by incorporating and facilitating consumer feedback on their s-commerce sites. Marketers wanting to increase recommendations and referrals must focus on creating a positive e-WOM throughout their customer base. These strategies include the automated feedback option presented to consumers and facilitating social interaction through social-media posts and stories. Ultimately, this study provides insights into the growing s-commerce platforms and what their users need to engage and utilise s-commerce as their purchasing platform of choice.

7. Limitations and future research

The capacity of the researchers of this study may have caused the respondent sample to be in a specific socio-economic position. It is reasonable to assume that different socioeconomic and geographically located respondents within South Africa may influence the data output from the study. Researchers can reach more locations within South Africa, as well as other countries or countries. This will allow for valuable comparisons to be drawn on geographic online consumer behaviour and s-commerce brand-management insights. Quantitative research can be aided by using qualitative research to allow for further and more detailed insights to be drawn on the respondent sample. Therefore, future research should include interviews with brand managers and consumers who interact or want to gain value from s-commerce.

References

- Ahmad, S., & Laroche, M. (2017). Analysing electronic word of mouth: A social commerce construct. *International Journal of Information Management*, 37(3), 202–213.
- Akman, I., & Mishra, A. (2017). Factors influencing consumer intention in social commerce adoption. *Information Technology & People*, 30(2), 356-370.
- Algharabat, R. S., & Rana, N. P. (2021). Social commerce in emerging markets and its impact on online community engagement. *Information Systems Frontiers*, 23, 1499-1520.
- Babin, B. J., & Attaway, J. S. (2000). Atmospheric affect as a tool for creating value and gaining share of customer. *Journal of Business Research*, 49, 91–99.
- Busalim, A. H., Ghabban, F., & Hussin, AB.R.C. (2021). Customer engagement behaviour on social commerce platforms: An empirical study. *Technology in Society*, 64, 101437.
- Busalim, A., Che Hussin, A., & Iahad, N. (2019). Factors influencing customer engagement in social commerce websites: A systematic literature review. *Journal of Theoretical and Applied Electronic Commerce Research*, 14(2), 1-14.
- Chen, A., Lu, Y., & Wang, B. (2017). Customers' purchase decision-making process in social commerce: A social learning perspective. *International Journal of Information Management*, 37(6), 627–638.
- de Oliveira Santini, F., Ladeira, W. J., Pinto, D. C., Herter, M. M., Sampaio, C. H., & Babin, B. J. (2020). Customer engagement in social media: a framework and meta-analysis. *Journal of the Academy of Marketing Science*, 48, 1211-1228.
- Dwivedi, Y. K., Ismagilova, E., Sarker, P., Jeyaraj, A., Jadhav, Y., & Hughes, L. (2023). A meta-analytic structural equation model for understanding social commerce adoption. *Information Technology and Management Science*, 24(1), 1-20.
- Hajli, M. N. (2014). The role of social support on relationship quality and social commerce. *Journal of Electronic Commerce Research*, 14(2), 1-14.
- Hwang, A. H. C., Oh, J., & Scheinbaum, A. C. (2020). Interactive music for multisensory e-commerce: The moderating role of online consumer involvement in experiential value, cognitive value, and purchase intention. *Psychology and Marketing*, 37(8), 1031–1056.

- Lee, J., & Lee, Y. (2019). Customers' perceived experiential value: Case of social commerce context. *Journal of Marketing Management*, 7, 135–144.
- Leong, L. Y., Hew, T. S., Ooi, K. B., & Chong, A. Y. L. (2020). Predicting the antecedents of trust in social commerce—A hybrid structural equation modeling with neural network approach. *Journal of Business Research*, 110, 24–40.
- Li, C. Y., & Ku, Y. C. (2018). The power of a thumbs-up: Will e-commerce switch to social commerce?. *Information and Management*, 55(3), 340–357.
- Lin, X., Li, Y., & Wang, X. (2017). Social commerce research: Definition, research themes and the trends. *International Journal of Information Management*, 37(3), 190–201.
- Nadeem, W., Tan, T. M., Tajvidi, M., & Hajli, N. (2021). How do experiences enhance brand relationship performance and value co-creation in social commerce? The role of consumer engagement and self brand-connection. *Technological Forecasting and Social Change*, 171, Article 120952.
- Shen, X. L., Li, Y. J., Sun, Y., Chen, Z., & Wang, F. (2019). Understanding the role of technology attractiveness in promoting social commerce engagement: Moderating effect of personal interest. *Information & Management*, 56(2), 294–305.
- Tajvidi, M., Wang, Y., Hajli, N., & Love, P. E. (2021). Brand value co-creation in social commerce: The role of interactivity, social support, and relationship quality. *Computers in Human Behavior*, 115, Article 105238.
- Ventre, I., Mollá-Descals, A., & Frassetto, M. (2020). Drivers of social commerce usage: A multi-group analysis comparing Facebook and Instagram. *Economic Research*, 34(1), 570–589.
- Wang, Y., & Herrando, C. (2019). Does privacy assurance on social commerce sites matter to millennials? *International Journal of Information Management*, 44, 164–177.