The Impact of Social Media Advertising and Social Anxiety on Consumer Purchase Intention and Brand Loyalty

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Abstract. Social media advertising and social anxiety have become increasingly popular concepts in recent years. A growing body of research focuses on these topics, trying to apply them to business practices by adjusting marketing strategies to alter consumers' behaviors. Using a literature review and a few ideas, the study determines how social media advertising and social anxiety affect consumers' intentions to buy and their brand loyalty. This research highlights how advertising features, such as live streaming and influencer content, and psychological factors, like social anxiety, shape consumer behaviors. The study finds that social media advertising boosts consumer purchase intention and brand loyalty by enhancing trust, emotional interaction, and perceived value. However, social anxiety reduces trust and reliance on simple and stored rules, which will weaken the advertising effect. The research concludes that interactive advertising can build strong consumer relationships, and marketers must consider psychological traits like anxiety and emphasize fairness and ethical values to sustain loyalty in the digital age.

Keywords: Social media advertising, social anxiety, purchase intention, brand loyalty

1. Introduction

Normally, traditional economic theory suggests that consumers are usually rational and always seek to maximize their utility. Under this neoclassical framework, according to the marginal utility theory, individuals evaluate the marginal benefits and costs of each choice, making the decisions that optimize personal satisfaction and benefits [1]. However, in the digtal age, these models often fail to explain the complex psychological and social forces that affect consumer intention to buy and brand loyalty. As the development of social media, the forms of advertisement have become more diverse, beyond solely in static promotions, to become more connected and personalized with consumers. Social media allows individuals to access more influential endorsements, and these actions can slightly change their value to the products. In addition, social anxiety is more emphasized in digital society, affecting how people understand and feel social cues, respond to peer influence, and ultimately make purchase decisions. This study explores how these two factors, social media advertising and social anxiety in online contexts to influence consumer purchase intention and brand loyalty. The research aims to offer and collect experiments and theories to analyze the influence.

2. Theoretical framework

2.1. Purchase intention and brand loyalty

In general terms, purchase intention refers to the likelihood that a consumer will buy a particular product, resulting from the different factors. Purchase intention is connected with purchase behaviors, which may lead to future buying actions. In this way, businesses need to consider the purchase intentions to boost the actual sales [2].

Another important concept is brand loyalty, which reflects a consumer's consistent preference and repeat purchasing of a specific brand over competitors. Brand loyalty can be a main goal for the business, which brings a stable revenue stream and reduces the risk of firms with fluctuations and competitions.

2.2. Social media advertising

One type of digital marketing strategy that uses social networks to reach target consumers is called social media advertising [3]. As social media platforms evolve, more diverse forms of advertising are being used. These include live streaming, influencer content, interactive polls, and real-time interactive sessions, in addition to more conventional endorsed posts.

2.3. Social anxiety in online contexts

Social anxiety, which can also be interpreted as discomfort or fear of receiving a poor evaluation in social situations, is the ongoing concern about seeming insecure and unpleasant to people who are looking at people, leading to rejection and degradation [4]. This factor strongly influences how they process advertising and respond. The level of social anxiety can lead to consumers' trust in social cues and endorsement in social media contexts.

3. The influence of social media advertising on consumer purchase intention

3.1. The influence of internet influencers on consumer intention to buy

In the digital realm, online influencers become an essential component for providing advertisements and ties with followers to shape their attitudes and behaviors. Their influence relies on a trust-based relationship with their followers, which means consumers cannot be exhibit bounded rationality when making some decisions. Instead, it is reasonable to expect that the credibility of these influencers significantly impacts consumers' purchase intention by using both direct and indirect ways through psychological mechanisms.

Opinion leadership theory shows that influencers as intermediaries who frame brand information, and media dependency theory explains how potential consumers depend on guidance, which are the bases for a study by Jiménez-Castillo and Sánchez-Fernández in 2019. In order to provide evidence for these relationships, the experiment was designed to survey 280 followers of digital influencers in Spain, predominantly young adults, using non-probabilistic sampling to ensure participants regularly consumed influencer-endorsed content. Some concepts of the study related to the power of online influencers on consumer purchase intention, such as perceived influence (the degree to which followers value influencers' recommendations), self-concept, brand expected value, and purchase intention. Using structural equation modeling (SEM), the study found that perceived influence had a strong direct effect on purchase intention ($\gamma = 0.53$, p < 0.001), supporting the idea that influencers

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act as persuasive agents to affect the follower's buying behaviors. In addition, the study suggested other indirect factors that affect purchase intention. Followers who perceived higher influence had greater brand engagement in their self-concept, which positively impacted purchase intention (β = 0.16, p < 0.01) [5]. This suggests that when followers psychologically integrate recommended brands into their identities, their likelihood of purchasing those brands increases. Together, these findings support that digital influencers not only directly drive consumer purchase intentions through persuasive authority but also indirectly shape buying decisions by fostering deeper psychological connections and elevating perceived brand value, which leads to greater purchase intentions.

A real business example is the story of Glossier, which is a beauty brand whose marketing strategy focuses on influencer collaborations and user-generated content. This strategy has made a powerful online community, attracted and led to more people making purchases, and also a dramatic increase from 10.4 million to 1.8 billion [6]. It demonstrates how using online influencers can help enterprises attract purchases and achieve ultimate success.

3.2. Effects of essential social media advertising features on consumer buying intentions

The changes and combinations of the different features and components of social media advertisements (SMAs), like personalization, interactive engagement, and social influence, will shape consumers' purchase behavior. SMAs' diverse features create a more persuasive environment. Therefore, it is reasonable to assert that some parts, such as details and emotional resonance, play foundational roles in driving purchase intention. Additionally, more immersive features like live streaming can enlarge effects by enhancing perceived value and mitigating uncertainty, particularly in cross-border contexts.

The first supportive evidence comes from a study in 2021, which involved 168 Indian social media users to examine how advertisement features affect purchase intention. The researchers classified 34 advertisement attributes into four primary dimensions, which are attention-grabbing details, emotional appeal, celebrity endorsements, and creative characteristics, and tested their effects by using SEM. The results show that urgency and scarcity increase purchase intention, which can be echoed by the heuristic theory that consumers usually believe limited availability is a signal of high valueas scarcity suggests exclusivity. Furthermore, by leveraging perceived trustworthiness, celebrity endorsements can also raise purchase intention, and emotionally charged advertisements moderately increase the chance of purchases. Despite their ability to draw attention, some creative forms, such as virtual reality, cannot directly increase purchase intention [7]. According to these results, live-streaming has a greater impact on consumers' decisions to buy on social media sites than pure novelty.

The second study focused on live streaming, an representative feature of social media advertisement, with the combination of interactivity, product demonstrations, and authenticity. By adopting the stimulus-organism-response (SOR) framework, and surveyed 272 Chinese consumers who had cross-border live streaming experiences to examine the effect of this feature. The structural equation model(SEM) explains the three primary approaches that the live streaming can directly enhance purchase intention ($\beta = 0.324$, p < 0.001), reduced the perceived uncertainty ($\beta = -0.133$, p < 0.05), and increased the perceived value ($\beta = 0.323$, p < 0.001). In this way, people can strongly predict the purchase intention ($\beta = 0.410$, p < 0.001). The research also found that discounts amplified the positive impact of live streaming on perceived value ($\beta = 0.157$, p < 0.05), although they did not significantly reduce uncertainty, emphasizing that economic incentives alone may not solve deeper cross-border concerns, such as trust, authenticity, and logistics [8].

Taken together, these findings suggest that social media advertisement effectiveness hinges on a combination of rational and emotional mechanisms, with usage and adjustments of certain features in SMAs. Traditional features like urgency cues and celebrity endorsements can be implemented with social proof and heuristic bias. Moreover, the typical live streaming functions as a more holistic stimulus that simultaneously enhances perceived benefits and reduces perceived risks, and eliminate uncertainty, which is a salient barrier to purchase and promotes consumers to buy.

4. The influence of social anxiety on consumer purchase intention

4.1. Social anxiety's impact on consumer trust

Social anxiety is an important concept that strongly influences how consumers process advertising and respond. In general, social anxiety negatively affect consumer purchase intention, which means that the high level of social anxiety will reduce trust in social media advertising and endorsement in the social media context, lowering purchase intention. A 2023 study looked at whether consumers are more likely to buy from companies they believe are communicative and responsive on social media platforms, combining with the psychological traits of social anxiety and self-efficacy as the factors will affect the result of purchase intention. The authors hypothesized that self-efficacy would cause a positive relationship with higher perceived recognition and purchase intention, but social anxiety would weaken this relationship. To answer this question, the researchers used an online survey via Qualtrics and processed the data using linear regression and PROCESS Macro Model 1 with the Johnson–Neyman technique. Therefore, anxious individuals are less likely to respond with positive answers to agile branding efforts, showing reduced willingness to purchase [9]. This study is remarkable with psychological factors into the consumer and brand interactions on social media, offering implications for tailoring marketing strategies to different target consumer groups.

4.2. Social anxiety's impact on cognitive load and simplified choices

Social anxiety significantly alters how consumer decision-making choices, thereby influencing their consumer purchase intentions. Bettman et al. is study explored the extent to which social anxiety increases cognitive load and affects how consumers make choices, often simplifying decisionmaking and increasing reliance on stored rules. Consumers usually weigh options during the process of choosing; however, social anxiety causes consumers to default to habits or apply simple heuristics. The study found that over 54% choices will come from simple rules, such as habitual selections or the cheapest option, by using 172 think-aloud shopping episodes,in which participants verbalized their thoughts while making purchase decisions Consumers relied on preprocessed choices in over half of the episodes, suggesting that anxiety overwhelmed rational thinking. This simplification of choices was even more obvious when choosing standardized products like beverages, where 71% of choices followed stored rules. Significantly, this elevated cognitive load directly affects consumers' purchase intention. Under high cognitive load that be carried by stress and pressure, consumers are more likely to buy familiar brands or related to the simple benefits [10]. For example, advertising that connect and blend a brand with low price or trusted quality can be seen as stored rules, and these rules make consumers more likely to choose that brand when the level of social anxiety is relatively high. By contrast, when social anxiety is not that serious, consumers may be more open to comparing and considering options with constructing new preferences. Overall, anxiety and cognitive load reduce the mental bandwidth that needed for careful decision-making and push consumers toward simplified, habitual choices, and ultimately shaping not just how they choose, but what they intend to buy.

5. The impact of social media advertising on brand loyalty

5.1. Effects of streaming technology and brand loyalty

Social media marketing through streaming is significantly popular in these years, which will enhance brand loyalty by boosting users' perceived value and enjoyment. According to a study conducted in 2023, conducted in Indonesia from 2020 to 2023 with 1294 respondents, the study demonstrated that social media advertising by streaming platforms plays an important role in shaping consumers' views. The study found that marketing on streaming influences how useful and enjoyable users find the technology. Perceived usefulness affected by streaming strengthens brand trust, and perceived enjoyment gained from streaming increases brand loyalty. This trust encourages users to continue engaging with the platform through repeated interactions and to recommend it to others. As users experience more satisfaction and emotional connection, their loyalty grows [11]. Ultimately, businesses may develop a devoted and active clientele by improving the user experience through social media streaming.

5.2. Social media advertising shapes value-oriented brand loyalty

Social media advertising is used as an important tool to emphasize sustainability and ethics, which can strengthen loyalty in consumers. This opinion was reinforced by the study's use of green branding content, which examined the Facebook brand page using the Information Adoption Model (IAM) and Information Acceptance Model (IACM). This research shows how consumers engage with sustainable information on social media platforms based on 416 valid survey responses and analyzing data through SEM. Credibility of information is essential for assessing how beneficial social media posts about sustainability are viewed, as this directly raises customer engagement and strengthens brand loyalty. Additionally, consumers find green marketing content more helpful and credible when they are engaged with the brand, which increases their loyalty. This strengthens the link between brand loyalty and the usefulness of the information [12].

The study concludes that enhancing the usefulness of sustainable branding content can effectively improve value-oriented consumers' loyalty to brand pages. When the messaging is believable, convincing, and simple to follow, these customers are more likely to engage with and stick with brands that share their ethical and environmental concerns.

6. Effects of perceived fairness on brand loyalty

Perceived fairness refers to consumers' perception of the brand's actions as fair and justified. Generally, the level of perceived fairness affects brand loyalty. The controversy surrounding Starbucks' rewards program highlights the importance of perceived fairness in maintaining brand loyalty, customer trust, and emotional aspects. In 2023, Starbucks announced that they would double the number of rewards points needed to redeem a hot coffee, from 50 to 100, which made a wave a public anger and dissatisfaction from their customers, affecting their brand loyalty [13]. Although the company simultaneously reduced the point cost of iced drinks, which have become more popular in recent years, customers focused more on the loss than the gain. This situation reflects a behavioral economics bias, loss aversion, where consumers perceive losses more strongly than equivalent gains. Although the new system may benefit a broader customer base, the emotional response from

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users will be negative in the long term, as their loyalty outweighs rational cost-benefit assessments. Customers' negative reactions suggest that transparency and consistency are essential components of a successful loyalty program and maintaining brand loyalty.

7. Discussion and practical suggestions

This study offers significant insights into how social anxiety and social media advertising affect consumers' intentions to buy and brand loyalty. Firstly, the effects of influencer and interactive media, like streaming, prove that how social media advertising affect individuals' behaviors. Influencers' reliability and connection with followers significantly affect their rational decision and emotional engagement. In addition, factors like urgency cues and celebrity endorsements can amplify consumer responses by triggering psychological mechanisms. Customer purchasing intention and brand loyalty may be impacted by these consequences. Second, social anxiety has the power to either reroute or repress consumer behavior. High social anxiety reduces trust in advertising content. For marketers, they should tailor to accommodate anxious consumers by offering clear paths, such as highlighting brand familiarity and providing emotional reassurance. Moreover, the discussion on brand loyalty explains the importance of both emotional and valuebased connections. Live streaming content increases consumers' perceived usefulness and enjoyment, then fostering a stronger emotional connection with brands. Value-oriented loyalty emerges also as a dominant trend among consumers who prioritize ethics and sustainability. Social media advertising that communicates authentic green values and maintains high source credibility is more likely to cultivate loyalty among these consumers.

8. Conclusion

In conclusion, this study suggests the relationship between social media advertising, social anxiety, purchase intention, and brand loyalty. Social media platforms allow advertising becomes more interactive, personalized and socially. The form of influencers and live streaming affect consumer's attitudes and action by creating trust and emotional resonance. At the same time, individual psychological factors such as social anxiety shape how consumers process and react to these messages, often altering their decision-making and the level reliance on habitual and common behavior. Additionally, brand loyalty is shown to be not only a product of repeated satisfaction but also deeply tied to consumers' perceptions of fairness, trust, and shared values. As seen in the value-oriented responses to green branding or the backlash against perceived unfairness in loyalty programs, modern consumers expect more than just product satisfaction—they demand ethical consistency and emotional connection. This research contributes to the growing body of literature that merges digital marketing with consumer psychology. It provides an understanding of how brands can strategically manage advertising content and audience engagement on social media platforms.

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