



The 16th National and International Conference
"Global Goals, Local Actions: Looking Back and Moving Forward 2024"
20 March, 2024

The Impact of Marketing Mix, Digital Marketing, and Word of Mouth Towards Consumers' Purchasing Decisions in Online Food Delivery Services in Yangon, Myanmar

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Abstract

The purpose of this research study was to investigate the impact of marketing mix, digital marketing, and word of mouth towards consumers purchasing decisions in online food delivery services in Yangon, Myanmar. The population of this study focuses on the people who engage in purchasing food through online delivery services. A sample size of 400 respondents in Yangon, Myanmar, who had previously experience with online food delivery services, was selected using a convenience sampling method. The data analysis involved utilizing methods such as frequency, percentage, mean, standard deviation, and multiple linear regression. The results of the study indicated that the marketing mix factor (Beta = .148), digital marketing factor (Beta = .206), and word of mouth factor (Beta = .415) had a statistically significant impact on the consumers' purchasing decisions in online food delivery services in Yangon, Myanmar at a statistical significance level of 0.05.

Keywords: Marketing Mix, Digital Marketing, Word of Mouth

Introduction

Online businesses are significantly more popular in recent years and all business partners are now trying to offer their products and services to market through the Internet. E-commerce platforms are preferred by consumers since they allow for convenient and comfortable to purchase products or goods (Jiang, et al., 2013; Rezaeiet, al., 2016). Because of advanced technologies, people can now order food through websites, online delivery



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services. Online food delivery services provide customers with a variety of food options from different restaurants or vendors.

The online food delivery market in Myanmar has expanded significant in recent years, as a result of increasing urbanization and changing consumer preferences. Food delivery services need to effectively utilize marketing mix elements, digital marketing strategies, and capitalize on positive word of mouth recommendations to fulfill changing customer demands. This research aims to demonstrate the advantages of integrating these factors and their impact on the success of food delivery services in Myanmar.

Mahmood and Khan, (2014) proposed that marketers aim to impact customer perception of their company in order to influence the purchasing decisions by implementing numerous controllable marketing mix components such as product, price, place, promotion, people, process, and physical evidence. Mahmood and Khan considered the service marketing mix as a tool to influence how customers perceive a service whereas McCarthy (1964) focused on the traditional marketing mix.

The rise of social media has allowed marketing to explore numerous avenues for promoting products, including engaging in advertising, publishing branded content on social networks, and encouraging consumer involvement in branding opportunities. Recent technological advancements have significantly influenced marketing platforms and consumer behavior, thereby impacting consumers' decision-making processes when it comes to purchasing products (Pyaе Zaw, 2019).

Previous research indicates that word of mouth (WOM), is the traditional and effective method for influencing consumers purchasing decisions. It plays an important part in the decision-making process and holds great significance for upscale restaurants. These establishments are keen on leveraging this form of advertising to influence consumers, as it has a significant impact on their purchase decisions and encourages repeat visits. Due to this importance, WOM has been recognized as a prominent influence in the restaurant industry, particularly among Malay upscale restaurants (Basri, et al., 2016).

The objective of this research is to analyze the impact of marketing mix, digital marketing, and word of mouth on consumers' purchasing decisions in online food delivery services in Yangon, Myanmar. The results of this study will be advantageous for online food delivery service providers as they can gain a deeper understanding of how consumers perceive and expect high-quality online food delivery services and will enable them to develop improved strategies that enhance customer satisfaction and loyalty.



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Objectives

1. To study the influence of marketing mix on consumers' purchasing decisions.
2. To study the influence of digital marketing on consumers' purchasing decisions.
3. To study the influence of word of mouth on consumers' purchasing decisions.

Research Scope

1. Population: The population of this research focus on consumers from online food delivery services in Yangon, Myanmar, with sampling method gather data from this population. In this research, 400 samples were gathered with a precision level of +-5%.

2. Variables: This research studies consumers' purchasing decisions in online food delivery services in Yangon, Myanmar, concerning with three variables: marketing mix (product, price, place, promotion, people, process, and physical evidence), digital marketing (acquisition, activation, retention, revenue, and referral), and word of mouth (evaluation, explanation, embracing, endorsement).

3. Time of study: The study was about the impact of Marketing Mix, Digital Marketing, and Word of Mouth towards Customers' Purchasing Decisions in online food delivery services in Yangon, Myanmar. The research had been done from June 2023-January 2024.

Methodology

1. Research Methodology

This research study utilized a quantitative method by an online survey, distributed to the participants through Google forms. The data collected through google forms was entered into statistical software for data analysis and to get the result. The population of this research is the consumers in Yangon, Myanmar.

2. Research Process

Population and Sample Determination: The sample size of this study is 400 respondents according to Yamane, 1967.

Research Tools: The researcher used an online questionnaire for data collection.

Check the performance of the tool: The reliability test was conducted with a volunteer sample group of 40 respondents, aiming for results above 0.70. After analyzing the reliability, it concluded as the Cronbach's Alpha coefficient of marketing mix scale is 0.884, digital marketing scale is 0.807, word of mouth scale is 0.737, consumers purchasing decision scale is 0.853, and the total is 0.934.



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To conclude, word of mouth is the most influence factor on consumers' purchasing decisions since it achieved the highest beta values among other two variables.

Conclusion and Discussion

Hypothesis 1 that Marketing Mix has a significance on Customer's Purchasing Decisions in Online Food Delivery Services in Yangon, Myanmar, has accepted. According to Lin (2011), the 7p's Marketing Mix is a key strategy for service marketing and it is a conceptual framework for making decisions to fulfill the demands of the consumers. When compared to my research, the 7p's in Marketing Mix have a significance effects on Consumers' Purchasing Decisions and it can be recognized as similar as to Lin's concept. This result also closely parallels Ge, & Mahamud's research in 2021, studied research about the Marketing Mix that Influence the Process of Making Decision to Buy Food through the Application. In previous research, it was found that the overall marketing mix factor was at a high level, consisting of marketing promotion, product, price, and place. The research concluded that Marketing Mix factors influence the decision-making process for the food purchases through the application and has a positive relationship between customers purchasing decisions.

Hypothesis 2 that Digital Marketing has a significance on Customer's Purchasing Decisions in Online Food Delivery Services in Yangon, Myanmar, has accepted. A study conducted by McClure in 2007 investigated the successful progression of a customer through five distinct phases in the AARRR model, which include Acquisition, Activation, Retention, Referral, and Revenue, thereby defining a comprehensive customer lifecycle. The results of the study can be concluded that digital marketing including AARRR model has a significant impact on consumer purchasing decisions and supports the same concept of aforementioned study (McClure, 2007). Al-Azzam & Al-Mizeed's research in 2021 also investigated to evaluate numerous digital marketing platforms in Jordan that can affect purchasing decisions and identify product categories purchased by customers on digital media platforms. In previous research, it was found that digital marketing, such as social media marketing and mobile marketing, has a profound impact on consumer purchasing decisions. The research concluded that Digital Marketing is a positive relationship between consumers purchasing decision.

Hypothesis 3 that Word of Mouth has a significance on Customer's Purchasing Decision in Online Food Delivery Services in Yangon, Myanmar, has accepted. Kotler and Keller (2013) highlighted the substantial influence of Word of Mouth (WOM) on the decision-making process for purchases. Additionally, Choi (2020) stressed the significance of word of



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mouth, including comments and ratings, in impacting consumers' purchasing decisions. By contrasting with the current research, reviews, comments, and suggestions also influence consumers' purchasing decisions under the Word of Mouth and it also share the same results. The previous research of Husen & Setiawan in 2023 studied research about determining the influence of price, word of mouth, and service quality on the purchasing decisions of fast-food consumers at Sabana Fried Chicken Cilincing Branch, North Jakarta. It was found that Word of Mouth had a significant influence on purchasing decisions for fast food consumers in North Jakarta. The research concluded that Word of Mouth is a positive relationship between consumers purchasing decision.

Suggestion for Further Research

1. This study focuses on the factors that influence consumers' decisions when choosing to order food from online delivery services. This study can be compared to other online food delivery service applications in the future and used as a reference.
2. The current study explored the effects of marketing mix, digital marketing, and word of mouth on consumers purchasing decisions in online food delivery services in Yangon, Myanmar. Future researchers can get some ideas from this study and should consider investigating other variables to broaden the scope of knowledge in this field.
3. This research distributed an online survey through Google Forms and employed a quantitative method. In the future, researchers should concentrate on qualitative methods for exploring open-ended processes. This will enable to gain in-depth understanding of respondents' decision-making regarding online delivery services and enhance the reliability of the gathered data.

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