

THE EFFECT OF SOCIAL MEDIA MARKETING AND CORPORATE SOCIAL RESPONSIBILITY ON CUSTOMER RETENTION: THE MEDIATING ROLE OF PERCEIVED VALUE

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Abstract

This purpose of this study is to investigate the impact of corporate social responsibility and social media marketing on perceived value. It also examines the impact of perceived value on customer retention. Additionally, it investigates the role that perceived value plays as a mediator between the independent variables and customer retention. This research used a quantitative methodology. Respondents were recruited using a convenience sampling strategy. Data was gathered from 290 participants using an online survey. The data analysis and testing of research hypotheses were conducted using SPSS and AMOS. This research used relationship marketing theory and social exchange theory. The study showed that social media marketing and corporate social responsibility have a favorable impact on perceived value. It was also determined that perceived value positively influences customer retention. Furthermore, perceived value partially mediates the effect of social media marketing on customer retention. Similarly, perceived value partially mediates the effect of corporate social responsibility on customer retention. This paper assists organizations in comprehending the interconnections between perceived value, customer retention, corporate social responsibility, and social media marketing in the retail sector of Pakistan. The outcomes of this research provide the Pakistani retailing industry with useful information for creating branding and marketing strategies to promote the retail business. This study has shown how important social media marketing, corporate social responsibility, perceived value, and customer retention are, which could help make the necessary plans for the retailing industry to grow. Moreover, this study is exceptional since it investigates customer retention in a novel context.

Keywords: Social media marketing, retail industry, corporate social responsibility, perceived value, customer retention

1. INTRODUCTION

The retail industry has been revolutionized in the last few years. The rise of dynamic digital channels, including social media, has influenced the properties of retailing processes (Irshad et al., 2020). Retailing is an essential segment in every economy; the retail business is one of the fastest-growing industries that change firms, markets, and consumers' purchasing behavior within a short period (Nguyen et al., 2023). The current diversity and advancement of retailing have resulted from a continuous evolution. Customer retention (CR) is a focus of modern marketing in the retail industry, which has a great influence on growth and profitability. Customer retention is the primary factor in attaining profitability in the competitive retail environment (Mathew, 2024). In retail, customer retention depends on perceived value (PV) (Hanaysha et al., 2025). A primary objective of companies is to establish and maintain enduring customer connections (Menidjel & Bilgihan, 2023).

The era of corporate social responsibility (CSR) we are experiencing has its roots in the 1950s, decades ago (Subedi et al., 2024). CSR is an organizational management policy that enables a firm to foster social, economic and environmental responsibility for itself and to stakeholders and the community at large (Rasoolimanesh et al., 2023). Researchers highlight "corporate social responsibility practices" as a marketing

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strategy for attaining a firm's targeted goals (Konalingam et al., 2023). CSR has been a prominent theme in current marketing discussions. Corporate social responsibility encompasses all efforts to fulfill the many interests of stakeholders associated with business entities (Dangaiso et al., 2024). CSR has become more significant across several businesses as it fosters enduring customer relationships (Rasoolimanesh et al., 2023). Corporate social responsibility has gained significance as a policy in business since it shapes corporate objectives, facilitates communication between firms and customers, and fosters a competitive advantage for the organization (Afiuc et al., 2021). Today's corporations advertise their corporate social responsibility initiatives via social media and brand community platforms. For instance, we saw that Coca-Cola recently announced that it will be donating \$1 million to World Central Kitchen to help provide food for people during the 2020 premiere of "Hamilton." There was both singing, dancing and acting when it came to entertaining the guests at Disney (Abbas et al., 2024).

With the ever rising population of internet users, social media has thus gained the attention of the consumers as well as the business entities (Kanth & Prasad, 2023). In the present world scenario of reduction in traditional media and a rather volatile financial environment, it is imperative to build consumer relations for continuous business success (Ahmad et al., 2024). From the literature, it has been identified that consumers perceive information from social media as credible (Kanth & Prasad, 2023). As discussed earlier, social media is a mandatory marketing instrument and the channel on which consumers, businesses, and organizations interact (Xia et al., 2024). Social Media Marketing (SMM) has emerged as an important research topic in the last decade and offers information on numerous consumer relationship related issues (Lin et al., 2024).

SMM has become a significant global approach for firms to cultivate robust consumer connections and efficiently convey their messages (Al-Dmour et al., 2023). The term "social media marketing" refers to commercial marketing initiatives or procedures that use social media to positively influence consumer behavior (Chen & Lin, 2019). Marketing gurus and scholars have come out to support the importance of SMM in customer acquisition and customer retention (Banerji & Singh, 2024). SMM relates to the use of several websites and other platforms for the promotion of a specific product, service or brand. Social media enables marketers to pass information, interact with the consumers and create a platform for consumer interaction while at the same time enabling customers to engage with each other (Appel et al., 2020; Song et al., 2024). In the sphere of business, and particularly in marketing, it has been realized that social media tools and practices are of considerable importance. These technologies provide a fresh and successful marketing strategy by facilitating direct, unfiltered contact between customers and service providers and among customers (Al-Dmour et al., 2023).

The perceived value significantly influences consumer behavior, acting as the benchmark for decision-making (Alotaibi, 2025). Marketing research indicates that perceived value is essential for organizations and customers, since it directly influences price/value for money and economic profitability (Román-Augusto et al., 2022). PV is a comprehensive customer assessment of a product or service's utility, defined as the ratio of perceived advantages to perceived costs (Zeithaml, 1988). The importance of PV in influencing customers' behavioral intentions has lately garnered considerable attention from several experts globally (Hanaysha et al., 2025). Due to the positive influence of perceived value on marketing efficacy, prior research has thoroughly examined this subject (Khairy et al., 2023).

CR defines a company's or product's capacity to retain customers for a specified duration (Mathai & Jeswani, 2021). CR is important, especially today, because it significantly generates revenues for the retail industry (Mathew, 2024). The primary objective of customer retention as a business strategy is to enhance the character of the relationship between the business and its customers and maintain the highest number of retained customers (Lovemore et al., 2023). CR is a crucial element in the sustainability of any company (Afiuc et al., 2021). Customer retention has captivated researchers since the mid-1990s and has become an increasingly essential concern for corporate organizations, particularly in the retail sector (Nguyen et al., 2023).

Although perceived value is crucial for marketing theory and practice, relationship marketing studies have excluded it from their models, indicating a research gap (Menidjel & Bilgihan, 2023). A small number of studies have been conducted to understand the function that SMM plays in various marketing sectors (Kanth & Prasad, 2023). Further research on the effectiveness of social media marketing in influencing consumers' perceived value of a product or service is lacking (Song et al., 2024). Therefore, the present study will address the identified research gaps.

Studies have shown that acquiring new customers is costly, and expenses often surpass the benefits (Tuguinay et al., 2024). Brand switching diminishes future profitability and incurs significant operational expenses since recruiting new customers is about five times more expensive than maintaining current ones (Liao et al., 2021). Furthermore, customer retention is critical to businesses' success in the context of market competition. According to researchers, the cost of acquiring a new customer is five times higher than that of retaining an existing one (Li et al., 2023). Therefore, the current study addressed this problem in the customer retention literature within the retail industry by conducting research in a developing nation like Pakistan.

This study has substantial academic and practical significance. From an academic perspective, this research introduces a mediated mechanism that enhances customer retention in the retail industry through a

perceived value approach. This research aims to enhance the relationship marketing theory, social exchange theory and the literature on SMM, CSR, perceived value, and CR by providing fresh insights from Pakistan. This paper's results assist retail sector management in Pakistan in understanding and developing relevant strategies to strengthen customer retention. This research provides essential insights into consumer behavior, guiding retail service providers to refine their marketing strategies and enhance customer retention. The current study is noteworthy because it provides managers of the retailing industry with some essential information to enhance CR. This study enhances the current literature on marketing in several aspects. The study's results are valuable to customer retention, which has substantial unexplored potential but has not yet garnered sufficient attention.

Furthermore, this present investigation enhances the already established corpus of research on retailing brands by investigating the fundamental correlations among SMM, CSR, perceived value, customer retention, and their effects on retailing businesses. The results of this study enhance our understanding of the relationship marketing theory and social exchange theory regarding customer retention of retailing brands. It adds to the literature by studying the largely unexplored antecedents of CR and providing a more specific knowledge of customer retention in retail. This research also examined the mediating function of perceived value between proposed relationships.

1.1 Research Questions

This research specifically addresses the following questions:

- i. Do SMM and CSR contribute to enhancing perceived value?
- ii. Does perceived value exert mediating effects between independent and dependent variables?
- iii. To what extent does PV have an impact on customer retention?

1.2 Research Objectives

This research has the following objective.

- i. To test the effect of SMM and CSR on perceived value.
- ii. To test the mediation roles of perceived value in the proposed relationships.
- iii. To investigate the influence of PV on the CR.

2. LITERATURE REVIEW

2.1 Relationship Marketing (RM) Theory

Relationship marketing theory is one of the most important philosophical assumptions that assist in defining the needs of customers in a given market (Qalati et al., 2024). According to Berry (2002), relationship marketing theory is one that is able to capture, maintain, and even develop the consumer relationship. The primary objectives of the relationship marketing theory are a partnership on a long-term basis and customer retention (Natarajan & Veera Raghavan, 2024). The RM theory also emphasizes a positive consumer relationship and thus does not support only a transactional approach; it emphasizes relation-building (Dandis et al., 2022). According to the RM theory, the level of the relationship between a company and a consumer will improve as value is provided (Menidjel & Bilgihan, 2023).

2.2 Social Exchange Theory

Social Exchange Theory (SET) posits that human relationships are founded on a cost-benefit analysis, wherein ongoing engagement in an activity or social association occurs when the perceived benefits surpass the costs (Bakshi et al., 2021). Moreover, SET posits that individuals make rational choices to participate in social exchanges based on assessing the costs and benefits associated with resource exchange (Banik & Rabbanee, 2023). In a service interaction, reciprocal expectations are established between the customer and the service provider about each side's essential rights and responsibilities (Dai et al., 2023). This article uses social exchange theory to analyze the relationships among SMM, CSR, perceived value, and customer retention.

2.3 Hypotheses Development

2.3.1 Perceived value and customer retention

The consumer behavior is complex with regard to organized shopping, especially in retail environments. Customer retention is an important factor of success for all the retail business (Mathew, 2024). Today, consumers are more value-sensitive and are willing to show loyalty toward those firms that they consider giving them substantial value (Konalingam et al., 2023). Previous research indicated that PV positively influences customer retention (Hanaysha, 2018). The following hypothesis may be formulated under consideration of the preceding discussion.

H₁: PV positively affects customer retention.

2.3.2 SMM and perceived value

Many empirical studies have established a correlation between social media marketing activities and outcomes such as revisitation, reuse, and trust (Lin et al., 2024). However, a dearth of research evaluates the efficacy of social media marketing in shaping consumers' perceived value (Song et al., 2024). Marketing activities conducted on social media platforms are positively associated with perceived value (Chen & Lin, 2019; Yang et al., 2020). In addition, previous research indicated that social media marketing positively correlates with perceived

value (Juliana et al., 2022). The following hypothesis may be formulated under consideration of the preceding discussion.

H₂: SMM positively affects perceived value.

2.3.3 SMM and customer retention

Social media has become part of individuals' lives for the last two decades. Beginning in the early 2000s, social media has turned into an important tool for communication, interpersonal interaction, information seeking and processing (Bartoloni & Ancillai, 2024). Companies are now starting to realize the importance of studying the impact of social media on brands. This is why business organizations need to know its effect and decide on the best approach to maximize on this opportunity (Kanth & Prasad, 2023). Marketers utilize social media as one of their most effective marketing instruments to attract and retain consumers (Song et al., 2024). Previous studies have confirmed that SMM positively relates to CR (Hanaysha, 2018). The subsequent hypothesis can be formulated based on the preceding discussion:

H₃: SMM has a positive influence on CR.

2.3.4 Corporate social responsibility and perceived value

CSR strategies has been applied in handling social issues of consumers, creating and maintaining a good image of the firm, and enhancing stakeholder relations (Afiuc et al., 2021). The relationship between CSR and consumer perceived value remains underexplored in contemporary marketing literature (Konalingam et al., 2023). Furthermore, CSR has a favorable effect on customers' perceived value (Mohammed & Al-Swidi, 2019). The following hypothesis may be formulated under consideration of the preceding discussion.

H₄: CSR positively affect perceived value.

2.3.5 CSR and customer retention

The link between CSR and firm performance has attracted interest (Kodua et al., 2022). Very little research is available that evaluates the influence of CSR on CR (Srivastava & Singh, 2021). Organizations today perform several activities to enhance their CSR programs. Such initiatives improve the chances of customer retention and the image of companies within society and among the people (Omidvar et al., 2024). According to a prior study, CSR strongly and positively impacts customer retention (Afiuc et al., 2021). According to the preceding discussion, a hypothesis can be developed as follows:

H₅: CSR positively affect CR.

2.3.6 Mediation function of perceived value

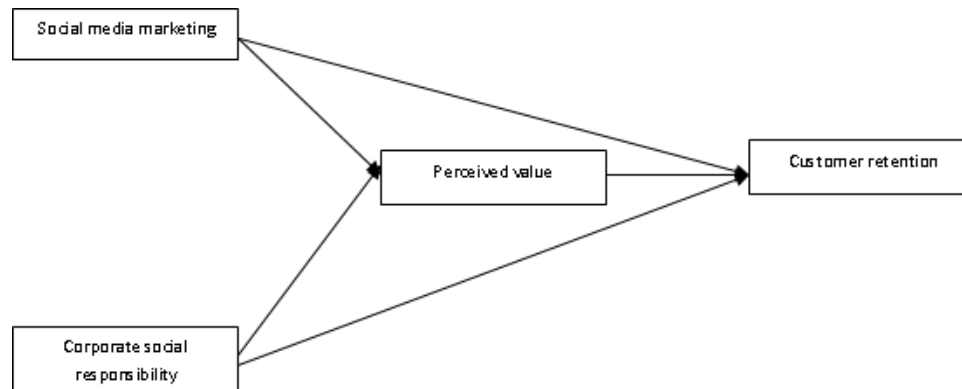
Value creation is the primary aim of every retailer pursuing company success (Menidjel & Bilgihan, 2023). Perceived value has been regarded as a stable construct in predicting customer behavior (Mohammed & Al-Swidi, 2019). Perceived value has served as a mediator in several investigations (Hanaysha et al., 2025; Oloveze et al., 2022; Wang et al., 2023). Prior research established a mediating function of PV between social media marketing activities and customer satisfaction (Banerji & Singh, 2024). The following hypothesis might be put forward on the basis of the arguments advanced in the work.

H₆: PV mediates the connection between SMM and CR.

Customer value is the fundamental principle of marketing. Marketers should prioritize comprehending and mapping the customer journey, then identifying the advantages the organization can offer consumers willing to pay for (Menidjel & Bilgihan, 2023). Consumer perception of products and services is a critical component of the exchange transaction, referred to as perceived value (Miao et al., 2022). The resources, efforts, and attention allocated to relationships must be based on value perception to generate consumer value (Menidjel & Bilgihan, 2023). Numerous prior studies have employed perceived value as a mediator (Ahmed et al., 2024; Chen & Lin, 2019; Menidjel & Bilgihan, 2023). According to the preceding discussion, a hypothesis can be developed as follows:

H₇: PV mediates the connection between CSR and CR.

Figure 2.1: Proposed Conceptual Model



3. RESEARCH METHODOLOGY

Research methodology is crucial in order for a study to fulfill its aims. The analysis technique should be chosen in line with the nature of the problem (Hameed et al., 2018). Based on the research subject, objectives, and characteristics, a quantitative research technique and a cross-sectional design were selected. Quantitative research is a procedure for collecting and analyzing numeric data with the use of mathematical procedures (Yilmaz, 2013). The study employed an explanatory research technique using a deductive approach. The fundamental objective of this design is to figure out the cause-and-effect connection between variables (Amponsah-Kwataiah & Asiamah, 2020). Furthermore, the researcher collects data by utilizing an adapted survey questionnaire. In addition, the time horizon occurs in a manner that is cross-sectional. The research used a mono method technique as opposed to a multi method approach. The multi-method technique used many procedures to address the research inquiries. Survey designs, structured interviews and structured observations are among what mono method research uses.

This study used a survey methodology. Design comprises the techniques used to gather data from respondents (Cuneen & Tobar, 2017). Researchers use surveys to gather data about people in order to characterize, contrast, or clarify their behavior, attitudes, and knowledge. A survey is a procedure through which researchers gather responses from several people called respondents (Monette et al., 2013). The survey technique is one of the most extensively used research methods in the field of marketing. It is one of the research methods that delivers key advantages to researchers as well as provides useful insight. It is believed that survey methods can offer a revelatory and novel insight into both the practices of organizations and both the minds of individuals for instance consumers (Rindfleisch et al., 2008).

The research population consists of Pakistani customers of retailer industry. The non-probability sampling technique was implemented in this investigation due to the absence of a population frame for the retailer industry and a database or other source that contained contact information for retailers' customers. This paper employed a purposive sampling technique to obtain the retailers' sample for the study. Previous research on CSR has used purposive sampling (Aslam et al., 2023; Rasoolimanesh et al., 2023; Subedi et al., 2024).

3.1 Measurements

All scales used to assess the research variables were obtained from existing literature. CSR was assessed using four items derived from the study of (CaNon & Wong, 2014). SMM was evaluated using five items derived from the study of (Schivinski & Dabrowski, 2016). Four items were employed to evaluate PV; they were adapted from the investigation of (Puncheva-Michelotti & Michelotti, 2010). Four items were used to measure CR; they were adapted from the investigation of (Hennig-Thurau et al., 2010). All items were evaluated using a five-point Likert scale: strongly disagree, disagree, neutral, agree, and strongly agree.

3.2 Demographics

Table 1 of respondents' demography (N = 290) details the scale, mean, standard deviation, frequency, and percentage. The number of male participants was 124 (42.8%), while the number of female participants was 166 (57.2%). As indicated in Table 1, most participants (85.2%) were between 20 and 35. The majority of participants hold master's (29.3%) and M.Phil. (32.4%) qualifications. According to the data, 43.4% of respondents were students, and 69.7% of respondents earned less than Rs. 50,000 per month.

Table 3.1: Demographics

N=290					
Variable	Scale	Mean	Std. Deviation	Frequency	Percentage
Gender	Male	1.57	0.496	124	42.8
	Female			166	57.2
	Total			290	100.0
Age	20 to 25	2.15	1.040	98	33.8
	25 to 30			91	31.4
	30 to 35			61	21.0
	35 and above			40	13.8
	Total			290	100.0
Qualification	Graduation	2.43	1.007	64	22.1
	Masters			85	29.3
	M.phil			94	32.4
	PhD			47	16.2
	Total			290	100.0
Income	Below 20,000	2.05	1.053	113	39.0
	20,000 to 50,000			89	30.7
	50,000 to 80,000			48	16.6
	80,000 and above			40	13.8
	Total			290	100.0
Occupation	Student	1.98	1.114	126	43.4
	Employed			99	34.1
	Businessman			9	3.1
	Professional			56	19.3
	Total			290	100.0

3.3 Reliability and Validity

Table 3.2 for Reliability and Validity indicates that all research variables attained the reliability criteria (Cronbach's $\alpha > 0.7$). Factor loading analysis using Principal Component Analysis yielded a KMO score of 0.828 and a Bartlett's Test of Sphericity result with $p < .05$ (Kaiser, 1970), and values of factor loading for all manifests to be greater than that of 0.300. It also displays composite reliability values that satisfy the threshold ($CR > 0.7$). Table 2 demonstrates that the Average Shared Variance (ASV) values of all study variables are less than the AVE, confirming convergent validity (Garver & Mentzer, 1999). The AVE for each measure element must be greater than 0.50. Nevertheless, values equal to or above 0.40 are permissible when the composite reliability surpasses 0.6 (Fornell & Larcker, 1981; Fraering & Minor, 2006). Also, values of AVE for all variables except one variable approached the required threshold (> 0.5), thus establishing discriminant validity (Henseler & Guerreiro, 2020). Results of Skewness and Kurtosis also represent results ensuring data normality.

Table 3.2: Reliability and Validity

Variable (Items Nos.)	Items	Loading	Cronbach's Alpha (≥ 0.7)	Skewness	Kurtosis	CR	AVE	ASV
Social Media Marketing (SMS-5 Nos.)	SMM1	0.555	0.775	0.101	-0.447	0.674	0.493	0.159
	SMM2	0.447		-0.397	1.024			
	SMM3	0.607		-0.041	-0.238			
	SMM4	0.533		1.214	1.368			
	SMM5	0.472		0.024	0.697			

Corporate Social Responsibility (CSR-4 Nos.)	CSR1	0.483	0.721	0.161	-0.280	0.724	0.501	0.264
	CSR2	0.670		0.075	-0.177			
	CSR3	0.586		-0.446	0.382			
	CSR4	0.584		0.040	0.077			
Perceived Value (PV-4 Nos.)	PV1	0.575	0.698	-0.995	1.642	0.716	0.596	0.335
	PV2	0.605		-0.720	0.994			
	PV3	0.589		-0.825	1.408			
	PV4	0.370		-0.610	0.114			
Customer Retention (CR-4 Nos.)	CR1	0.520	0.739	-0.481	0.287	0.779	0.573	0.375
	CR2	0.520		-0.704	0.820			
	CR3	0.551		-0.998	1.313			
	CR4	0.474		-0.594	-0.101			

Figure 3.1: Measurement Model

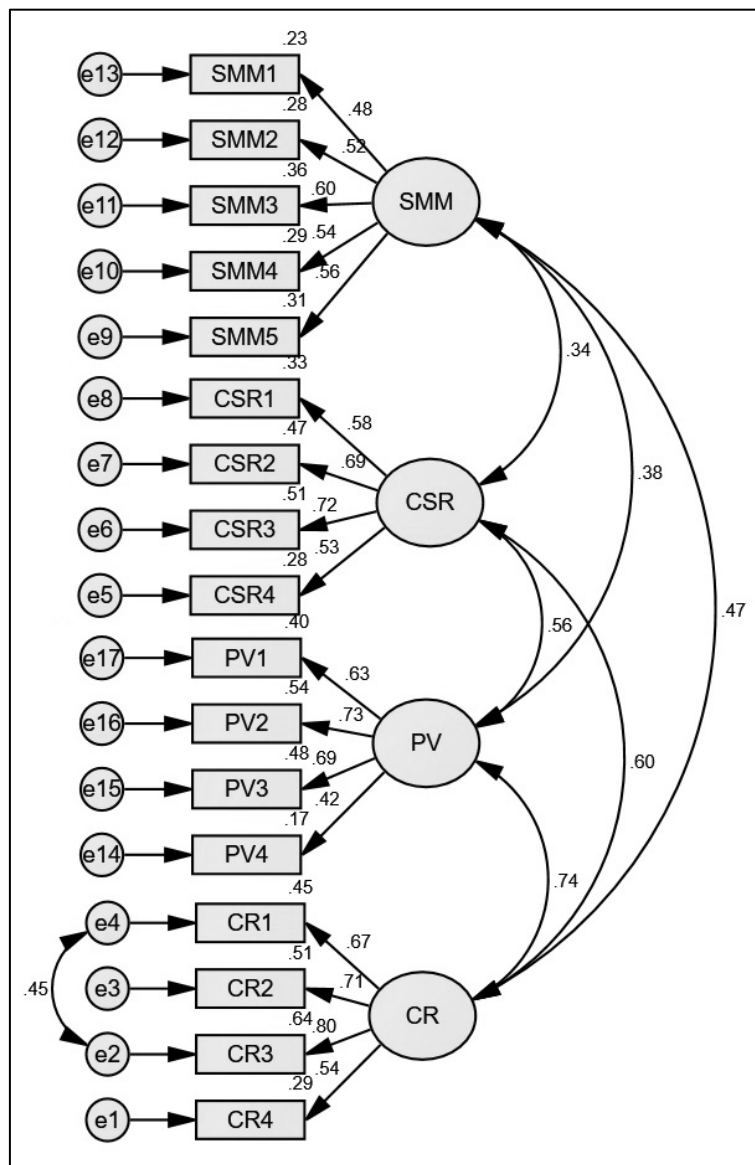
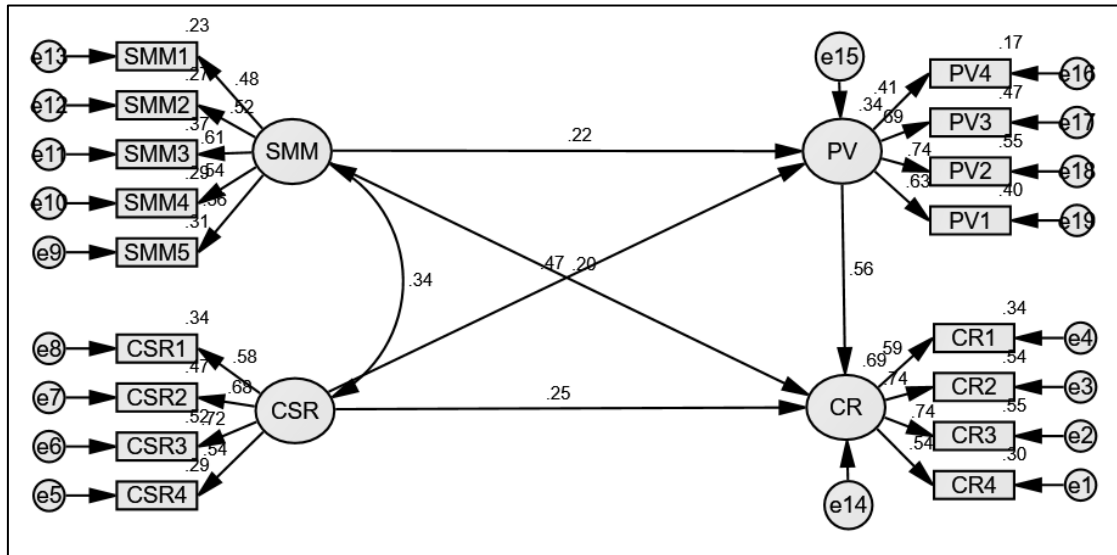


Figure 3.2: Structural Model



3.4 Model Fitness

Table 3.3 shows CFA fit values as CMIN/DF (1.790), GFI (0.930), IFI (0.930), TLI (0.912), CFI (0.929), RMSEA (0.052), and SEM fit values as CMIN/DF (2.056), GFI (0.917), IFI (0.905), TLI (0.883), CFI (0.903), and RMSEA (0.060), and have achieved the required threshold. Therefore, this model was considered fit for hypothesis testing.

Table 3.3: Model Fitness

	CMIN/DF	GFI	IFI	TLI	CFI	RMSEA
CFI Measurement Model	1.790	0.930	0.930	0.912	0.929	0.052
SEM Model	2.056	0.917	0.905	0.883	0.903	0.060

3.5 Correlations analysis

Table 3.4 displays the mean, standard deviation, and Pearson correlation values between the variables. It signifies a substantial and favorable correlation among all studied variables. Table 4 represents a moderate association among study variables, so suitability for predicting relationships is expected.

Table 3.4: Correlations

Variable	M	S.D	SMM	CSR	PV	CR
SMM	17.73	2.153	-			
CSR	13.34	2.505	.265**	-		
PV	15.29	2.398	.248**	.378***	-	
CR	14.74	2.551	.372***	.460***	.560***	-

Notes: N=290, *p<.05; **p<0.01; ***p<0.001

3.6 Hypotheses Testing

Table 3.5 indicates the findings of standardized regression weights among SMM, CSR, PV, and CR. In addition, Table 5 indicates a statistically significant positive correlation between PV and CR, corroborating H₁. The study confirms H₂ by showing that SMM has a strong and positive relationship with perceived value. The study also supported H₃, which proposed that SMM positively affected customer retention. The study shows significant positive relationships between CSR and PV; therefore, it supports H₄. This research validates the positive correlation between CSR and CR, corroborating H₅.

Table 3.5 Standardized Regression Weights

Relationship	Estimate	P	Hypothesis
CR <--- PV	0.565	***	H1; Supported
PV <--- SMM	0.220	**	H2; Supported
CR <--- SMM	0.197	**	H3; Supported
PV <--- CSR	0.470	***	H4; Supported
CR <--- CSR	0.249	**	H5; Supported

Notes: * $p < .05$; ** $p < 0.01$; *** $p < 0.001$

3.7 Mediation Results

The mediating effects for all three models were evaluated via Hays Process Macros with multiple bootstrap samples of 5000. Table 3.6 presents the findings of the PV mediation analysis between SMM and CR. Results revealed a significant relationship for total effects (0.441, $p < 0.05$), direct effects (0.294, $p < 0.05$), and indirect effects (0.147, $p < 0.05$). The figure for mediation of PV between SMM and CR shows a significant relationship between SMM and PV ($a=0.276$, $p < 0.05$) and a substantial link between PV and CR ($b=0.530$, $p < 0.05$). Direct and indirect effects represent significance; therefore, it supports H₆.

Table 3.6: Mediation of PV between SMM and CR

Effect Type	Effect	S.E	P	Confidence Interval (95%)	
				LLCI	ULCI
Total Effect	0.441	0.065	0.000	0.313	0.568
Direct Effect	0.294	0.057	0.000	0.182	0.407
Indirect Effect	0.147	0.037	0.000	0.079	0.226

Mediator, PV (Bootstrap sample size=5000)

Figure 3.3: Mediation of PV between SMM and CR

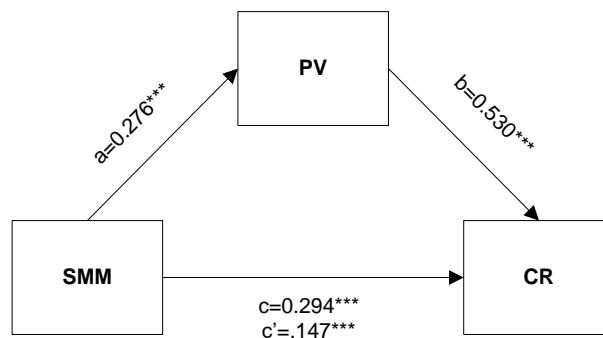


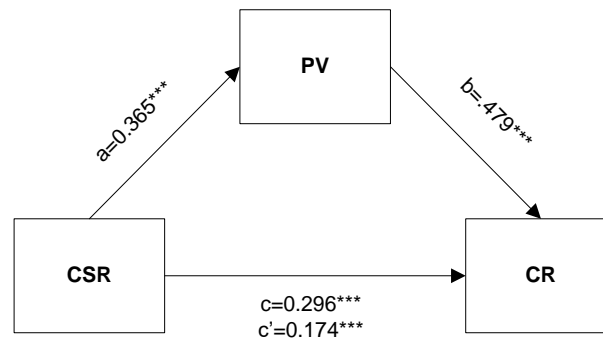
Table 3.7 below shows the results of the PV mediation between CSR and CR. Results revealed a significant relationship for Total Effects (0.469, $p < 0.05$), Direct Effects (0.296, $p < 0.05$), and Indirect Effects (0.174, $p < 0.05$). The figure for mediation of PV between CSR and CR shows a significant relationship between CSR and PV ($a=0.365$, $p < 0.05$) and a significant link between PV and CR ($b=0.479$, $p < 0.05$). Direct and indirect effects represent significance; so, it supports H₇.

Table 3.7 Mediation of PV between CSR and CR

Effect Type	Effect	S.E	P	Confidence Interval (95%)	
				LLCI	ULCI
Total Effect	0.469	0.053	0.000	0.364	0.574
Direct Effect	0.296	0.509	0.000	0.196	0.396
Indirect Effect	0.174	0.378	0.000	0.042	0.099

Mediator, PV (Bootstrap sample size=5000)

Figure 3.4: Mediation of PV between CSR and CR



4. DISCUSSION

This study sought to find the antecedents of CR in the retail sector of a developing nation like Pakistan. It established a theoretical framework to examine key customer retention aspects, including social SMM, CSR, and PV. Additionally, the study examined the mediating function of PV in a retail environment between independent factors and CR. This study used relationship marketing theory.

The study confirms H₁ by showing that PV has a strong and positive relationship with customer retention. This result agrees with previous research highlighting PV as a key driver of customer retention (Hanaysha, 2018). Furthermore, the analysis has substantiated the H₂ of this research, which suggests a significant correlation between SMM and perceived value. This result concurs with previous research that confirmed a direct relationship between SMM and perceived value (Juliana et al., 2022). The study also supported H₃, which proposed that SMM positively affected customer retention. This study's result aligns with the existing literature (Hanaysha, 2018). Moreover, marketers use social media as a very successful tool for attracting and retaining customers (Song et al., 2024).

The findings of this research confirmed the positive link between CSR and PV, hence confirming H₄. This outcome corresponds with the outcomes of previous research (Mohammed & Al-Swidi, 2019). This research validates the positive correlation between CSR and CR, corroborating H₅. This result aligns with previous research on CSR and CR (Afiuc et al., 2021). Organizations today engage in a variety of initiatives to strengthen their CSR programs. These initiatives enhance customer retention and strengthen the reputation of companies in society and among people (Omidvar et al., 2024). The mediating effect of PV between SMM and CR was confirmed in H₆. The mediating effect of PV between CSR and CR was validated in H₇. These results align with the conclusions of previous research (Hanaysha, 2018). This paper offers novel insights and establishes new avenues for retail research. This research provides empirical evidence that perceived value is crucial for relationship marketing outcomes.

5. THEORETICAL IMPLICATIONS

This study significantly enhances the marketing literature by addressing the previously mentioned shortcomings. This study significantly contributes to the existing body of knowledge on marketing in multiple ways. The findings of this study significantly enhance the existing body of knowledge on customer retention, an area that has not yet received adequate focus within Pakistan's retail sector. This investigation builds upon the existing body of research in retail brands by examining the essential relationships among SMM, CSR, PV, customer retention, and their impacts on retail businesses. This study's findings deepen our comprehension of the interplay between relationship marketing theory and social exchange theory about customer retention within the retail sector.

This study enhances the current literature on SMM, CSR, PV, and CR in the retail sector. The study results provide significant theoretical additions to the literature and enhance understanding of customer retention in developing settings such as Pakistan. It aims to strengthen the empirical literature theoretically by examining and expanding the knowledge of the effects of SMM, CSR, and perceived value on CR within Pakistan's retail sector.

The study results substantiate the influence of SMM and CSR on PV and CR. The findings empirically confirm the impact of SMM on CR via the mediation of PV. Similarly, CSR positively correlates with CR via perceived value. In addition, perceived value has a significant direct positive impact on CR. These outcomes provide academic insights into the effect of SMM and CSR on perceived value and customer retention. Marketing academics may be aware that SMM and CSR are effective in enhancing perceived value and customer retention.

6. PRACTICAL IMPLICATIONS

This research presents many recommendations for managers and marketers. The results suggest that marketers might create promotional strategies for their retail brands to enhance customer retention. The study results are relevant to managers responsible for developing and implementing their organization's promotional strategy. Managers may design marketing strategies for retail companies that influence customer retention. Furthermore, customer retention is crucial for organizations' success across all sectors, including retail. This research will be a significant resource for brand managers aiming to retain consumers. Moreover, the research indicated that customer retention improves when retail firms use social media marketing and corporate social responsibility.

This research's results may benefit Pakistan's retail sector through practical applications. Retailers are trying to build and maintain excellent consumer relations. However, the effectiveness of these efforts is not always assured because not all retail consumers are willing to form a relationship with retailers. Little literature exists on when retailers should form relationships to boost returns (Menidjel & Bilgihan, 2023).

Companies should invest more money in corporate social responsibility. The latest developments in CSR initiatives as a value creation opportunity rather than a cost for companies have received significant attention (Alatawi et al., 2023). According to the literature, CSR investment is the business activity that aims to differentiate firms from competing firms (Kodua et al., 2022).

Service companies may effortlessly provide brand information to their fans via social media, therefore strengthening their relationships. These findings indicate that policymakers should intensify their social media presence and conduct consistent research on the evolving needs of consumers, subsequently creating an offer that will cater to those needs. Since online networks are defined by low prices, lack of physical location, rapid accessibility, and a substantial user base, marketing managers need to use the benefits of social media using various strategies (Hanaysha, 2022).

7. CONCLUSION

This research investigates the influence of SMM, CSR, and PV on CR within the retail industry. It also investigates the mediating function of PV in the proposed link. The study enhances the domains of SMM and CSR to augment PV and CR within the retail sector. The above theoretical framework was established and examined in a cross-sectional study survey where 290 participants responded. The data were analyzed utilizing structural equation modeling. The results are consistent with the hypothesized connections from earlier research. The empirical findings of this investigation have validated all of our hypotheses.

The research indicated that SMM and CSR have a favorable correlation with PV, hence influencing CR. The mediating function of PV is also corroborated. The results of this research are valuable for developing successful marketing strategies to enhance understanding of the elements influencing customer retention. Moreover, this research work enhanced the scope of existing customer retention literature by providing an empirical test for a theoretical framework. This assessment is a valuable addition to the literature of CR. This research also proves that SMM and CSR are two important factors influencing perceived value and customer retention.

8. LIMITATIONS AND FUTURE DIRECTION

There are a number of limitations to this research as well as some possible directions for further investigation. The results of this research can only be generalized to the retailing sector in Pakistan because our study is confined to that population. Nevertheless, there are some findings that can be useful for further studies. As a result, future research should build on the present study and include more samples from different cultures, organizations, and nations. This paper employed cross-sectional data, but longitudinal data may be better in future studies. Other variables may be added to the model in future research. For example, future work could extend this study by examining other antecedents, such as price and sales promotion that could enhance perceived value and customers' retention. The present investigation has not focused on a specific category of products. Future research will use this model in either one or multiple product or service categories.

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