

## **THE IMPACT OF ONLINE MARKETING, SERVICE QUALITY AND CUSTOMER LIFESTYLE FACTORS AFFECTING CUSTOMER ENGAGEMENT IN MYANMAR PEOPLE'S TOURISM MARKET**

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### **Abstract**

In this study, statistical methods were used to analyze the impact of online marketing, service quality, and customer lifestyle on customer engagement in Myanmar's tourism market. Specifically, regression analysis was employed to examine the relationships between these independent variables (online marketing, service quality, and customer lifestyle) and the dependent variable (customer engagement). Additionally, descriptive statistics, including frequency, percentage, mean, and standard deviation, were used to summarize demographic data and provide an overview of participant responses. Using survey questionnaires to collect data from the 400 respondents, consumers interested in tourism from Myanmar, and the convenience sampling technique which is a non-probability sampling method was used to collect the data by using the Google forms. The questionnaires include standardized scales to measure consumer purchasing decisions regarding online marketing, service quality, and customer lifestyle. These statistical approaches allowed for a clear understanding of the extent to which each factor influences customer engagement, guiding targeted strategies for Myanmar's tourism businesses.

The hypothesis testing in this study provided insights into the impact of online marketing, service quality, and customer lifestyle on customer engagement in Myanmar's tourism market. Results indicate that online marketing factors, particularly content and messaging ( $p = 0.001$ ) and digital advertising ( $p < 0.001$ ), For service quality, all tested factors—operational excellence, customer interaction, and post-service feedback—showed a significant positive impact on customer engagement, with  $p$ -values of 0.002, 0.000, and 0.017 and customer lifestyle factors such as travel preference ( $p = 0.003$ ), demographics and psychographics ( $p = 0.000$ ), and sustainability practices ( $p = 0.000$ ) were found to be significant predictors of customer engagement.

**Keywords:** Online Marketing, Service Quality, Customer Lifestyle and Engagement.

### **Introduction**

This study focuses on the tourism industry is a major economic driver, with countries worldwide investing heavily to attract visitors. In Myanmar, tourism has grown significantly since 1992, when the government introduced policies to foster growth, such as flexible visa options inspired by successful destinations like Thailand. Myanmar's tourism industry now contributes substantially to the economy, fueled by its cultural heritage, natural landscapes, and unique visitor experiences. To maintain growth, the industry is focusing on customer engagement, particularly through online marketing strategies, service quality, and adapting to evolving tourist lifestyles. This study aims to analyze these dynamics to help businesses improve engagement and create memorable experiences, leveraging digital marketing, quality service standards, and lifestyle trends to remain competitive in the fast-evolving tourism landscape. Several key theories and concepts underline the impact of online marketing, service quality, and customer lifestyle on engagement within Myanmar's tourism market.

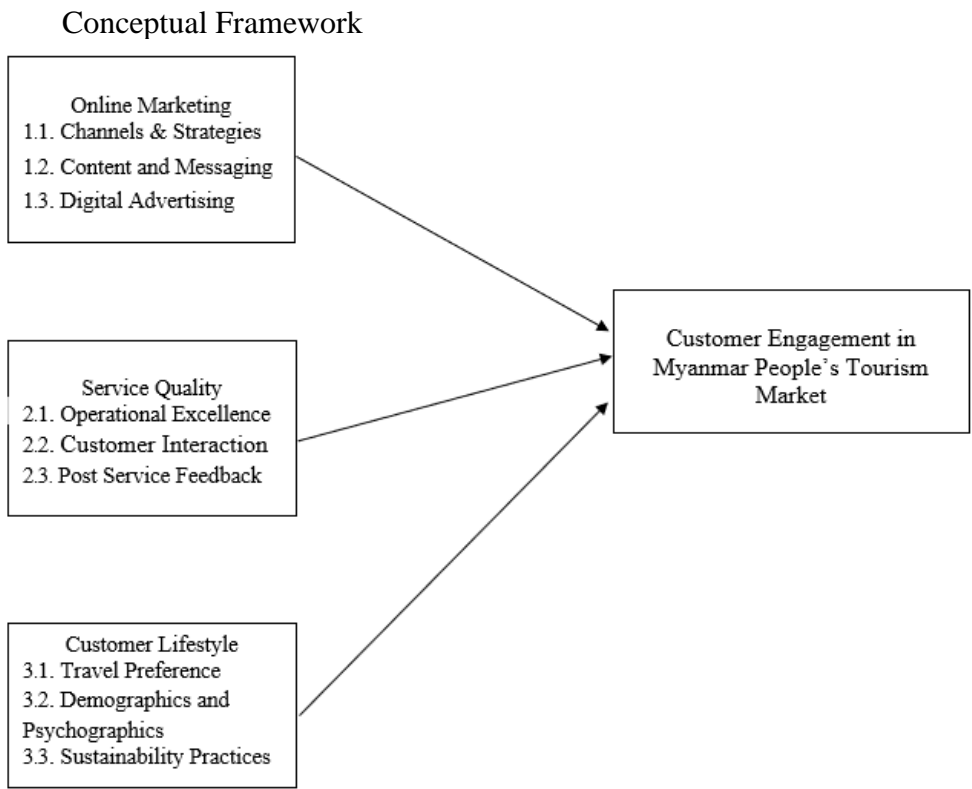
The Customer Relationship Management (CRM) framework also plays a vital role, as it highlights strategies for managing interactions with current and potential customers. By fostering loyalty through personalized communication, CRM can effectively enhance engagement. Research supports that well-implemented CRM approaches in Myanmar’s tourism industry strengthen customer loyalty and satisfaction by tailoring services to meet specific needs. Another significant model, SERVQUAL is essential in assessing service quality through dimensions like reliability and responsiveness. SERVQUAL's application in Myanmar's tourism market allows businesses to identify and improve specific service aspects, aligning with customer expectations and enhancing engagement.

**Objective of the study**

The study aims to investigate the factors influencing customer engagement in Myanmar's tourism market, focusing on the impact of online marketing, service quality, and customer lifestyle. By analyzing these variables, the study seeks to provide insights that can help businesses strengthen customer engagement, enhance service quality, and adapt to the changing preferences and expectations of tourists.

1. To study the impact of Online Marketing in Myanmar's tourism market (Channels & Strategies, Content & Messaging and Digital Advertising).
2. To study the impact of Service Quality in Myanmar’s tourism market (Operational Excellence, Customer Interaction and Post Service Feedback).
3. To study the impact of Customer Lifestyle in Myanmar’s tourism market (Travel Preference, Demographics and Psychographics and Sustainability Practices)

**Scope of the study**



### Hypotheses Test

1. H1: Online Marketing (Channels and Strategies, Content and Messaging, Digital Advertising) significantly impacts customer engagement in Myanmar's tourism market.
2. H2: Service Quality (Operational Excellence, Customer Interaction, Post-Service Feedback) significantly impacts customer engagement.
3. H3: Customer Lifestyle (Travel Preference, Demographics and Psychographics, Sustainability Practices) significantly impacts customer engagement.

### Literature Review

Item No.	Authors (Year)	Finding	Variables
1	Aung & Li (2019)	Explored domestic tourism trends in Myanmar, focusing on tourist satisfaction and service quality.	Tourist Characteristics, Service Quality, Satisfaction.
2	Kim (2018)	Analyzed the effect of travel costs on tourist destination choices across countries.	Travel Cost, Destination Choice
3	Maung & IT (2023)	Investigated the role of technology in personalized customer engagement on travel platforms.	Technology, Customer Engagement
4	Wang & Cai (2019)	Studied the impact of fuel prices on global tourism patterns, linking it to travel behavior.	Fuel Prices, Travel Behavior
5	Htay & Mg (2021)	Assessed how sustainable practices influence customer engagement in Myanmar's eco-tourism.	Sustainability, Customer Engagement

### Methodology

#### Population and Sample

The study's population comprises individuals involved in tourism activities within Myanmar, including both domestic and international tourists. This diverse population reflects the various backgrounds, preferences, and experiences in Myanmar's tourism sector. Using Yamane's formula, a representative sample size was determined to accurately reflect the broader population. This sample includes three main groups: previous visitors to Myanmar, potential future tourists, and local residents. This sampling approach provides insights into customer engagement from both tourists' and locals' perspectives.

#### Type of Research and Tool

This study employs an exploratory research design with a mixed-methods approach, combining quantitative and qualitative data collection. A structured questionnaire, distributed via Google Forms, serves as the primary research tool. The questionnaire includes quantitative items on travel preferences, online marketing, service quality, and customer lifestyle factors. In addition to structured questions, open-ended items allow respondents to provide more detailed, qualitative responses. This design helps capture a comprehensive understanding of factors influencing customer engagement within Myanmar's tourism sector.

#### Validity Test

The validity of the online questionnaire was reviewed and approved by the advisor to ensure content validity. The questions were carefully developed to align with the study's objectives and to accurately capture respondents' perceptions regarding the independent

variables—online marketing, service quality, and customer lifestyle—and their relationship with customer engagement.

#### Reliability Test

A sample of 30 respondents, with a total reliability score of 0.950. Each independent variable scored well individually: Online Marketing (0.876), Service Quality (0.81), and Customer Lifestyle (0.824), confirming that the questionnaire items are consistently measuring the constructs of interest.

#### Statistics

1. Descriptive Statistics: Used to analyze demographic data, providing summaries through frequency, percentage, mean, and standard deviation.

2. Inferential Statistics: Multiple Regression Analysis is applied to test the hypotheses and assess the relationships between independent variables (Online Marketing, Service Quality, Customer Lifestyle) and customer engagement.

### **Result**

#### Demographic Data

The demographic data of 400 respondents the majority of the respondents in this study were aged 26 – 35 years old and Female. The most respondents hold Undergraduate and they had travel for in a year 2 times. They had been traveling to Myanmar were Yes and they intend to travel to Myanmar were Yes. The highest percentage of respondents' occupations were Own Business and accommodation they prefer were Luxury Hotels also they traveling with Group Travel.

#### Mean and Standard Deviation

- Channels & Strategies: ( $\bar{x}$  = 4.010, SD = 0.659), More Agree.
- Service Quality: ( $\bar{x}$  = 4.004, SD = 0.596), More Agree.
- Customer Lifestyle: ( $\bar{x}$  = 3.980, SD = 0.724), More Agree.
- Customer engagement in Myanmar People's Tourism Market ( $\bar{x}$  = 3.935, SD = 0.488), More Agree.

#### Multiple linear regression

1. Online Marketing: Accepted with Adjusted R-square = 0.343, F = 70.555 \* P ≤ 0.05 They both sub-variables are supported: content & messaging (Sig = .001), and digital advertising (Sig = .000). The sub-variable of channels & strategies (Sig = .357) are unsupported. The results show that the first hypothesis is supported

2. Service Quality: Reject with Adjusted R-square = 0.414, F = 94.950 \*P≤0.05 All the 3 sub-variables under the customer lifestyle are supported: operational excellence (Sig = .002), and customer interaction (Sig = .000) and post service feedback (Sig = .017). The results show that the second hypothesis is supported: service quality have a significance on customer engagement.

3. Customer Lifestyle: Adjusted R-square = 0.498 F = 132.740 \*P≤0.05 Travel Preference (Sig = .003) , Demographics and psychographics (Sig = .000), and Sustainability practices (Sig = .000). The results show that the third hypothesis is supported: customer lifestyle factors have a significance on customer engagement.

## Conclusion

### Demographic Data

The demographic data collected includes essential variables such as age, gender, education level, and occupation. Key demographic characteristics:

- Age: Respondents span various age groups, offering insights from both younger and older travelers.
- Gender: Includes responses from male, female, and LGBTQ+ participants, representing a diverse audience.
- Education Level: Ranges from high school to doctoral degrees, providing an overview of respondents' educational backgrounds.
- Occupation: Covers categories like business owners, full-time employees, and part-time workers, capturing a cross-section of employment types.
- Travel Frequency and Intentions: Captures how often respondents travel and their intention to visit Myanmar, offering context to understand engagement and preferences within Myanmar's tourism market.

### Attitudes towards variables

- Independent Variable 1: Online Marketing, Tourists perceive online marketing as crucial for discovering travel information. They view digital channels like social media, search engines, and travel websites as powerful influencers in shaping travel decisions.
- Independent Variable 2: Service Quality, High expectations exist around service quality, where tourists value attentive, reliable, and culturally knowledgeable staff. Positive service interactions greatly enhance satisfaction and loyalty.
- Independent Variable 3: Customer Lifestyle, Travelers prefer tourism services that reflect their values, such as sustainability, local authenticity, and cultural sensitivity. Offerings that align with these values tend to resonate more deeply.

### Hypotheses

- H1: Online Marketing (Channels and Strategies, Content and Messaging, Digital Advertising) have a significant impact on Customer Engagement in Myanmar People's Tourism Market.
- H2: Service Quality (Operational Excellence, Customer Interaction, Post Service Feedback) has a significant impact on Customer Engagement in Myanmar People's Tourism Market.
- H3: Customer Lifestyle (Travel Preference, Demographics and Psychographics, Sustainability Practices) have a significant impact on Customer Engagement in Myanmar People's Tourism Market.

## Recommendation

To strengthen customer engagement in Myanmar's tourism market, it is essential for businesses to refine digital marketing strategies, enhance service quality, and align offerings with modern lifestyle preferences. Tourism operators should invest in visually compelling and culturally resonant online content, leveraging social media and user-generated content to build authenticity and trust. Improving service quality through ongoing staff training and establishing responsive feedback mechanisms can foster customer satisfaction and loyalty. Additionally, offering experiences that align with travelers' values—such as sustainable and culturally immersive options—can attract a broader audience and create memorable, personalized travel experiences. By focusing on these areas, Myanmar's tourism sector can enhance engagement and stay competitive in a rapidly evolving market.

For online marketing, the Digital Marketing Funnel and Technology Acceptance Model (TAM) offer foundational frameworks. The Digital Marketing Funnel helps segment customer engagement into distinct phases: awareness, consideration, and decision. By tailoring online content for each stage, tourism businesses can effectively capture attention and guide potential tourists through their decision journey. Studies reveal that visual social media content, particularly on platforms like Instagram, significantly influences travel decisions by showcasing authentic experiences. The TAM further underscores that user-friendly, informative digital platforms—such as optimized websites and mobile apps.

Improving service quality is another key recommendation. Here, the SERVQUAL Model and Service Dominant Logic (SDL) provide important guidance. SERVQUAL focuses on five key dimensions: reliability, assurance, responsiveness, empathy, and tangible elements. Applying these in Myanmar's tourism sector can ensure that service quality aligns with customer expectations, thereby enhancing satisfaction and engagement. SDL, on the other hand, promotes co-creating value with customers by involving them in feedback and allowing customization where possible. Research indicates that services that are both responsive and culturally immersive foster a stronger emotional connection, increasing the likelihood of repeat visits and recommendations.

Finally, addressing customer lifestyle preferences—specifically in terms of sustainability and cultural authenticity—can enhance engagement through the Lifestyle Segmentation and Motivation-Opportunity-Ability (MOA) Frameworks. Lifestyle Segmentation allows for targeting based on customer demographics, interests, and eco-consciousness, tailoring tourism experiences to meet distinct preferences. The MOA framework further suggests creating opportunities for travelers to engage in sustainable practices and authentic cultural experiences. Studies have shown that environmentally conscious tourists are more engaged when offered eco-friendly options, and culturally authentic interactions lead to higher satisfaction and brand loyalty. Adopting these strategies can enable Myanmar's tourism sector to resonate with evolving customer expectations and foster deeper connections.

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