
**“IMPACT OF SOCIAL MEDIA ADVERTISING ON BRAND
POSITIONING IN ONLINE RETAIL SECTOR”**

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INTRODUCTION

The advent of the digital age has seen social media change the face of marketing and communications within the business world. The proliferation of internet use and the use of popular social media sites such as Facebook, Instagram, YouTube, and X means that businesses can now easily reach their target audience more effectively than before. Within the online retail industry in particular, social media marketing is a key tool used by firms to draw in potential clients, build brands, and position them effectively within the market. Social media marketing is distinct from conventional marketing practices in many ways; the former allows for direct engagement with clients through personalized content, interactive messaging, influencer collaboration, among others.

Brand positioning involves giving a distinctive position to a brand when it comes to its customers as compared to other competing products. With regard to the online shopping environment, there is an important role played by brand positioning as it helps in determining the buying behavior of consumers and customer loyalty. The companies that work within this environment have faced stiff competition owing to the growing number of players as well as changes in consumer needs. Social media marketing becomes a useful strategy to give the brands a competitive advantage.



Social media advertising offers many benefits to e-commerce sellers, such as increased market presence, economical advertising, customer engagement, and valuable data for marketing. Using visually engaging advertisements, sponsored content, video marketing, and influencer endorsements, companies can promote their brand and create an emotional connection with the customers. Moreover, the use of technologies like artificial intelligence, predictive modeling, and algorithmic targeting has improved the efficacy of social media advertising by creating customized advertisements for particular customer groups.

There have also been notable changes in consumer behavior due to the advancement of digital media. Consumers currently rely greatly on the information found through social media to make purchase decisions regarding products, as well as providing reviews and recommendations for the products. Good communication and campaigns by the companies can enhance consumers' trust, perceptions, and customer satisfaction, which will eventually contribute to improving brand positioning. Poor marketing activities, inaccurate content, or negative comments made by the customers about the company's performance may affect its reputation and diminish customer loyalty.

The current research seeks to explore the impact of social media advertising on brand positioning within the field of online retailing. The paper will seek to evaluate the influence of social media platforms on the consumer perception, brand positioning, and engagement. In addition, this research will evaluate the various advertising techniques utilized by the online sellers in order to make their brands more prominent within the market. Through this analysis, it is hoped that a better understanding of the impact of social media advertising on brand positioning will be attained.

LITERATURE REVIEW

Studies conducted in recent years, from 2020 to 2025, were centered around the impact of social media advertising on customer engagement and brand awareness. It is now widely recognized that online retail marketing requires strong use of digital platforms for building strong brands through improved customer relations.

In a study conducted by **Rammohan Sundaram, Rajeev Sharma, and Anurag Shakya (2020)**, the role played by digital marketing strategies and social media advertisements in branding was analyzed. The authors found that social media marketing allows companies to sustain real-time communication with customers and build strong brand relationships.

Nicholas Carah et al. (2022) have conducted research into the effect of advertising and retailing on Instagram. The purpose of their research was to explore the way social media

platforms use advertising, influencers, creators, and retailers to manipulate consumer purchasing behavior and retailing engagement. This study concluded that Instagram advertising has a crucial role in influencing the consumer purchasing behavior and online retailing.

In their research **Ibrahim Halil Efendioglu and Yakup Durmaz (2022)** explored the perceptions of Instagram advertisements by the Generation Y consumers. According to the research findings, social media advertisements have a positive effect on the advertising value, brand awareness, and brand associations. Creative advertisements create more customer interest.

Finally, **Shiv Bansal and Pallavi Rana (2023)** have reviewed the effects of social media advertising on brand awareness. The researchers found out that such customer engagement techniques as influencer marketing, electronic word-of-mouth, and customer engagement can increase brand equity.

Qin Vivian, Pauwels Koen, and Zhou Bobby (2024) conducted research on the effect of media advertising on retail online marketplaces. The findings were that upper funnels media social advertising and consumer review impact positively on brand recognition, consumer consideration, and purchase decisions for small and medium-sized online retail brands.

Ahuja Vandana and Tabeck Pooja Sehgal (2024) researched how social media marketing boosts brand trust and position in the FMCG industry. The findings were that consumer engagement and relationship-building activities enhance brand congruence and long-term brand loyalty in social media.

Enes Yuri de Souza Odaguri, Demo Gisela, Porto Rafael Barreiros, and Zulato Thaiyan Sun (2024) conducted a review of consumer brand equity in digital brands. The findings were that social media and e-commerce have significant impacts on online brand management.

Kumar, Ashish; Rayne, Daniel; Salo, Jari; Yiu, Ching Sophia (2024) examined the effectiveness of social media marketing campaigns involving influencers and those aimed directly at brands. They discovered that campaigns employing influencers have more significant customer interaction and impact on the behavior towards buying something on an online marketplace.

Kothari, Hemant; Choudhary, Avinash; Jain, Apurva (2025) studied the effect of credibility, authenticity, and sustainability in social media advertising. It was found out that advertising based on honesty and trustworthiness positively affected consumer behavior and purchase intentions through social media.

Wang, Xiaoning; Bart, Yakov; Netessine, Serguei; Wu, Lynn (2025) conducted an analysis of multi-platform social media campaigns used in e-commerce operations. The study demonstrated that the application of multiple social media platforms by e-commerce leads to increased sales, more customer involvement, and better brand visibility.

The discussed studies confirm that social media advertising significantly impacts consumers' involvement, brand awareness, purchase intent, and performance of online retailers. At the same time, numerous studies are generally devoted to issues related to digital marketing and consumer behavior; few studies explore the relationship between social media advertising and brand positioning specifically in the online retail environment. Hence, the purpose of this study is to investigate the impact of social media advertising on brand positioning in online retailing.

RESEARCH GAP

Earlier studies have been conducted that have considered social media marketing, consumer involvement, digital advertisements, brand recognition, and purchase intention within the framework of online marketing. These studies were concerned with the impact of social media marketing and its effect on the actions of the consumers and the loyalty of customers to the brands. Several studies also considered the impact of marketing through influencers, personalization of advertisements, and consumer interactions to enhance their effectiveness.

There is a lack of literature that has explicitly considered the impact of social media advertising on the positioning of brands. Most of the literature considers social media marketing from a general point of view, rather than discussing advertising practices used to create a distinctive brand image and position through consumers' perceptions in an online retailing market. Rapid technological advancements have increased the importance of conducting further research in this area.

In addition to that, previous researches mostly centered on engagement and purchase intentions but have not considered how social media ads are used by online retailers in distinguishing their brand position. Hence, an existing research gap is evident regarding the connection between social media ads and brand positioning in online retailing context.

The current research intends to bridge this research gap by investigating the role of social media advertising in developing brand positioning and its implications for consumers and competitors within the online retail industry.

OBJECTIVES OF RESEARCH

The current research review intends to review and analyze the existing literature related to social media advertising and branding position in the e-retailing industry. The following are the primary research objectives:

- To review existing literature about social media advertising in the e-retail industry.
- To assess the impact of social media advertising on the branding position of products and services.
- To analyze the effect of social media on customer interaction and brand awareness.
- To identify the main social media advertising methods employed by online retailers.

THEORETICAL FRAMEWORK

This theoretical framework outlines the concepts used to understand the link between social media advertising and brand positioning within the online retail industry. The review article is fundamentally based on the principles of Brand Equity Theory and the Consumer Engagement Theory. These two theories highlight the effects of social media advertising on consumer perception, brand value, and market positioning.

1.Brand Equity Theory

This theory was introduced by David Aaker and revised by Kevin Lane Keller. The theory posits that brand value is formed through variables like brand awareness, brand associations, quality perception, and brand loyalty. Social media advertising plays an essential role in boosting brand value and positioning within the online retail environment. For instance, through effective advertisements on social media, companies can ensure that their brands become more visible and identifiable to consumers.

2. Consumer Engagement Theory

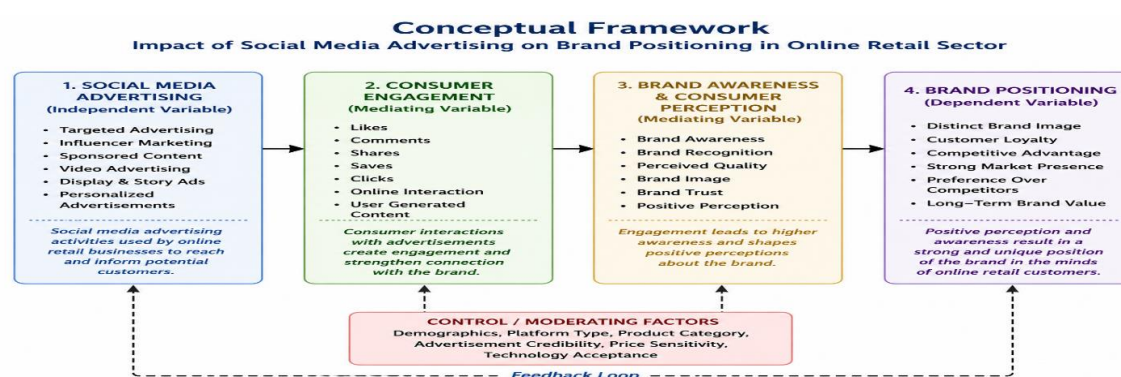
Consumer Engagement Theory demonstrates the role of customer involvement and participation in shaping brand relationships and consumer decisions. Through social media platforms, companies can interact with customers via comments, likes, sharing, ratings, influencer marketing, and personalized ads. Customer engagement leads to better satisfaction, emotional bonding, and customer loyalty towards the brand. This theory justifies the notion that social media ads are important in building strong brand positioning due to their interactive nature.

Relevance of the Study

The above-stated theories will be applied to the current literature review in explaining the relationship between advertising methods used on social media platforms and the resulting impact on customer engagement, brand awareness, and consumer perceptions of online retail brands.

CONCEPTUAL FRAMEWORK

The conceptual framework for this study elaborates on the link between social media advertising and brand positioning within the context of online retailing. The influence of social media advertising on consumer engagement, brand awareness, and consumer perception is seen to lead to brand positioning.



The framework indicates that social media advertising acts as the independent factor influencing consumer engagement through interactive digital communication and promotional activities. Increased consumer engagement helps online retail businesses improve brand awareness and create positive consumer perceptions. As customers become more familiar with and connected to the brand, businesses can establish stronger brand positioning in the competitive online retail market. Therefore, the framework demonstrates that effective social media advertising strategies contribute to enhanced brand value, customer loyalty, and competitive advantage in the online retail sector.

METHODOLOGY OF RESEARCH

The current research involves an extensive systematic review of secondary data pertaining to social media advertising and brand positioning in the domain of e-commerce. The research primarily concentrates on analyzing various existing literature, journals, books, conference papers, and other online publications within the period of 2020 to 2025.

Design of Research

The current research follows a descriptive and reviewing methodology for the research process. The reviewing methodology enables the identification of the connection between social media advertising, customer engagement, and brand positioning through existing literature and theories.

Sources of Data

The study is entirely based on **secondary data** collected from various academic and professional sources such as: Google Scholar, ResearchGate, Scopus, Web of Science, Peer-reviewed journals, Published books and articles, E-commerce and digital marketing reports.

Data Collection Method

Relevant literature related to social media advertising, online retail marketing, consumer engagement, and brand positioning was collected using keywords such as: Social Media Advertising, Brand Positioning, Online Retail Sector, Digital Marketing, Consumer Engagement Brand Awareness, Social Media Marketing. The selected studies were carefully reviewed and organized based on objectives, findings, theories, and research gaps.

Method of Data Analysis

The literature collected has been studied using a qualitative content analysis method. Various literature pieces have been compared considering the objective, methodology, findings, and conclusions of each in relation to brand positioning in online retail firms.

Scope of the Study

The scope of the study primarily deals with the role of social media advertising in the process of brand positioning in online retail firms. It discusses the role played by online retailers through various social media sites in enhancing customer engagement, brand awareness, and customer perceptions for competitive advantage.

Limitation of the Study

The limitation of this study involves its reliance entirely on secondary sources of data and literature within the period of 2020 to 2025.

DATA ANALYSIS

The review of the literature shows that social media marketing has a significant impact on brand positioning in the e-commerce industry. It was found out that platforms like Instagram, Facebook, YouTube, and TikTok have a major contribution to making a brand visible and enhancing customer engagement. The use of advertisements and promotions on social media by e-retailers helps to create a more powerful brand identity.

It was observed that customer engagement through likes, comments, and other forms of interactions positively impacts brand recognition and perceptions. According to the research literature, visually appealing and meaningful advertisements positively impact customers' trust and their intention to purchase a product. Moreover, it is found that influencer marketing and user-generated content is an effective way to build an emotional connection between brands and customers.

This review also showed that social media advertising aids online retail companies in gaining a competitive edge through customer loyalty and brand value. But some studies highlighted problems like deceptive advertising, negative reviews on the internet, issues related to privacy, and too many ads, which could harm a company's brand image.

In summary, the results support the fact that proper social media advertising tactics can play a vital role in enhancing brand positioning for online retailing companies.

DISCUSSION

Clearly, the reviewed studies have established the impact of social media advertisement on marketing activities in the online retailing sector. The use of digital means of marketing is increasingly gaining popularity among enterprises, since they are more effective and cheaper compared to the traditional methods of promotion.

The above discussion indicates that social media marketing helps to increase brand awareness as well as build relationships with the consumers and create positive image perceptions of brands. In fact, consumer engagement plays a crucial role in establishing the relationship between social media advertisement and brand positioning. Consumers who actively engage with advertisements through social networks build emotional ties with brands.

Further, the research findings show that customized ads and influencer marketing are very effective when it comes to attracting customers online. Online retailers who have an active social media presence and communication are able to create good market positions compared to other competing organizations.

On the other hand, the discussion also highlights the need for businesses to emphasize on the aspects of advertisement honesty and customer satisfaction. Over-advertising or false promotions can ruin the reputation of a company and affect consumer trust. Hence, it is necessary for online retailers to use consumer-oriented strategies while doing social media advertisement.

CONCLUSION

This review concludes that social media advertising is vital for improving brand positioning in the online retail environment. This is because social media provides various opportunities that businesses can take advantage of in increasing brand visibility, engagement, and perception.

Advertising strategies such as influencer marketing, video advertising, content marketing, and personalized advertisements were found to have positive effects on consumer trust, loyalty, and purchase intention. On the other hand, consumer engagement was identified as an important element linking social media advertising with improved brand positioning.

Moreover, this research concludes that businesses that have effective social media advertisement strategies are bound to gain competitive advantage and brand value. Nonetheless, it is imperative for businesses to manage advertisement quality, credibility, and relationships with customers effectively.

In conclusion, it is evident that social media advertising is becoming increasingly essential for businesses involved in online retailing.

RECOMMENDATIONS

- In light of the findings of the above study, it is recommended that the following steps be taken:
- The online retail firms should enhance their social media advertising through creativity and interactive techniques.
- Personalized and customized advertisements and campaigns should be employed by organizations to target certain groups of customers.
- Influencers and content creators should be considered partners by firms in their effort to enhance brand credibility.
- It is important for organizations to interact actively and continuously with customers on the social media platforms through their comments, reviews, and feedback.
- Authenticity should be employed in the advertisement by firms to make sure there is no misguidance of customers.
- Organizations need to keep track of customer preferences as well as social media trends.
- Further research can be conducted empirically with primary data to investigate further the link between social media advertising and brand positioning.

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