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The Effect of Social Media Marketing and Brand Authenticity on Customer Loyalty through Customer Engagement among Wedrink Consumers in Tanjung Morawa District

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ABSTRACT

This study examines the effect of Social Media Marketing (SMM) and Brand Authenticity on Customer Loyalty, directly and indirectly through Customer Engagement as mediator. Brand authenticity research has focused mostly on luxury products in urban areas, leaving few references for low-involvement categories in smaller-city markets such as Deli Serdang Regency. This quantitative causal study surveyed 160 Wedrink consumers in Tanjung Morawa (Likert-scale questionnaire, purposive sampling), analyzed with SEM-PLS in SmartPLS. SMM and brand authenticity perception positively and significantly drive customer engagement, a strong mediator for both relationships. Both also affect customer loyalty directly ($\beta = 0.3586$ and $\beta = 0.3881$; both $p < 0.0001$), while engagement partially mediates both ($\beta = 0.1347$, $p = 0.0253$ for SMM; $\beta = 0.1030$, $p = 0.0228$ for brand authenticity). Local F&B businesses should shift promotion from mere digital food images toward an honest brand identity that builds emotional connections in an increasingly monotonous market.

Keywords: Social Media Marketing, Brand Authenticity, Customer Engagement, Customer Loyalty, Wedrink

INTRODUCTION

In the digital era, Indonesia's ready-to-drink ice cream and tea industry competes not only on price but on Social Media Marketing for two-way communication with consumers. Proliferating me-too brands have made consumers suspicious of ordinary advertising, creating an urgent need for Brand Authenticity: honesty, consistency, and genuineness that differentiate a brand.

Wedrink is aggressively expanding in the economical ice cream and tea segment, reaching Tanjung Morawa in Deli Serdang Regency, an industrial area with a tech-savvy youth population and intense competition. Can its digital marketing and brand authenticity be converted into lasting loyalty there?

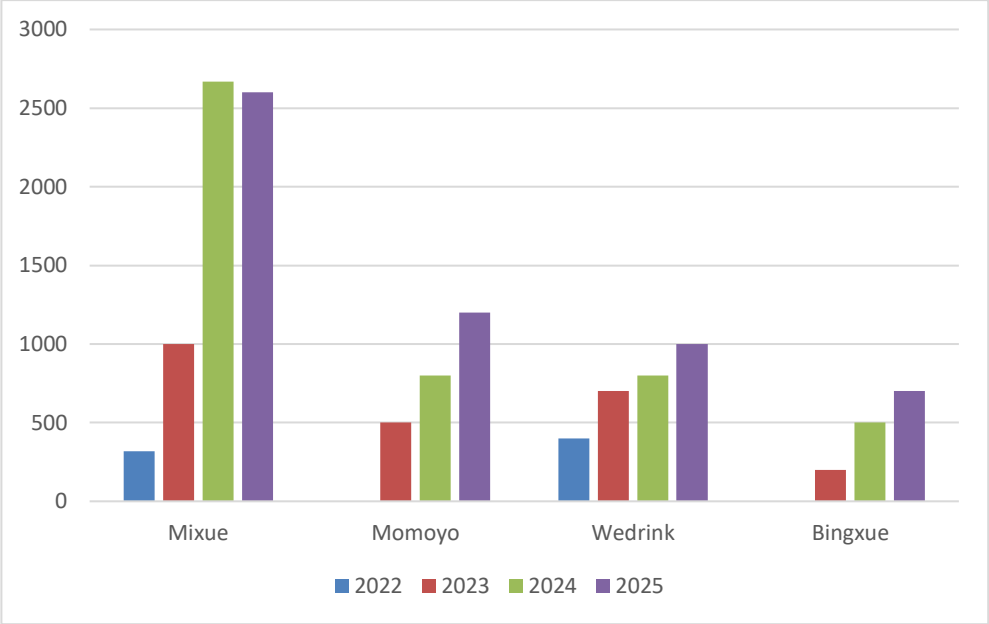


Figure 1. *Growth Data of Ice Cream & Tea Brand Outlets in Indonesia*
Source: (WEDRINK, 2026)

Customer loyalty, marketing's main goal, sustains business long-term; effective SMM investment can increase repurchase intention and loyalty through interactive, trend-appropriate content Cheung et al., (2020). Brand authenticity theory holds that perceived genuineness builds deep trust, the basis of loyalty (Morhart et al., 2015). Research by Hollebeek et al., (2023) shows Customer Engagement is an important mediating variable.

Although the mass-franchise F&B industry is growing rapidly, gaps remain. Wedrink has 4 branches in Deli Serdang Regency, facing competition from low-cost stores such as Mixue, Bingxue, Momoyo, and Cooler City. Findings are inconsistent: a study by Cheung et al., (2020) states SMM directly strengthens loyalty, while Customer Engagement partly links brand identification to purchase likelihood (Aziz & Ahmed, 2023). How SMM and brand honesty jointly build customer loyalty through interaction is still not well understood.

This contradiction is amplified at Wedrink Tanjung Morawa: very active on social media, yet customers complain of long service times and inconsistent reception, an online-to-offline gap that can undermine brand authenticity as promises diverge from reality. This study addresses it by adding Customer Engagement as an adaptive mediator.

Given the high penetration of low-cost cold beverage franchises, loyalty needs consistency between digital expectations and operational reality, or Wedrink Tanjung Morawa could lose customers. A pre-survey of 50 customers (July 12-13, 2026; 5-point Likert) examined operational issues.

Table 1.
Percentage of Wedrink Tanjung Morawa Customer Pre-Survey Results

Aspect Assessed	Category	Value (%)
Shopping Frequency	a) First time	9%
	b) 1-3 times	68%
	c) >3 times	23%

Aspect Assessed	Category	Value (%)
Product & Menu	a) Lack of menu variety/innovation	50%
	b) Inconsistent product taste	41%
	c) Menu items frequently out of stock	57%
Staff Service	a) Slow service	47%
	b) Unfriendly staff	48%
	c) Staff ignore complaints	47%
Store Facilities	a) Long queues	48%
	b) Cramped seating	40%
	c) Small parking area	63%

Source: Pre-Survey Data 2026

Table 1 shows 63% rated parking inadequate, 57% said menu items are often out of stock, and nearly half rated service slow and staff unfriendly, indicating offline service has not aligned with the social media image, a potential online-to-offline gap affecting engagement and loyalty. This gap also appears to weaken Brand Authenticity and Customer Loyalty: 41% reported inconsistent taste, and only 23% had purchased more than three times (68% one to three times). Of 140 written reviews, most were favorable but 25 contained complaints about inconsistent taste or portion size, wrong, missing, or unavailable items (including boba not yet cooked), long waits, indifferent staff, and hygiene (a hair in the ice cream). Of 14 of 22 posts observed on the Instagram of Wedrink Tanjung Morawa (@wedrinktgmorawa, 441 followers), likes averaged 15.2 and comments 0.9, with 10 posts uncommented; 2025 posts averaged 2.8 likes (n = 4) versus 21.3 for 2024 (n = 9), indicating weakened engagement. Online data were accessed on 10 October 2026. The novelty lies in a model linking Social Media Marketing and Brand Authenticity, with Customer Engagement as intermediary, in a suburban F&B ecosystem, whereas prior research examined SMM mostly in major cities, or Brand Authenticity only for luxury brands. Brand Authenticity is treated as important for large franchises facing declining service quality, a theoretical contribution on how emotional attachment acts as a "safety valve" when online communication and reality diverge.

LITERATURE REVIEW

Grand Theory

Stimulus-Organism-Response (S-O-R) Theory

The S-O-R theory developed by Mehrabian & Russell, (1974) explains that surroundings (Stimulus) influence feelings and thoughts (Organism), triggering behavior (Response): here SMM is the stimulus, brand authenticity perception and engagement the organism, and loyalty the response.

Social Exchange Theory (SET)

Social Exchange Theory, developed by Blau, (1964) explains that consumer-brand relationships rest on mutually beneficial cost-benefit considerations: a brand delivering value honestly via interactive social media earns emotional attention and loyalty.

Social Media Marketing

Social Media Marketing uses digital platforms to build relationships and introduce brand value (A. J. Kim & Ko, 2012). It enables two-way communication and long-term relationships through consistent content Sia et al., (2026). Rezeki, (2023) explains it uses digital channels to deliver value Wiranata et al., (2025), Cheung et al., (2020) states it

generates value and good experience, and as marketing communication it builds brand awareness (Manik & Stefanie, 2022) . A. Kim & Ko, (2012) indicators are: Entertainment (enjoyable content), Interaction (two-way communication), Trendiness (up-to-date content), Customization (tailored offers), and Word-of-Mouth (sharing brand content), following a follower's response from attraction to interaction and sharing, matching SMM's role as S-O-R stimulus, and suiting Wedrink, whose Instagram posts received few comments.

Brand Authenticity

Brand authenticity is consumers' subjective assessment of a brand's credibility, accuracy, and consistency (Morhart et al., 2015). Bruhn, (2012) states it is created when a brand shows a trustworthy track record and consistently maintains its values. According to Morhart et al., (2015), indicators are: Continuity (consistent style and values), Credibility (honesty, keeping promises), Integrity (genuine care and moral conduct), and Symbolism (meaning for self-expression), covering the brand promise and customer experience; for Wedrink, continuity and credibility relate to inconsistent taste and unavailable menu items, integrity to staff attitude and hygiene complaints, and symbolism to the meaning customers give the brand.

Customer Engagement

Customer engagement is a customer's cognitive, affective, and behavioral involvement with a brand (Hollebeek et al., 2014). According to Brodie et al., (2013), it is an ongoing psychological process formed through repeated interaction, including feedback and reviews beyond purchase. According to Hollebeek et al., (2014), indicators are: Cognitive Processing (thinking about the brand), Affection (positive feeling), and Activation (energy, time, and effort spent interacting, such as commenting, reviewing, or sharing), matching the cognitive, affective, and behavioral definition so engagement is measured as a whole; activation is especially relevant as most observed Instagram posts had no comments.

Customer Loyalty

Customer loyalty is a consumer's deep commitment to consistently repurchase a preferred product in the future (Oliver, 1999). Vesuvius et al., (2025), it is reflected not only in repeat purchases but also willingness to recommend. Consistent taste quality sustains loyalty through purchase frequency and retention (Situmorang & Pane, 2024). According to Oliver, (1999), indicators are: Cognitive (judging the brand better than alternatives), Affective (liking and attachment), Conative (intention to buy again), and Action Loyalty (actual repurchase), chosen because Oliver, (1999) treats loyalty as a progression from belief to behavior, suiting Wedrink, where only 23% of pre-survey respondents purchased more than three times, so liking and intention do not always become repeat purchase.

Conceptual Framework

Social Media Marketing on Customer Engagement

Social media marketing is an external stimulus reaching consumers directly (A. Kim & Ko, 2012). Its dimensions capture psychological attention (Seo & Park, 2018). Engaging content motivates interaction (Hollebeek et al., 2014). Per S-O-R, digital marketing triggers thoughts and feelings (Mehrabian & Russell, 1974). It can significantly increase engagement (Cheung et al., 2020).

H1: Social Media Marketing has a positive effect on Customer Engagement.

Brand Authenticity on Customer Engagement
Amid imitation brands and distrust of advertising, brand authenticity matters for emotional relationships (Morhart et al., 2015). Reflected in continuity, credibility, reliability, and symbolism, it creates strong trust (Napoli et al., 2014). Per Social Exchange Theory Blau, (1964), an honest brand earns a psychological bond and active engagement.

H2: Brand Authenticity has a positive effect on Customer Engagement.

Customer Engagement on Customer Loyalty
Customer engagement is an ongoing process where consumers devote time and feelings to interacting with a brand (Brodie et al., 2013). Under S-O-R, high engagement creates deep emotional experience, leading to loyal action (Oliver, 1999). Highly engaged consumers repurchase, recommend, and resist competitors' lower prices.

H3: Customer Engagement has a positive effect on Customer Loyalty.

Social Media Marketing on Customer Loyalty through Customer Engagement
Digital marketing cannot directly create loyalty without a prior psychological bond (Aziz & Ahmed, 2023). It is the initial stimulus attracting interest (A. Kim & Ko, 2012). Loyalty requires engagement as mediator (Hollebeek et al., 2023). Pleasing content keeps users connected and loyal (Algharabat et al., 2018).

H4: Social Media Marketing has a positive effect on Customer Loyalty through Customer Engagement.

Brand Authenticity on Customer Loyalty through Customer Engagement
Perceived brand authenticity is a foundation for lasting consumer-company relationships (Morhart et al., 2015). This trust captures emotional attention, increasing engagement (Brodie et al., 2013). High engagement develops into commitment: customers keep using and recommend the product despite competition (Oliver, 1999).

H5: Brand Authenticity has a positive impact on Customer Loyalty through Customer Engagement.

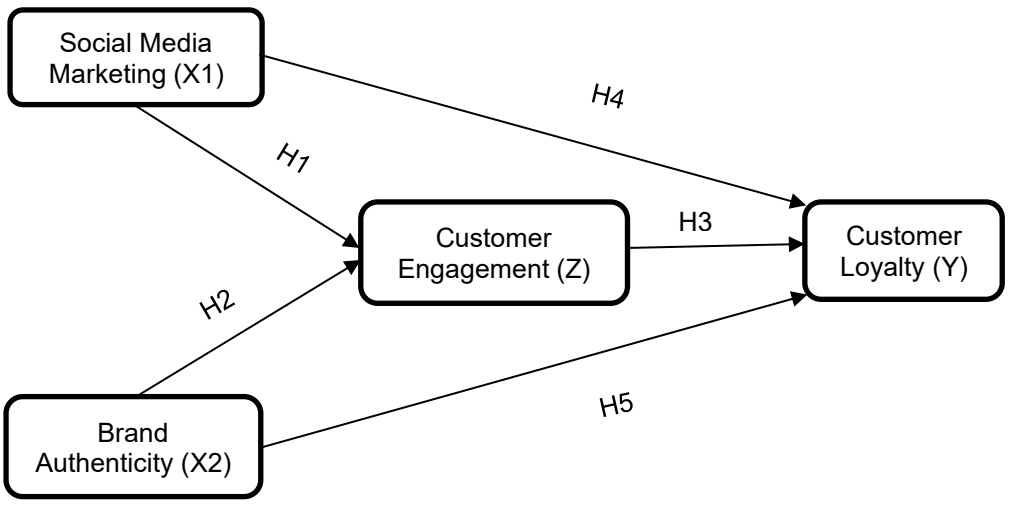


Figure 2. Framework

RESEARCH METHOD

This research was conducted at Wedrink Tanjung Morawa, Jl. Irian No. 117, Bandar Labuhan, Tanjung Morawa District, Deli Serdang Regency, using a quantitative causal method to analyze independent variables' impact on dependent variables, directly and via mediators. According to Lim, (2025), quantitative research objectively collects and analyzes numerical data using statistical tests.

Population and Sample

The population is all Wedrink consumers in Tanjung Morawa District. Sample size followed Jr et al., (2014) at 5-10 times the number of indicators; with 16 indicators, the sample was 160 via purposive sampling. Criteria: (1) live/active in the district, (2) purchased Wedrink at least once, (3) followed Wedrink's social media.

Data Collection Technique

Primary data were obtained via a questionnaire using a 5-point Likert scale on the research indicators.

Data Analysis

Data were analyzed using SEM-PLS with SmartPLS, chosen for testing complex structural models with smaller samples. Evaluation has two stages: Outer Model testing (Outer Loading, AVE, HTMT, Composite Reliability, Cronbach's Alpha) and Inner Model testing (Path Coefficient, SRMR, R^2, f^2, Q^2, and Bootstrapping).

RESULTS

Outer Model

The outer model evaluation determined how valid and reliable the instruments are in describing the latent constructs, through convergent validity, construct reliability, and discriminant validity testing for reflective indicators in PLS-SEM (Hair et al., 2021).

Convergent Validity

Convergent validity is assessed via outer loading and AVE. According to Hair et al., (2021), an outer loading is ideal above 0.708 and AVE at least 0.500, meaning the construct explains half or more of its indicators' variance.

Based on the PLS-SEM estimation using SmartPLS 4, all 37 indicators (8 for Brand Authenticity, 15 for Social Media Marketing, 6 for Customer Engagement, and 8 for Customer Loyalty) showed high outer loading values, from 0.7083 to 0.8768. Details are in Table 2.

Table 2.
Outer Loading Test Results

No	Research Variable	Indicator	Outer Loading	Evaluation Remarks
1	Social Media Marketing (X_1)	SMM1	0.7910	Valid (Loading > 0.708)
2		SMM2	0.7571	Valid (Loading > 0.708)
3		SMM3	0.7491	Valid (Loading > 0.708)
4		SMM4	0.8099	Valid (Loading > 0.708)
5		SMM5	0.7891	Valid (Loading > 0.708)

No	Research Variable	Indicator	Outer Loading	Evaluation Remarks
6		SMM6	0.8088	Valid (Loading > 0.708)
7		SMM7	0.8222	Valid (Loading > 0.708)
8		SMM8	0.8216	Valid (Loading > 0.708)
9		SMM9	0.8486	Valid (Loading > 0.708)
10		SMM10	0.7964	Valid (Loading > 0.708)
11		SMM11	0.7232	Valid (Loading > 0.708)
12		SMM12	0.7339	Valid (Loading > 0.708)
13		SMM13	0.7880	Valid (Loading > 0.708)
14		SMM14	0.8184	Valid (Loading > 0.708)
15		SMM15	0.7083	Valid (Loading > 0.708)
16	Brand Authenticity (X_2)	BA1	0.7685	Valid (Loading > 0.708)
17		BA2	0.8194	Valid (Loading > 0.708)
18		BA3	0.7915	Valid (Loading > 0.708)
19		BA4	0.8503	Valid (Loading > 0.708)
20		BA5	0.7983	Valid (Loading > 0.708)
21		BA6	0.8211	Valid (Loading > 0.708)
22		BA7	0.7966	Valid (Loading > 0.708)
23		BA8	0.7735	Valid (Loading > 0.708)
24	Customer Engagement (Z)	CE1	0.7942	Valid (Loading > 0.708)
25		CE2	0.8430	Valid (Loading > 0.708)
26		CE3	0.8187	Valid (Loading > 0.708)
27		CE4	0.8165	Valid (Loading > 0.708)
28		CE5	0.8448	Valid (Loading > 0.708)
29		CE6	0.7924	Valid (Loading > 0.708)
30	Customer Loyalty (Y)	CL1	0.8540	Valid (Loading > 0.708)
31		CL2	0.8350	Valid (Loading > 0.708)
32		CL3	0.8128	Valid (Loading > 0.708)
33		CL4	0.8613	Valid (Loading > 0.708)
34		CL5	0.8396	Valid (Loading > 0.708)

No	Research Variable	Indicator	Outer Loading	Evaluation Remarks
35		CL6	0.8768	Valid (Loading > 0.708)
36		CL7	0.8762	Valid (Loading > 0.708)
37		CL8	0.8220	Valid (Loading > 0.708)

Source: Primary Data Processed (SmartPLS 4), 2026

All 37 indicators meet convergent validity, so no indicators need elimination.

Construct Reliability
Reliability is evaluated through Cronbach's Alpha and Composite Reliability (rho_a and rho_c). According to Hair et al., (2021), the minimum acceptable value in confirmatory research is 0.700, above 0.800 is good, and above 0.900 is excellent.

Table 3.
Construct Reliability and AVE Test Results

Research Variable	Cronbach's Alpha	Composite Reliability (rho_a)	Composite Reliability (rho_c)	AVE
Social Media Marketing (X_1)	0.9554	0.9574	0.9601	0.6168
Brand Authenticity (X_2)	0.9211	0.9235	0.9354	0.6445
Customer Engagement (Z)	0.9015	0.9052	0.9241	0.6700
Customer Loyalty (Y)	0.9438	0.9447	0.9532	0.7183

Source: Primary Data Processed (SmartPLS 4), 2026

Table 3 shows all constructs have very good reliability: Cronbach's Alpha 0.9015-0.9554, rho_A 0.9052-0.9574, Composite Reliability 0.9241-0.9601, all above 0.700. AVE ranges 0.6168-0.7183, meeting convergent validity.

Discriminant Validity
Discriminant validity was tested via three approaches: (1) Fornell-Larcker, (2) Cross Loadings, and (3) HTMT, the current standard in PLS-SEM (Henseler et al., 2015).

Fornell-Larcker is satisfied if the square root of AVE for each construct exceeds its correlations with other constructs.

Table 4.
Discriminant Validity Test Results

Construct	Brand Authenticity	Customer Engagement	Customer Loyalty	Social Media Marketing
Brand Authenticity (X_2)	0.8028			
Customer Engagement (Z)	0.5690	0.8185		
Customer Loyalty (Y)	0.7122	0.7339	0.8475	
Social Media Marketing (X_1)	0.4481	0.6298	0.7134	0.7854

Source: Primary Data Processed (SmartPLS 4), 2026

In Table 4, the square roots of AVE for Brand Authenticity, Customer Engagement, Customer Loyalty, and Social Media Marketing (0.8028, 0.8185, 0.8475, and 0.7854) each exceed the corresponding correlations, satisfying Fornell-Larcker.

Table 5.
Heterotrait-Monotrait Ratio (HTMT) Discriminant Validity Test Results

Construct	Brand Authenticity	Customer Engagement	Customer Loyalty	Social Media Marketing
Brand Authenticity (X_2)	-	-	-	-
Customer Engagement (Z)	0.6144	-	-	-
Customer Loyalty (Y)	0.7613	0.7909	-	-
Social Media Marketing (X_1)	0.4733	0.6680	0.7467	-

Source: Primary Data Processed (SmartPLS 4), 2026

Table 5 shows all HTMT ratios below the 0.850 threshold, highest between Customer Engagement and Customer Loyalty (0.7909), others 0.4733-0.7613, indicating adequate distinctiveness; cross-loadings confirm each indicator loads highest on its own construct.

Inner Model
This evaluation covers model fit, multicollinearity, R-square, Q-square, and path coefficient significance.

Goodness of Fit
Model fit uses SRMR, d_ULS, d_G, Chi-Square, and NFI. SRMR below 0.080 reflects good fit (Henseler et al., 2016).

R-Square
R-Square shows how much endogenous variance is explained by exogenous variables. According to Hair et al., (2021), 0.75 is strong, 0.50 moderate, and 0.25 weak.

Model fit results show that SRMR for the saturated and estimated models is 0.0572, below the 0.080 threshold, and NFI is 0.8225, above 0.800, both indicating good fit; the other measures are identical for both models: d_ULS (2.3024), d_G (1.1371), and Chi-Square (912.816). The R-Square of Customer Engagement is 0.4996 (Adjusted 0.4932), categorised as moderate: 49.96% of its variance is explained by SMM and Brand Authenticity. The R-Square of Customer Loyalty is 0.7430 (Adjusted 0.7380), categorised as strong: 74.30% of its variance is explained by SMM, Brand Authenticity, and Customer Engagement.

Q-Square Stone-Geisser

Predictive relevance uses Stone-Geisser Q^2 via blindfolding; Q^2 above 0 indicates predictive relevance. Per Hair et al., (2019), Q^2 values of 0.02, 0.15, and 0.35 represent small, medium, and large predictive relevance.

Customer Engagement's Q^2 (SSO 960.0000, SSE 654.5167) is 0.3182, medium, while Customer Loyalty's Q^2 (SSO 1280.0000, SSE 606.6066) is 0.5261, large; both are above zero, confirming predictive capability.

f-Square Effect Size
f-Square evaluates a variable's impact on R-Square when removed. Per Hair et al., (2021), 0.02 is small, 0.15 medium, 0.35 large; below 0.02 is negligible.
Social Media Marketing has a large effect on Customer Engagement ($f^2 = 0.3514$), Brand Authenticity medium ($f^2 = 0.2057$). On Customer Loyalty, Brand Authenticity is large ($f^2 = 0.3885$), while SMM (0.2959) and Customer Engagement (0.1605) are medium.

Research Hypothesis Testing
Hypothesis testing used non-parametric bootstrapping with 5,000 subsamples at 5% significance; acceptance requires t-statistic above 1.96, p-value below 0.05, and 95% CI not containing zero (Hair et al., 2021).

Direct and Specific Indirect Effects Hypothesis Testing

Direct and specific indirect effect path results are in Table 6.

Table 6.
Direct and Specific Indirect Effects Hypothesis Test Results

Hip.	Direct Effect Path	Koefisien (β)	t-Statistic	p-Value	95% CI Bias-Corrected	Decision
H1	Social Media Marketing (X_1) → Customer Engagement (Z)	0.4691	4.7067	<0.0001	[0.2580; 0.6373]	Accepted
H2	Brand Authenticity (X_2) → Customer Engagement (Z)	0.3588	3.2669	0.0012	[0.1201; 0.5657]	Accepted
H3	Customer Engagement (Z) → Customer Loyalty (Y)	0.2871	3.0961	0.0021	[0.1189; 0.4705]	Accepted
—	Social Media Marketing (X_1) → Customer Loyalty (Y)	0.3586	4.2147	<0.0001	[0.1939; 0.5150]	Significant
—	Brand Authenticity (X_2) → Customer Loyalty (Y)	0.3881	4.6108	<0.0001	[0.2118; 0.5368]	Significant
H4	Social Media Marketing (X_1) → Customer Engagement (Z) → Customer Loyalty (Y)	0.1347	2.2430	0.0253	[0.0485; 0.2767]	Accepted; complementary partial mediation
H5	Brand Authenticity (X_2) → Customer Engagement (Z) → Customer Loyalty (Y)	0.1030	2.2831	0.0228	[0.0312; 0.1982]	Accepted; complementary partial mediation

Source: Primary Data Processed (SmartPLS 4), 2026

All direct paths are positive and significant: SMM affects Customer Engagement (β = 0.4691; p < 0.0001), Brand Authenticity too (β = 0.3588; p = 0.0012), and Customer Engagement affects Customer Loyalty (β = 0.2871; p = 0.0021). SMM (β = 0.3586; p < 0.0001) and Brand Authenticity (β = 0.3881; p < 0.0001) also directly affect Customer Loyalty.

Mediation testing examined whether Customer Engagement mediates SMM and Brand Authenticity on Customer Loyalty (H4, H5). Following Hair et al., (2021), both show complementary partial mediation, as direct and indirect effects are both significant and positive.

Table 6 shows significant indirect effects of SMM (β = 0.1347; p = 0.0253) and Brand Authenticity (β = 0.1030; p = 0.0228) on Customer Loyalty via Customer Engagement.

Total Effects

Total effects combine the direct and indirect (via Customer Engagement) effects of SMM and Brand Authenticity on Customer Loyalty.

Table 7.
Total Effects Test Results

Total Effect Path	Koefisien (β)	Mean Boot (M)	t-Statistik	p-Value
Brand Authenticity (X_2) → Customer Engagement (Z)	0.3588	0.3671	3.2669	0.0012
Brand Authenticity (X_2) → Customer Loyalty (Y)	0.4912	0.4904	6.3021	<0.0001
Customer Engagement (Z) → Customer Loyalty (Y)	0.2871	0.2985	3.0961	0.0021
Social Media Marketing (X_1) → Customer Engagement (Z)	0.4691	0.4709	4.7067	<0.0001
Social Media Marketing (X_1) → Customer Loyalty (Y)	0.4933	0.4937	7.2242	<0.0001

Source: Primary Data Processed (SmartPLS 4), 2026

Total effect of SMM on Customer Loyalty is β = 0.4933, and Brand Authenticity is β = 0.4912; both statistically significant.

Summary of All Research Hypothesis Test Results
H1 (Social Media Marketing → Customer Engagement), H2 (Brand Authenticity → Customer Engagement) and H3 (Customer Engagement → Customer Loyalty) show positive and significant effects and are accepted. H4 (Social Media Marketing → Customer Loyalty through Customer Engagement) and H5 (Brand Authenticity → Customer Loyalty through Customer Engagement) are accepted with significant indirect effects and complementary partial mediation. Thus, all hypotheses H1-H5 are supported with p-value below 0.05.

DISCUSSION

Social Media Marketing → Customer Engagement
SMM has a significant effect on engagement (β = 0.4691; p < 0.0001) and is the strongest predictor of engagement (f 2 = 0.3514). This is in line with Cheung et al., (2020) and Hollebeek et al., (2014) who find that engaging social media content results in consumer-brand engagement, and Seo & Park, (2018) and A. Kim & Ko, (2012) who treat SMM as a stimulus to customer response. This is believable as entertainment, interaction, trendiness, customisation and word-of-mouth drive reactions and all respondents follow Wedrink on social media, applying their luxury and airline settings to a low-cost F&B brand under S-O-R theory (Mehrabian & Russell, 1974).

Brand Authenticity → Customer Engagement
Brand authenticity also increases engagement significantly (β = 0.3588; p = 0.0012) but less than SMM. This is in line with the findings of Morhart et al., (2015) and Napoli et al., (2014) who argued that authenticity creates trust and emotional bonds, and with Social Exchange Theory (Blau, 1964). The weaker effect may reflect the online-to-offline gap in the pre-survey (57% frequent stock-outs, 41% inconsistent taste), since authenticity is judged from the outlet experience. Theoretically, consumers repay perceived honesty with involvement; practically, authenticity must be built in outlet operations, not only in digital communication.

Customer Engagement → Customer Loyalty
The positive effect of engagement on loyalty is significant (β = 0.2871; p = 0.0021) and supports the results of (Brodie et al., 2013) and (Oliver, 1999). However, it is the weakest path in the model (f 2 =0.1605), so engagement supports loyalty but is not the main driver here. In a low-cost market with many similar competitors, loyalty also depends on

consistent taste and availability (Situmorang & Pane, 2024), which the pre-survey found lacking.

SMM → Customer Engagement → Customer Loyalty
Engagement is a significant mediating variable between SMM and loyalty (β = 0.1347; p = 0.0253). This is consistent with and Algharabat et al., (2018) who state that engaging content leads to loyalty through engagement. The mediation is partial as the direct effect of SMM remains significant (β = 0.3586). This is consistent with the findings of Cheung et al., (2020) that SMM directly enhances loyalty but is only partially consistent with Aziz & Ahmed, (2023) that SMM cannot produce loyalty without engagement. Theoretically, engagement is one route to loyalty in S-O-R at the organism stage, not the only one; in practice, SMM success cannot be measured by engagement alone, as content also plays a role.

Brand Authenticity → Customer Engagement → Customer Loyalty
Engagement plays a big role in how brand authenticity affects loyalty (β = 0.1030; p = 0.0228), which matches findings from Morhart et al., (2015) and Brodie et al., (2013), who connect trust based on authenticity to engagement and commitment. The mediation is only partial, and the direct effect (β = 0.3881) is stronger than the indirect effect. This shows that being genuine is a key part of building loyalty Morhart et al., (2015) and involvement is an extra support. In a crowded market of similar brands, a credible and consistent brand earns trust directly, while engagement adds an emotional channel.

CONCLUSION

Social media marketing has a positive and significant effect on Wedrink's customer engagement in Tanjung Morawa, indicating that interactive digital communication effectively stimulates buyers' mental and emotional engagement.

Brand Authenticity has a positive and significant effect on customer engagement: perceived brand credibility and value consistency strengthen the psychological bond between buyers and the brand.

Customer Engagement has a positive and significant effect on customer loyalty, indicating that emotional closeness and active participation are the main drivers of long-term loyalty commitment.

Customer Engagement was shown to mediate the effect of social media marketing on customer loyalty, meaning that digital strategy needs a psychological bond as a bridge to retain buyer loyalty.

Customer Engagement was shown to mediate the effect of brand authenticity on customer loyalty, confirming that perceived product authenticity must drive emotional engagement to lead to sustained retention.

RECOMMENDATION

For Wedrink Tanjung Morawa Management: Management needs to concretely mitigate the online-to-offline gap, particularly by addressing the frequent unavailability of favorite menu items (57%) and improving parking/queuing facilities (63%), alongside strengthening staff service.

For Future Researchers: It is necessary to expand the scope of observation beyond Deli Serdang or explore moderating variables such as price sensitivity to capture the complexity of the low-cost F&B market in greater depth.

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