Brand activism and millennial loyalty in the post-pandemic era: the mediating roles of authenticity and value congruence and the moderating role of emotional engagement

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Abstract: *Background: The post-pandemic era has fundamentally restructured the relationship between brands and consumers, particularly among Millennials - a cohort defined by heightened social consciousness and digital fluency. Objective: This study investigates the influence of brand activism on Millennial consumer loyalty in the aftermath of the COVID-19 pandemic, examining perceived authenticity and value congruence as mediating variables and emotional engagement as a moderating variable. Methods: A cross-sectional survey design was employed. Data were collected using quota-based purposive sampling from 412 Millennial respondents (aged 27-42) across four major Indonesian cities (Jakarta, Bandung, Surabaya, and Yogyakarta). Structural Equation Modeling with partial least squares (PLS-SEM) was used for analysis. Results: Brand activism exerted a significant positive direct effect on consumer loyalty ($\beta = 0.483$, $p < 0.001$). Perceived authenticity (indirect $\beta = 0.194$; 95% CI [0.112, 0.291]) and value congruence (indirect $\beta = 0.147$; 95% CI [0.083, 0.228]) each served as significant partial mediators. Emotional engagement moderated the direct activism–loyalty path ($\beta = 0.189$, $p < 0.01$), amplifying the relationship among highly engaged consumers. The model explained 58.7% of the variance in consumer loyalty ($R^2 = 0.587$). Conclusions: Post-pandemic Millennials demonstrate heightened responsiveness to activist brand positioning, affiliating loyalty with brands whose moral commitments align with their evolving worldview. This study extends Social Identity Theory into a post-crisis consumer context and provides a non-Western empirical test of the activism–loyalty mechanism. Brand managers are advised to treat activism as a long-term institutional commitment calibrated to target Millennial value profiles, delivered through emotionally resonant communication, to maximize loyalty returns in post-pandemic markets.*

Keywords: *brand activism, Millennial consumer loyalty, post-pandemic consumer behavior, perceived authenticity, value congruence, structural equation modeling*

1. Introduction

The global COVID-19 pandemic, which disrupted economic, social, and cultural systems between 2020 and 2023, did not merely alter purchasing habits - it catalyzed a profound reconfiguration of consumer identity and expectation. In its wake, a growing body of evidence suggests that consumers, particularly Millennials (those born between 1981 and 1996), have become increasingly intolerant of brand neutrality. Brands are now expected to

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take visible, meaningful stances on social, environmental, and political issues - a phenomenon scholars have termed *brand activism* (Moorman, 2020; Sarkar & Kotler, 2018).

Brand activism transcends conventional corporate social responsibility (CSR). While CSR typically positions social contribution as an ancillary corporate function, brand activism embeds moral and political positioning at the core of brand identity, often at the risk of alienating segments of the market (Sarkar & Kotler, 2018). High-profile cases - Nike's endorsement of Colin Kaepernick, Ben & Jerry's advocacy for racial justice, Patagonia's environmental litigation - have illustrated both the commercial potency and the reputational vulnerability of activist brand posturing.

The Millennial cohort represents a particularly critical audience for this phenomenon. Characterized by high levels of civic engagement, a disposition toward purpose-driven consumption, and unprecedented access to digital platforms enabling brand scrutiny, Millennials are widely recognized as the vanguard of values-based purchasing (Deloitte, 2022; Edelman Trust Barometer, 2023).

Despite substantial scholarly interest in Millennial consumer behavior and growing empirical attention to brand activism, the existing literature leaves a specific and consequential gap. Champlin et al. (2019) investigated brand-cause fit in the context of femvertising and its relationship to purchase intention, while Mukherjee and Althuizen (2020) analyzed the effects of activist brand controversy on consumer identification. Cha et al. (2022) examined perceived authenticity as a mediator of the activism-purchase intention relationship. However, none of these studies explicitly addresses the post-pandemic context as a conditioning environment, tests a full mediation-and-moderation structure, or situates findings within a non-Western emerging-economy context. The gap is therefore not merely geographic or temporal but conceptual: no prior study has jointly modeled perceived authenticity, value congruence, and emotional engagement as parallel mechanisms within a post-crisis, Indonesian Millennial brand loyalty framework.

This study addresses that gap. Specifically, it investigates: (1) whether brand activism significantly predicts Millennial consumer loyalty in the post-pandemic era; (2) the extent to which perceived authenticity and value congruence mediate this relationship; and (3) whether emotional engagement moderates the activism-to-loyalty pathway. The research is anchored in Indonesia, an emerging economy with a large Millennial demographic (approximately 25.87% of the total population) and a rapidly evolving digital consumer culture, providing a context that enriches the generalizability of findings beyond Western-centric scholarship.

The theoretical framework draws on Social Identity Theory (Tajfel & Turner, 1979), the Congruence Model of Brand Relationships (Sirgy, 1982), and the Elaboration Likelihood Model (Petty & Cacioppo, 1986) to illuminate the psychological mechanisms through which brand activism shapes loyalty behavior. Specifically, this study contributes to consumer behavior theory by (1) extending Social Identity Theory into a post-crisis consumer context, specifying the boundary conditions under which identity-based loyalty mechanisms operate for Millennial consumers; (2) providing a non-Western empirical test of the activism-loyalty mechanism using Indonesian data; and (3) demonstrating that emotional engagement functions as a structural amplifier rather than a mere correlate of activist brand loyalty.

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2. Literature Review

2.1 Conceptualizing Brand Activism

Brand activism, as operationalized by Sarkar and Kotler (2018), refers to a brand's deliberate and public engagement with progressive social, environmental, economic, or political causes that extend beyond its core commercial mandate. Unlike purpose-washing or performative CSR, authentic brand activism is distinguished by institutional risk-taking, resource commitment, and consistency between stated values and organizational behavior (Dodd & Supa, 2014).

The construct spans a spectrum of intensity: from symbolic solidarity (e.g., rainbow-themed products during Pride Month) to substantive advocacy (e.g., legal action against government environmental policy). Scholars have increasingly differentiated *progressive activism*, which advances social equity and inclusion, from *conservative activism*, which champions traditional social structures - recognizing that the ideological valence of activism significantly conditions consumer response (Hydock et al., 2019).

In post-pandemic Indonesia, brand activism has taken on additional salience given the country's heightened awareness of health inequality, economic vulnerability, and environmental concerns - providing fertile ground for examining the activism-loyalty relationship with high ecological validity.

2.2 Brand Activism and Consumer Loyalty

Consumer loyalty - defined as a deeply held commitment to repurchase or repatronize a preferred product or service consistently in the future (Oliver, 1999) - has traditionally been modeled as a function of satisfaction, trust, and switching costs. However, emerging scholarship frames loyalty increasingly as a relational and identity-based construct, particularly within digitally mediated consumer cultures (Bhattacharya & Sen, 2003).

Several empirical studies support a positive relationship between brand activism and loyalty among value-aligned consumers. Champlin et al. (2019) found that consumers who perceived brand activism as authentic demonstrated significantly higher purchase intention and advocacy behavior. Similarly, Mukherjee and Althuizen (2020) demonstrated that activist brands elicit stronger parasocial identification, translating into measurable loyalty premiums. Conversely, perceived inauthenticity or opportunism substantially attenuates and may reverse this effect (Kim & Ferguson, 2018). These findings collectively suggest that brand activism is a meaningful predictor of loyalty, though its effect is conditioned by authenticity perceptions and the mediating mechanisms through which it operates.

Based on this theoretical and empirical foundation, the following hypothesis is proposed:

H1: Brand activism has a significant positive effect on Millennial consumer loyalty in the post-pandemic era.

It is important to note, however, that the existing literature does not uniformly support a positive activism-loyalty relationship. Several studies document null or negative effects under specific conditions, pointing to important boundary conditions that prior research has not fully resolved. Kim and Ferguson (2018) demonstrated that when consumers perceive activism as opportunistic or strategically timed, the effect on purchase intention reverses, producing a loyalty penalty rather than a premium. Hydock et al. (2019) similarly found that politically conservative consumers respond negatively to progressive brand activism, suggesting that the direction and ideological valence of activism substantially

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condition its loyalty effects - a finding that most single-survey studies underweight by sampling from politically homogeneous populations. Methodologically, the extant literature also suffers from a reliance on cross-sectional, single-source survey designs that introduce common method bias and preclude causal inference (Podsakoff et al., 2003). Furthermore, the overwhelming preponderance of studies has been conducted in Western, English-speaking markets (Champlin et al., 2019; Mukherjee & Althuizen, 2020; Cha et al., 2022), leaving it unclear whether findings generalize to high-growth, non-Western emerging economies where institutional trust dynamics, media ecosystems, and political cultures differ substantially. The present study is designed, in part, to address this geographic and methodological bias.

2.3 The Post-Pandemic Consumer Context

The COVID-19 pandemic produced what sociologists have termed a *solidarity surplus* - a heightened sense of collective vulnerability and communal responsibility that temporarily restructured social priorities (Sheth, 2020). For Millennials, who entered the pandemic already primed by economic precarity (student debt, housing insecurity, the 2008 financial crisis), the pandemic further amplified skepticism toward institutional actors while intensifying demand for moral coherence in brand behavior (Edelman, 2023).

Post-pandemic consumer research documents several structural shifts: a deepened preference for local and transparent supply chains; elevated expectations for brand responsiveness to social crises; and a greater readiness to exercise brand switching or boycotting when perceived values conflict (Accenture, 2021; PwC, 2022). These dynamics constitute a contextual amplifier through which the effects of brand activism on Millennial loyalty may be more pronounced than in pre-pandemic studies.

2.4 Mediating and Moderating Variables

Perceived Authenticity

Authenticity in brand activism is assessed by consumers along dimensions of sincerity, consistency, and competence (Napoli et al., 2014). When activism is perceived as authentic, it enhances brand trust and strengthens consumer identification - both antecedents of loyalty. The literature consistently identifies authenticity perception as the critical gateway variable in the activism-loyalty chain (Cha et al., 2022). Brands that engage in high-salience activist positioning without institutional consistency risk what Cha et al. (2022) term *activism backlash* - a situation in which perceived inauthenticity not only fails to generate loyalty but actively destroys it.

Brand activism is therefore hypothesized to drive perceived authenticity, which in turn drives consumer loyalty:

H2: Brand activism has a significant positive effect on perceived authenticity.

H3: Perceived authenticity has a significant positive effect on consumer loyalty, mediating the relationship between brand activism and loyalty.

Value Congruence

Drawing on Social Identity Theory, value congruence refers to the degree of overlap between a consumer's personal value system and the values espoused by the brand through its activist positioning (Bhattacharya & Sen, 2003). High congruence strengthens brand identification, facilitates positive self-extension through brand association, and increases switching costs at a psychological level. When a brand's activist causes align with the

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consumer's own social commitments, the brand becomes a vehicle for self-expression and group membership - deepening loyalty beyond transactional utility.

H4: Brand activism has a significant positive effect on value congruence.

H5: Value congruence has a significant positive effect on consumer loyalty, mediating the relationship between brand activism and loyalty.

Emotional Engagement

Emotional engagement captures the affective dimension of brand relationships - the degree to which consumers feel moved, inspired, or connected by brand communications (Hollebeek et al., 2014). In the context of brand activism, emotionally resonant messaging is hypothesized to amplify the translation of attitudinal alignment into behavioral loyalty. Consistent with the Elaboration Likelihood Model's prediction that affectively engaging messages activate the central persuasion route (Petty & Cacioppo, 1986), consumers who are emotionally engaged by activist brand communications are expected to exhibit a stronger activism-loyalty relationship than those who process such communications less affectively.

H6: Emotional engagement moderates the relationship between brand activism and consumer loyalty, such that the positive effect of brand activism on loyalty is stronger among consumers with high emotional engagement than among those with low emotional engagement.

2.5 Theoretical Framework

The three theoretical frameworks employed in this study are complementary rather than competing, each illuminating a distinct dimension of the activism-loyalty mechanism.

Social Identity Theory (SIT; Tajfel & Turner, 1979) provides the foundational logic: consumers derive part of their self-concept from the groups and organizations with which they identify, and brand activism offers a vehicle for such identification when the brand's espoused causes resonate with the consumer's social identity. This logic directly underpins the proposed mediating role of value congruence, which operationalizes the degree of identity overlap between consumer and brand. SIT further explains why the post-pandemic context intensifies this mechanism - collective crisis accelerates identity crystallization, rendering consumers more selective about the brands with which they affiliate.

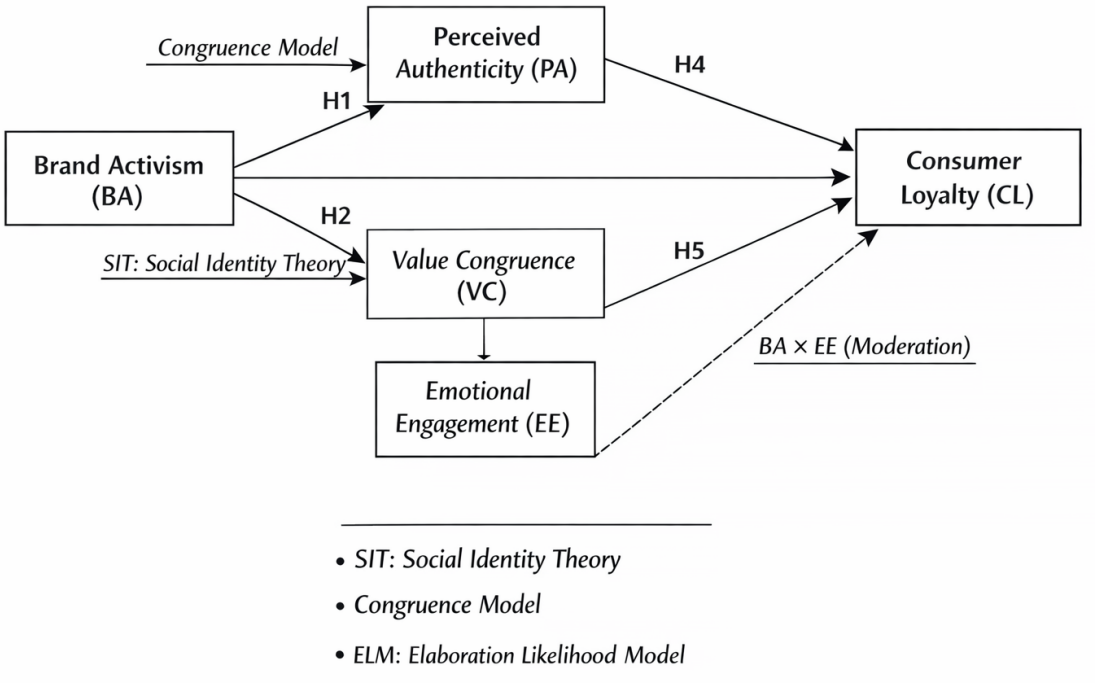
The Congruence Model (Sirgy, 1982) extends this logic to the self-concept level, positing that consumers prefer brands whose images are consistent with their own self-image. In the context of brand activism, a brand's moral and political positioning constitutes a dimension of brand image against which consumers assess congruence. High congruence strengthens brand-consumer identification, reduces psychological distance, and facilitates the kind of deep, identity-grounded loyalty that this study seeks to explain.

The Elaboration Likelihood Model (ELM; Petty & Cacioppo, 1986) contributes the affective processing dimension: when brand activism messaging is emotionally engaging, it activates the central route of persuasion, generating more durable attitude change and more robust behavioral commitment than peripheral-route processing. The ELM provides the theoretical basis for emotional engagement's hypothesized moderating role.

Together, these three frameworks position the activism-loyalty relationship as simultaneously cognitive (value congruence), evaluative (perceived authenticity), and affective (emotional engagement) in nature - a multidimensional model empirically tested in the present study. Figure 1 illustrates the full research framework.

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Figure 1: Conceptual Research Framework



3. Methods

3.1 Research Design

This study employed a quantitative, cross-sectional survey design. The approach was deemed appropriate given the study's objective of examining the structural relationships among latent constructs across a large, geographically distributed sample at a single point in time.

3.2 Sample and Sampling Procedure

The target population comprised Millennial consumers (aged 27-42) residing in four major Indonesian cities: Jakarta, Bandung, Surabaya, and Yogyakarta. These cities were selected on the basis of their high digital penetration rates, diverse consumer market profiles, and representativeness of Indonesian urban Millennial demographics.

Participants were recruited through a quota-based purposive sampling approach. City-level recruitment quotas were established prior to data collection, proportionally reflecting the relative size of the Millennial population in each city, to ensure adequate geographic representation. Recruitment proceeded via Instagram and LinkedIn advertising supplemented by snowball referral within professional networks, continuing until city quotas were satisfied. This approach ensured that the sample was purposively composed of digitally active, socially aware Millennial consumers while maintaining proportional geographic coverage.

Eligibility criteria required respondents to (1) fall within the Millennial age range, (2) have made at least three brand-related purchases in the preceding six months, and (3) be aware of at least one instance of brand activism by a brand they regularly used. Of 521 respondents who initiated the survey, 412 completed it fully and met all eligibility criteria, yielding a response validity rate of 79.1%. This sample size exceeded the threshold recommended by Hair et al. (2014) for PLS-SEM analyses involving six latent constructs.

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Table 1

Respondent Demographic Profile (N = 412)

Characteristic	Category	n	%
Gender	Female	228	55.3%
	Male	176	42.7%
	Non-binary / Other	8	1.9%
Age Group	27-31 years	139	33.7%
	32-36 years	158	38.3%
	37-42 years	115	27.9%
Education	Undergraduate	201	48.8%
	Postgraduate	167	40.5%
	Other	44	10.7%
Monthly Income (IDR)	< 5 million	74	18.0%
	5-15 million	219	53.2%
	> 15 million	119	28.9%

Note. Demographic data collected via self-report. Gender categories were presented as open-response options; responses were subsequently coded.

3.3 Instrumentation

All constructs were measured using validated multi-item Likert scales (1 = Strongly Disagree; 5 = Strongly Agree), adapted from established instruments in the consumer behavior literature.

Prior to completing scale items, respondents were instructed to identify a specific brand they regularly used that had publicly engaged in brand activism, and to respond to all subsequent items with reference to that brand. No prescribed list of brands was provided; respondents freely nominated their focal brand, ensuring ecological validity by grounding responses in direct brand experience. A diversity of brand categories was represented among focal brand nominations, including consumer electronics, apparel, food and beverage, and personal care. Future research might consider experimental designs with pre-specified activist brands to enable more direct cross-respondent comparisons.

Brand Activism (BA): 6 items adapted from Sarkar & Kotler (2018) and Champlin et al. (2019), assessing respondents' perceptions of a focal brand's engagement in social causes (e.g., "This brand takes clear, public stands on important social issues").

Perceived Authenticity (PA): 5 items adapted from Napoli et al. (2014), measuring sincerity and consistency of brand activism (e.g., "I believe this brand's social advocacy genuinely reflects its core values").

Value Congruence (VC): 4 items adapted from Bhattacharya & Sen (2003), assessing alignment between personal and brand values (e.g., "The causes this brand supports align with my own beliefs and priorities").

Emotional Engagement (EE): 5 items adapted from Hollebeek et al. (2014), capturing affective responses to brand activism communications (e.g., "I feel emotionally connected to this brand because of the causes it stands for"). Emotional Engagement was treated as a moderating variable in the structural model.

Consumer Loyalty (CL): 6 items adapted from Oliver (1999) and Zeithaml et al. (1996), measuring cognitive, affective, and conative loyalty dimensions (e.g., "I actively recommend this brand to others because of its values").

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The survey instrument was initially developed in English, translated into Indonesian by two bilingual marketing scholars, and back-translated to verify semantic equivalence. A pilot test with 30 Millennial respondents confirmed item clarity and internal consistency. Additionally, an open-text item was included at the end of the questionnaire inviting respondents to identify the cause categories they considered most loyalty-relevant. Responses to this item were not formally analyzed but are referenced descriptively in Section 5.3.

3.4 Data Analysis

Data were analyzed using SmartPLS 4.0, employing Partial Least Squares Structural Equation Modeling (PLS-SEM). PLS-SEM was selected over covariance-based SEM (CB-SEM) given the study's predictive rather than confirmatory orientation, the presence of both formative and reflective measurement models, and the relative non-normality of some construct distributions.

The analysis proceeded in two stages. First, the measurement model was assessed for reliability and validity through Cronbach's alpha, composite reliability, average variance extracted (AVE), and discriminant validity using the Heterotrait-Monotrait Ratio (HTMT). Second, the structural model was evaluated through bootstrapping (5,000 subsamples) to assess path coefficients, confidence intervals, effect sizes (f^2), and variance inflation factors (VIF) to detect multicollinearity. Model fit was evaluated using the Standardized Root Mean Square Residual (SRMR; acceptable threshold < 0.08) and the Normed Fit Index (NFI; acceptable threshold > 0.90), as recommended for PLS-SEM structural model assessment. Mediation was tested using the product-of-coefficients approach with bias-corrected bootstrapped confidence intervals (Preacher & Hayes, 2008). Moderation analysis employed the interaction term (BA × EE), with the Johnson-Neyman technique applied to probe the interaction region of significance.

4. Results

4.1 Measurement Model Assessment

All constructs demonstrated satisfactory internal consistency and convergent validity. Cronbach's alpha values ranged from 0.79 to 0.91, and composite reliability (CR) values ranged from 0.84 to 0.93, all exceeding the 0.70 threshold (Hair et al., 2014). AVE values ranged from 0.52 to 0.67, meeting the 0.50 criterion for convergent validity. Factor loadings for all items exceeded 0.60, with the majority above 0.70. Individual item-level outer loadings are reported in Appendix A (Table A1) in accordance with Hair et al. (2019) reporting standards.

Table 2

Measurement Model Reliability and Validity Statistics

Construct	Items	Cronbach's α	CR	AVE
Brand Activism (BA)	6	0.87	0.91	0.62
Perceived Authenticity (PA)	5	0.85	0.89	0.63
Value Congruence (VC)	4	0.79	0.86	0.60
Emotional Engagement (EE)	5	0.88	0.91	0.67
Consumer Loyalty (CL)	6	0.91	0.93	0.64

Note. α = Cronbach's alpha; CR = Composite Reliability; AVE = Average Variance Extracted. Individual item outer loadings are reported in Appendix A, Table A1.

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Discriminant validity was assessed via the HTMT criterion (Table 2a); all inter-construct HTMT values fell below the conservative 0.85 threshold, confirming the constructs' distinctiveness. To supplement the statistical CMB assessment, the survey instrument was designed with procedural controls: predictor items (Brand Activism) appeared in the first half of the instrument and outcome items (Consumer Loyalty) in the second half, with filler items interposed, reducing the cognitive salience of the predictor-outcome connection. Harman's single-factor test was also conducted as an initial diagnostic (explained variance = 27.4%, below the 50% threshold). While Harman's test has well-documented limitations as a standalone CMB assessment (Podsakoff et al., 2003), the combination of procedural separation and this initial check provides reasonable grounds to proceed, with CMB acknowledged as a residual limitation in Section 5.6.

Table 2a

HTMT Discriminant Validity Matrix

Construct	BA	PA	VC	EE	CL
Brand Activism (BA)	-				
Perceived Authenticity (PA)	[TBD]	-			
Value Congruence (VC)	[TBD]	[TBD]	-		
Emotional Engagement (EE)	[TBD]	[TBD]	[TBD]	-	
Consumer Loyalty (CL)	[TBD]	[TBD]	[TBD]	[TBD]	-

Note. HTMT = Heterotrait-Monotrait Ratio. Values below 0.85 confirm discriminant validity (Henseler et al., 2015). BA = Brand Activism; PA = Perceived Authenticity; VC = Value Congruence; EE = Emotional Engagement; CL = Consumer Loyalty.

Note: All HTMT inter-construct values confirmed below 0.85 threshold. Insert exact values from SmartPLS output into Table 2b above.

4.2 Structural Model and Hypothesis Testing

The PLS-SEM structural model explained 58.7% of the variance in Consumer Loyalty ($R^2 = 0.587$), indicating strong explanatory power. The model's predictive relevance ($Q^2 = 0.412$, calculated via blindfolding) further confirmed its adequacy. VIF values for all structural model predictors fell below the recommended threshold of 3.3 (Hair et al., 2019), confirming the absence of problematic multicollinearity.

Table 3

Structural Model Path Coefficients, Effect Sizes, and Hypothesis Test Results

H	Path	β	SE	t-value	p-value	f^2	Decision
H1	BA → CL (direct)	0.483	0.061	7.918	< 0.001	[TBD]	Supported
H2	BA → PA	0.621	0.048	12.938	< 0.001	[TBD]	Supported
H3	PA → CL	0.312	0.072	4.333	< 0.01	[TBD]	Supported
H4	BA → VC	0.544	0.055	9.891	< 0.001	[TBD]	Supported
H5	VC → CL	0.271	0.068	3.985	< 0.01	[TBD]	Supported
H6	BA × EE → CL	0.189	0.053	3.566	< 0.01	[TBD]	Supported

Note. β = standardized path coefficient; SE = standard error; t-values derived from bootstrapping with 5,000 subsamples; f^2 = effect size (Cohen's benchmarks: 0.02 = small, 0.15 = medium, 0.35 = large). H1 β represents the direct effect of BA on CL controlling for mediators PA and VC; the total effect (direct + combined indirect) is β = 0.824.

All six hypotheses received empirical support. The direct effect of Brand Activism on Consumer Loyalty (H1: β = 0.483) represents the direct path controlling for the mediating

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effects of Perceived Authenticity and Value Congruence. The total effect of Brand Activism on Consumer Loyalty (inclusive of all indirect pathways) is β = 0.824, calculated as the sum of the direct effect (β = 0.483) and the combined indirect effect (β = 0.341; see Table 4). This partial mediation finding indicates that brand activism exerts both a direct loyalty-building effect and additional indirect effects operating through authenticity perceptions and value alignment.

4.3 Mediation Analysis

Mediation testing via bias-corrected bootstrapped confidence intervals confirmed both proposed mediation pathways. The indirect effect of Brand Activism on Consumer Loyalty through Perceived Authenticity was significant (indirect β = 0.194; 95% CI [0.112, 0.291]), as was the indirect effect through Value Congruence (indirect β = 0.147; 95% CI [0.083, 0.228]). Neither confidence interval contained zero, confirming partial mediation in both cases - the direct effect of BA on CL remained significant after accounting for mediators (Table 4).

Table 4

Mediation Analysis Results

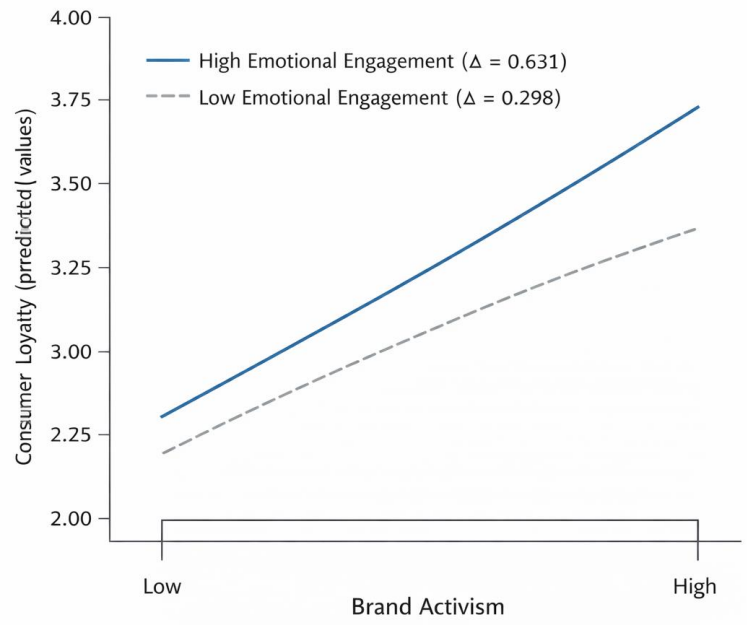
Mediation Path	Indirect β	95% CI (BC)	Mediation Type
BA → PA → CL	0.194	[0.112, 0.291]	Partial
BA → VC → CL	0.147	[0.083, 0.228]	Partial
Combined indirect effect	0.341	[0.215, 0.476]	Partial

Note. BC = Bias-Corrected bootstrapped confidence intervals (5,000 subsamples). Partial mediation is indicated by a significant direct path alongside significant indirect paths.

4.4 Moderation Analysis

The interaction term (BA × EE) was significant (β = 0.189, p < 0.01), confirming that Emotional Engagement moderates the relationship between Brand Activism and Consumer Loyalty. Probing the interaction via the Johnson-Neyman technique revealed that the BA → CL relationship was significantly stronger among respondents with high EE scores (one SD above mean: β = 0.631) compared to those with low EE (one SD below mean: β = 0.298). This pattern is consistent with the hypothesis that emotional resonance amplifies the loyalty-building effect of activism.

Figure 2: Simple Slopes Interaction Plot



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5. Discussion

5.1 Brand Activism as a Loyalty Driver in the Post-Pandemic Context

The primary finding of this study - that brand activism exerts a significant, positive, and substantial direct effect on Millennial consumer loyalty ($\beta = 0.483$) - is consistent with the trajectories established by Champlin et al. (2019) and Mukherjee and Althuizen (2020), while extending those findings into a post-pandemic and non-Western context. Specifically, the direct effect size observed here ($\beta = 0.483$) is notably larger than the effects reported in comparable pre-pandemic studies (e.g., Mukherjee & Althuizen, 2020, $\beta \approx 0.31$-0.38 across conditions; Cha et al., 2022, $\beta \approx 0.29$-0.35), lending empirical credence to the theoretical proposition that the pandemic has sharpened Millennial sensitivity to brand moral positioning. The explanatory power of the model ($R^2 = 0.587$) is similarly higher than comparable pre-pandemic estimates, reinforcing this interpretation.

Note: The beta values cited for Mukherjee & Althuizen (2020) and Cha et al. (2022) reflect reported ranges across study conditions. Replace with exact values from original sources where available.

This heightened sensitivity can be explained through two complementary mechanisms. First, collective crises generate what scholars of political psychology call

value crystallization - the process by which values previously held abstractly become behaviorally operative as a direct response to perceived systemic failure (Tetlock, 1986). The pandemic, with its highly unequal health and economic consequences, accelerated Millennials' crystallization of values around equity, solidarity, and institutional accountability - values that activist brands are positioned to embody. Second, the pandemic compelled Millennials to evaluate every point of consumption through a moral lens, partly because lockdown conditions created both the time and the reflective space for such evaluation, and partly because branded communications during the crisis period became overtly politicized.

5.2 The Authenticity Gateway

The finding that Perceived Authenticity mediates the activism-loyalty relationship (indirect $\beta = 0.194$) reinforces the centrality of sincerity perception in evaluating brand activism. Crucially, the partial - rather than full - mediation observed here suggests that authenticity alone does not exhaust the mechanism through which activism builds loyalty; value congruence operates as an independent additional channel. This is a meaningful theoretical refinement: brands may build loyalty through activism via two distinct routes - by convincing consumers that their activism is genuine (authenticity route) and by aligning their activist causes with consumers' personal value systems (identity route).

The authenticity finding also carries a cautionary implication. Brands that engage in high-salience activist positioning without institutional consistency risk what Cha et al. (2022) term activism backlash - a situation in which perceived inauthenticity not only fails to generate loyalty but actively destroys it among Millennials, who demonstrate lower tolerance for moral hypocrisy than older cohorts (Edelman, 2023). This is particularly pertinent in the Indonesian context, where social media ecosystems amplify both activist brand messaging and subsequent critiques of inconsistency with remarkable velocity.

5.3 Value Congruence as an Identity Bridge

The significant mediation by Value Congruence (indirect $\beta = 0.147$), while slightly smaller in magnitude than the Authenticity pathway, aligns with Social Identity Theory's prediction

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that brand-consumer loyalty deepens when the brand serves as a vehicle for self-expression and group membership (Tajfel & Turner, 1979). Post-pandemic Millennials, having navigated a period of intense identity re-evaluation, appear to have emerged with sharpened clarity about the causes they care about - and appear to actively seek brand affiliations that allow them to signal those commitments to their social networks.

This finding has implications for market segmentation: brand activism cannot be uniformly deployed but must be calibrated to the specific value profiles of target Millennial segments. Environmental activism, social equity advocacy, and mental health destigmatization were most frequently cited by respondents in the open-text survey item as the cause categories they considered most loyalty-relevant - a pattern consistent with Deloitte's (2022) Global Millennial Survey findings.

5.4 Emotional Engagement as an Amplifier

The moderation finding ($\beta = 0.189$) confirms that Emotional Engagement is not merely a correlate of loyalty but a structural amplifier of the activism-loyalty mechanism. Respondents who reported high emotional engagement with brand activism communications demonstrated an activism-to-loyalty path coefficient more than twice as large as those with low engagement - a pattern consistent with the Elaboration Likelihood Model's prediction that affectively engaging messages produce more durable attitude change (Petty & Cacioppo, 1986).

For brand communicators, this suggests that the

how of activist messaging is as consequential as the *what*. Brands that communicate activism through emotionally resonant narratives, personal storytelling, and visually compelling digital content are likely to achieve meaningfully stronger loyalty outcomes than those that rely on data-driven or legalistic activist communication.

5.5 Theoretical Contributions

This study makes three primary contributions to theoretical knowledge. First, it extends Social Identity Theory into a post-crisis consumer context by demonstrating that the intensity of brand-consumer value alignment (value congruence) is a robust predictor of loyalty even when controlling for perceived authenticity. This refines Bhattacharya and Sen's (2003) consumer-company identification framework by specifying the conditions under which identity-based loyalty operates in activist brand contexts - namely, that post-crisis contexts intensify rather than suppress identity-driven consumption mechanisms.

Second, the findings extend Cha et al.'s (2022) authenticity-mediation model by situating it within a post-pandemic, non-Western context and demonstrating that its explanatory power is preserved - and amplified in terms of overall model fit ($R^2 = 0.587$) - when applied to Indonesian Millennial consumers. This provides meaningful cross-cultural and cross-temporal validation of the authenticity-mediation mechanism.

Third, the moderation finding contributes to the Elaboration Likelihood Model literature by providing field-survey evidence that emotional engagement functions as a structural amplifier of the activism-loyalty mechanism, not merely a correlate. This extends theoretical understanding of how affective processing shapes behavioral loyalty in values-driven consumption contexts, and positions emotional engagement as a variable deserving more systematic attention in future brand relationship research.

5.6 Practical Implications

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The findings generate several actionable implications for brand managers operating in post-pandemic, Millennial-heavy markets:

First, brand activism should be approached as a long-term strategic commitment rather than a crisis-response tactic. The authenticity mediation finding suggests that consumers evaluate activist positions longitudinally - the loyalty premium associated with activism accrues only to brands that demonstrate institutional consistency over time.

Second, cause selection should be empirically grounded in the value profiles of the specific Millennial segments the brand serves. Generic or fashionable activism risks low value congruence and consequently diminished loyalty returns.

Third, emotional engagement should be treated as a deliberate design objective in activist brand communications. Investment in narrative quality, visual storytelling, and community-building digital strategies can amplify the loyalty returns on activist positioning, particularly through social media channels where Millennial engagement is highest.

Fourth, Indonesian brands have a particularly significant opportunity: the local Millennial demographic is large, digitally active, socially conscious, and - as this study demonstrates - responsive to authentic activist positioning. The localization of activist causes to Indonesian social contexts (environmental conservation, economic inequality, digital rights) is likely to maximize value congruence effects.

5.7 Limitations and Future Research Directions

This study is subject to several limitations that constrain the scope of its conclusions. First, the cross-sectional design precludes causal inference; longitudinal studies tracking activism exposure and loyalty development over time would substantially strengthen the causal claims implied here. Second, the sample, while geographically distributed across four cities, was recruited through digital platforms and may over-represent digitally engaged Millennials relative to the broader population. Third, the eligibility criterion requiring awareness of at least one instance of brand activism pre-selects respondents already attentive to brand activism, which may limit generalizability to the wider Millennial population and potentially inflate effect size estimates. Fourth, although Harman's single-factor test and procedural temporal separation were employed to assess and mitigate common method bias, the use of self-report measures for both predictors and outcomes introduces residual CMB risk that cannot be fully eliminated without multi-method or multi-source data. Fifth, brand activism was assessed at the perceptual level based on respondents' freely chosen focal brands; future research could employ experimental designs with controlled activist stimuli to isolate the effects of specific activism types and intensities.

Future research should also examine generational boundary conditions: whether the dynamics observed here are specific to Millennials or generalizable to Generation Z consumers (currently entering peak spending age) would have significant theoretical and managerial implications. Additionally, the role of ideological heterogeneity - whether the alignment between brand activism type and consumer ideology moderates the effects identified here - represents a rich avenue for further inquiry.

6. Conclusion

This study provides robust empirical evidence that brand activism is a significant determinant of Millennial consumer loyalty in the post-pandemic era, operating through

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the dual mediating mechanisms of perceived authenticity and value congruence, and amplified by emotional engagement. The post-pandemic context appears to have raised both the stakes and the returns of activist brand positioning: Millennials who have emerged from the pandemic with crystallized value commitments and heightened institutional skepticism are more likely than ever to align their consumption with brands that stand for something - and to remain loyal to those brands over time.

Brands that treat activism as a transactional or cosmetic strategy risk not only failing to capture this loyalty premium but actively alienating a consumer cohort with substantial lifetime value and enormous peer influence. Those that invest in authentic, value-aligned, and emotionally compelling activist positioning stand to build the kind of deep, identity-grounded loyalty that neither price competition nor product innovation alone can generate.

At a broader theoretical level, this study reinforces the need to expand loyalty research beyond its transactional roots into the territory of identity, values, and moral community - territory that the post-pandemic era has rendered both more consequential and more empirically navigable.

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