



Impact of Digital Marketing on Customer Engagement in Coffee Shops: The Mediating Role of Customer Satisfaction in Yangon, Myanmar

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Abstract

Digital marketing has become increasingly important for coffee shops as consumer behavior shifts toward online discovery, evaluation, and interaction. In Yangon, rapid growth in the coffee shop sector and intensifying competition have encouraged businesses to adopt digital platforms to communicate with customers, promote offerings, and cultivate longer-term relationships. Despite this practical relevance, empirical evidence remains limited regarding which digital marketing strategies most strongly drive customer engagement in this context. This study examines the extent to which digital marketing strategies are employed among Yangon coffee shops and assesses their influence on customer engagement, with a focus on the mediating role of customer satisfaction. A quantitative, cross-sectional survey was conducted with 410 Millennial and Generation Z respondents. Five strategies were evaluated: content marketing, email marketing, influencer marketing, social media marketing, and search engine optimization (SEO). Data were analyzed using SPSS through descriptive and multiple regression analyses. Results indicate that all five strategies are positively and significantly associated with customer engagement. Among these, social media marketing shows the strongest effect (β is the highest), followed by content marketing and influencer marketing. Furthermore, customer satisfaction partially mediates the relationship between digital marketing strategies and customer engagement, suggesting that these strategies may enhance engagement both directly and indirectly by improving customer satisfaction. These findings provide practical implications for café owners and marketers in Yangon, highlighting the importance of prioritizing effective digital channels and aligning marketing content with customer expectations to sustain engagement and support relationship building in a competitive market.

Keywords: *Digital Marketing Strategies, Customer Engagement, Customer Satisfaction, Social Media Marketing, Generation Z/Millennials, Coffeeshops, Myanmar.*

1. Introduction

Digital marketing has become a key driver of growth as the internet, smartphones, and social media reshape how consumers search, compare, and interact with brands, pushing businesses toward faster, more interactive communication through digital platforms and data-driven campaign optimization (Achmad et al., 2024; Junaedi et al., 2024; Lopes & Casais, 2022). In Yangon, the rapidly expanding coffee culture has turned coffee shops into lifestyle spaces, intensifying competition and increasing reliance on marketing to build engagement and brand recognition, while customer satisfaction and repeat visits depend strongly on the overall experience (Vahabzada & Andersone, 2024). Competition has escalated with around 435 café shops, mostly sole proprietorships, and only a few international franchises competing via menu innovation, aesthetics, pricing, and promotions (Ferreira, 2015; Smartsrapers, 2025). At the same time, coffee shops increasingly use platforms such as Facebook, Instagram, TikTok, and Google Maps, along with delivery and digital payments, as customers' choices are shaped by online reviews, social media content, influencer recommendations, and digital promotions.

Customer engagement is critical to the success of coffee shops because engaged customers are willing to interact, provide feedback, recommend the brand, and remain loyal. Digital marketing can foster engagement through two-way communication via content, social media, email, and influencer collaborations, but its impact depends on how well these strategies align with customer expectations and preferences. Despite the growing use of digital marketing among Yangon coffee shops, many businesses still lack clarity on which



approaches most effectively drive engagement, often using digital platforms in a limited or unstructured way without systematically evaluating customer responses or campaign outcomes. Empirical evidence from Myanmar is also limited for lifestyle-oriented sectors such as coffee shops, creating a gap in understanding how digital marketing shapes engagement in this context. Therefore, this study investigates how five digital marketing strategies affect customer engagement in Yangon coffee shops by analyzing customers' perceptions, satisfaction, and engagement behaviors, with the goal of informing more effective strategies that strengthen customer relationships and support long-term business sustainability in a competitive market.

2. Literature Review

Customer engagement is important for creating long-term customer relationships (Habib et al., 2022). Digital platforms such as Facebook and Instagram enhance brand visibility and facilitate customer interaction through posts, while the intensity of online engagement often depends on customers' satisfaction with the product or service. Digital marketing can also improve satisfaction by using customer feedback, such as reviews and website interaction, to strengthen engagement (Lim & Rasul, 2022; Celestin et al., 2024). Moreover, digital marketing shapes online customer experiences that influence engagement and loyalty. Interactive content and value co-creation enhance emotional and behavioral engagement (Achmad et al., 2024), and content marketing builds trust and perceived value, thereby reinforcing customer-brand relationships (Hollebeek, 2025; Hollebeek & Macky, 2019).

In order to attract customers, content marketing refers to creating useful and relevant information, encouraging interaction, and building long-term relationships; it is most effective when it solves customer problems rather than simply promoting products, which increases engagement and satisfaction (Lopes & Casais, 2022; Ho et al., 2020). Social media marketing is also a strong driver of engagement in coffee shops, where consistent posting, visual appeal, and two-way communication strengthen interaction and brand recognition, while likes, comments, and shares deepen customer-brand connections among lifestyle-oriented consumers (Jayasinghe, 2021; Lim & Rasul, 2022). Email marketing remains effective when messages are timely and personalized, improving customer attitudes and engagement while supporting direct communication and relationship building through targeted promotions (Al-Azzam & Al-Mizeed, 2021; Thomas et al., 2022). Influencer marketing further boosts engagement by shaping attitudes and purchase behavior, particularly when influencers are credible, authentic, and aligned with brand values; however, ethical transparency is essential to avoid deceptive endorsements and potential legal risks (Basu et al., 2023; Chan et al., 2023; Migkos et al., 2025).

Search engine optimization (SEO) can enhance engagement by increasing online visibility and organic traffic, improving user experience and customer interaction, and helping businesses reach targeted audiences with faster access to information (Almukhtar et al., 2021; Hadi & Sarwono, 2024; Ijomah et al., 2024). Customer satisfaction is defined as the match between expectations and perceived values, and it supports engagement and loyalty. Evidence suggests satisfaction and engagement mutually reinforce each other through interactive digital communication; satisfaction may also mediate the link between digital marketing strategies and engagement (YachouAityassine et al., 2022; Hasanat et al., 2019; Razak et al., 2016). Grounded in relationship marketing theory, long-term retention depends on trust, commitment, and ongoing communication, which digital tools can strengthen in coffee shops through frequent contact, personalized messages, feedback collection, and advocacy-building in highly competitive settings like Yangon (YachouAityassine et al., 2022; Libretto, 2017; Panduro-Ramirez et al., 2024).

According to relationship marketing theory (Hasanat et al., 2019), digital marketing strategies may influence customer engagement both directly and indirectly through customer satisfaction. Effective digital communication, valuable content, and personalized interactions can enhance customer satisfaction with the brand experience, which in turn strengthens engagement behaviors such as interaction, recommendation, and loyalty. Therefore, customer satisfaction is expected to mediate the relationship between digital marketing strategies and customer engagement.

In Myanmar, existing studies mainly focus on SMEs, retail, tourism, and general services and report positive effects on awareness, satisfaction, and behavioral intentions, but coffee shop research rarely examines behavioral engagement within lifestyle-oriented contexts, highlighting a clear gap in understanding how digital marketing drives customer engagement in Yangon's coffee shop sector (Abi Adeleke, 2020;



Alamsyah et al., 2021; Aung, 2022; Park & Namkung, 2022; Hadi & Sarwono, 2024; Kyaw, 2023; Lwin, 2023).

2.1 Research questions

- What is the impact of digital marketing strategies on customer engagement behaviors?
- Which digital marketing strategies are the most effective in engaging customers in Yangon's coffee shop sector?
- How can digital marketing strategies improve customer trust and satisfaction with coffee shops?
- How do customers perceive and respond to digital marketing campaigns implemented by coffee shops in Yangon?

2.2 Research objectives

1. To determine the extent to which five digital marketing strategies, namely, content marketing, email marketing, influencer marketing, social media marketing, and search engine optimization (SEO) are used among coffee shops in Yangon.
2. To evaluate the influence of these five digital marketing strategies on customer engagement among coffee shop customers.
3. To examine how customers perceive and respond to digital marketing campaigns implemented by coffee shops.
4. To examine the mediating role of customer satisfaction in the relationship between digital marketing strategies and customer engagement.

2.3 Statement of Hypothesis

H1: Customer engagement is strongly influenced by content marketing.

H2: Email marketing has a substantial effect on customer engagement.

H3: Customer engagement is considerably influenced by influencer marketing.

H4: SEO marketing contributes significantly to customer engagement.

H5: Customer engagement is strongly driven by social media marketing.

H6a: Customer satisfaction mediates the relationship between content marketing and customer engagement.

H6b: Customer satisfaction mediates the relationship between email marketing and customer engagement.

H6c: Customer satisfaction mediates the relationship between influencer marketing and customer engagement.

H6d: Customer satisfaction mediates the relationship between social media marketing and customer engagement.

H6e: Customer satisfaction mediates the relationship between search engine optimization and customer engagement.



2.4 Conceptual framework



Figure 1 Conceptual framework of the study

3. Research Methodology

The survey research employs quantitative methods and a cross-sectional survey to assess relationships among variables and to test hypotheses statistically (Ghanad, 2023). The population comprises coffee shop customers in Yangon from Generation Y (Millennials) and Generation Z, selected because they are highly active users of digital technologies and online marketing channels (Hurdawaty et al., 2023). Respondents were aged 14–45 and represent regular coffee shop visitors exposed to digital campaigns such as social media promotions, influencer posts, reviews, and email offers.

Because the target population size is unknown, the minimum sample size was calculated using the (Cochran, 1977) formula at a 95% confidence level with a 5% margin of error (Asenahabi & Peters, 2023). The calculation indicated a minimum of 384 respondents. To improve reliability and reduce sampling error, the study collected 410 valid responses for analysis.

In addition, the adequacy of the sample size for regression analysis was confirmed using Green's (1991) guideline, which specifies the minimum sample size required to evaluate the overall regression model. $N > 50 + 8m$, where m represents the number of independent variables. The research design requires a minimum sample size of 90 due to the inclusion of five independent variables. The final sample of 410 respondents meets the required sample size, validating it as adequate for multiple regression and mediation analysis.

3.1 Sampling technique and data collection

This study uses purposive and convenience sampling to recruit respondents. Purposive sampling ensures participants meet specific criteria, namely, Generation Y or Generation Z consumers who visit coffee shops and have engaged with digital marketing content thereby producing responses aligned with the study objectives (Tajik et al., 2024). Convenience sampling is applied to reach readily accessible and willing participants. The data were collected between October and December through an online questionnaire distributed via social media platforms, including Facebook, Instagram, and Telegram, as well as through selected coffee shops in Yangon, using URL links and QR codes to broaden reach. The questionnaire was provided in both English and Myanmar to support comprehension and participation. Participants were informed about the study's objectives, voluntary nature, and confidentiality, and the research was conducted with a 95% confidence level and a 5-percentage point margin of error.

3.2 Research instrument

A structured questionnaire was the primary instrument for data collection in this study, developed based on the study's research objectives, conceptual framework, and relevant literature. A 5-point Likert scale, ranging from "strongly disagree" (1) to "strongly agree" (5), was employed to measure responses to items in Sections B, C, and D. The questionnaire includes closed-ended questions to ensure consistency and facilitate analysis. It is separated into four major sections:

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- Section A: Demographic information (age, gender, coffee shop visiting behavior)
- Section B: Digital marketing strategies (IVs)
- Section C: Customer satisfaction (M)
- Section D: Customer engagement (DV)

After data collection, responses were screened and cleaned to remove incomplete or invalid entries. The final dataset of 410 respondents was analyzed in SPSS. To ensure content validity, the questionnaire items were reviewed by subject experts using the Item–Objective Congruence (IOC) method before distribution. In addition, participants were informed about the purpose of the study, and participation was voluntary and anonymous to ensure ethical compliance.

4. Results and Discussion

The results are presented through respondents' demographic profiles, descriptive statistics, and regression analyses to test the hypotheses. The analysis applies t-tests, Cook's distance, the Durbin–Watson test, mediation tests, and multiple linear regression to generate practical insights and clarify the impact of digital marketing in Yangon coffee shops.

Table 1 Demographic attributes of 410 survey participants

Demographic	Category	Frequency	Percentage
A1. Age group	14-18	49	12%
	19-25	158	39%
	26-35	143	35%
	36-45	60	15%
	Total	410	100%
A2. Gender	Female	216	53%
	Male	125	30%
	Prefer not to say	69	17%
	Total	410	100%
A3. How often do you visit coffee shops?	Daily	50	20%
	3-4 times a week	118	29%
	1-2 times a week	85	21%
	1-3 times a month	109	27%
	Rarely	48	12%
	Total	410	100%
A4. Which platform do you use the most to search for coffee shops?	Facebook	101	25%
	Tiktok	106	26%
	Website/ Google search	87	21%
	Email	30	7%
	Food delivery app	50	12%
	Instagram	36	9%
	Total	410	100%
A5. What type of coffee shop do you visit more often?	Local independent café	74	18%
	Chained coffee shop	122	30%
	Specialty coffee shop	81	20%
	Themed café	48	12%
	Bakery cafe	85	21%
	Total	410	100%

Table 1 summarizes the demographic classification of 410 respondents. Most were young adults aged 19–25 (39%) and 26–35 (35%), followed by 36–45 (15%) and 14–18 (12%), indicating that the sample is dominated by Generation Y and Z coffee consumers. Female respondents were the largest group (53%), followed by males (30%), while 17% preferred not to disclose their gender.



Regarding visit frequency, respondents were primarily regular customers: 3–4 times a week (29%), 1–3 times a month (27%), and 1–2 times per week (21%). Daily visits were reported by 20%, while 12% visited rarely, suggesting generally consistent coffee shop consumption patterns. For discovering coffee shops, TikTok (26%) and Facebook (25%) were the most used platforms, followed by websites/Google search (21%), indicating that social media is a primary discovery channel in Yangon. Regarding preferred coffee shop types, chain coffee shops were visited most frequently (30%), followed by bakery cafés (21%), specialty coffee shops (20%), local independent cafés (18%), and themed cafés (12%), showing that while chains attract strong interest, customers also diversify their visits based on preferences and experience.

Table 2 Descriptive statistics of customer engagement by Generation Y and Z

Generation	N	Mean	Std Deviation	S.E Mean
Gen Z	207	4.07	0.67	0.05
Gen Y	203	4.03	0.48	0.03

Table 3 Independent sample T-test results comparing customer engagement between two generations

Customer engagement	Levene's test Sig.	t-value	Mean difference	p-value (2-tailed)
Equal Variance assumed	0.000	0.69	0.04	0.489

Tables 2 and 3 examine whether customer engagement differs between Generation Z and Generation Y. The results of the independent-samples t-test indicate that the engagement levels of Gen Z ($M = 4.07$, $SD = 0.67$) and Millennials ($M = 4.03$, $SD = 0.48$) are not significantly different ($t = 0.69$, $p = 0.489$). This suggests that customer engagement levels are comparable across the two generations in Yangon coffee shops. This test is included as a demographic comparison and is not part of the main hypothesis testing.

Table 4 Descriptive analysis of customer engagement and customer satisfaction

	N	Mean	Std deviation	Minimum	Maximum
Customer Engagement	410	4.05	0.58	1.33	5.00
Customer Satisfaction	410	3.99	0.53	1.80	5.00

The descriptive findings indicate excellent overall ratings: customer engagement has a mean of 4.05 ($SD = 0.58$), indicating robust involvement among respondents, while customer satisfaction is similarly high at 3.99 ($SD = 0.53$), indicating positive perceptions of coffee shop experiences, as presented in Table 4.

Table 5 Reliability analysis of measurement scales through Cronbach's alpha values

Construct	Questions	Cronbach's Alpha	Interpretation
Content marketing	B1-B5	0.68	Acceptable (exploratory)
Email marketing	B6-B10	0.80	Good reliability
Influencer marketing	B11-B15	0.73	Acceptable
SEO marketing	B16-B20	0.67	Acceptable(exploratory)
Social media marketing	B21-B25	0.73	Acceptable
Customer satisfaction	C1-C5	0.69	Acceptable
Customer Engagement	D1-D5	0.75	Good reliability
Overall	B1-D5	0.91	Excellent

Cronbach's alpha was used to check the internal consistency of the study's measurement scales, which is what reliability is all about (Table 4). All of the constructs had alpha values between 0.67 and 0.80, which means they were reliable enough to be considered acceptable. The overall instrument reliability was 0.91, reflecting excellent internal consistency, and the constructs were therefore considered reliable for subsequent statistical analyses.

Table 6 Cook's distance statistics for detecting influential outliers

N	Minimum	Maximum	Mean	St. Deviation
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410	0.000	0.08599	0.0031	0.00875
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The regression model’s influential observations were determined using Cook’s distance. The results ranged from 0.000 to 0.08599 ($M = 0.0031$), and all were considerably below the conventional criterion of 1.0, indicating no influential outliers. Therefore, all cases were retained for subsequent analyses, and the regression results were not unduly driven by any single observation.

Table 7 Durbin-Watson test for autocorrelation in regression residuals

R	R ²	Adjusted R-squared	Std. error of estimate	Durbin-Watson
0.693 ^a	0.480	0.473	0.421	1.850

The Durbin–Watson statistic for the regression model incorporating five digital marketing predictors and customer engagement is 1.850, which is within the commonly accepted range of 1.5–2.5 and is nearly 2.0. This suggests that the residuals exhibit no significant autocorrelation.

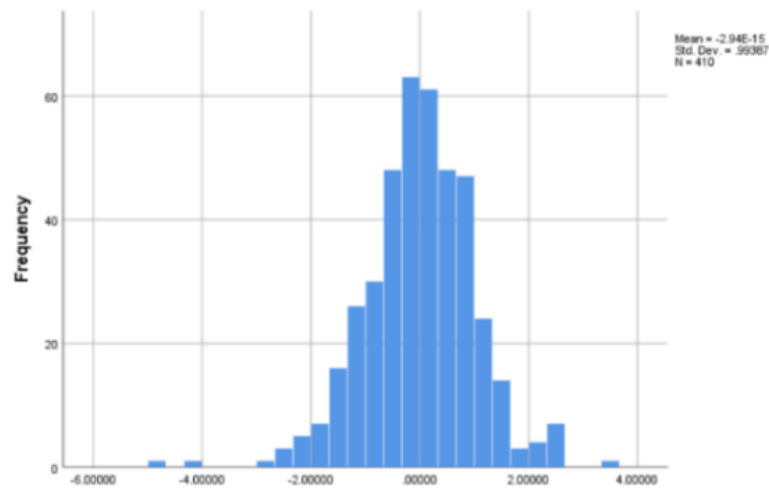


Figure 2 Residual distribution

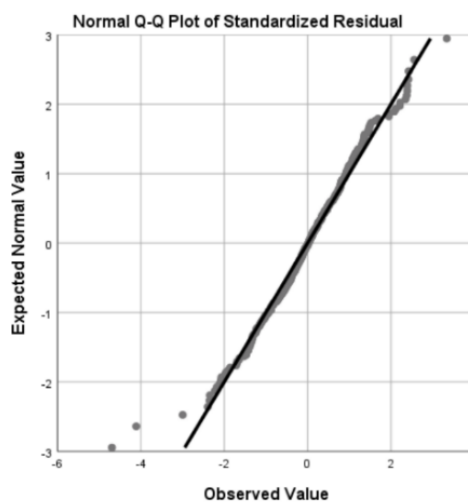


Figure 3 Normal probability plot of residuals

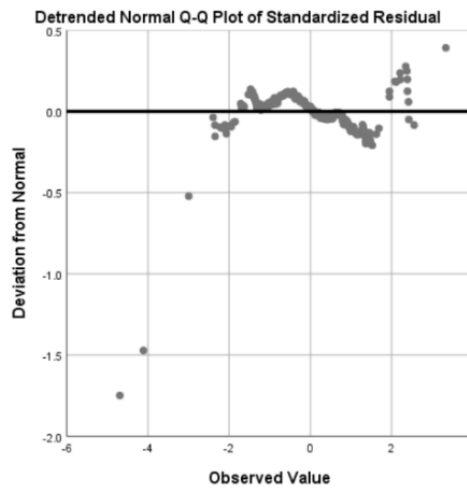


Figure 4 Detrended normal plot of residuals

A histogram and a Normal Q–Q plot of the standardized residuals were used to check for normality. As seen in the figures, the histogram showed a distribution that was generally bell-shaped, and the Q–Q plot showed that the residuals aligned with the diagonal reference line. This confirmed the normality assumption.

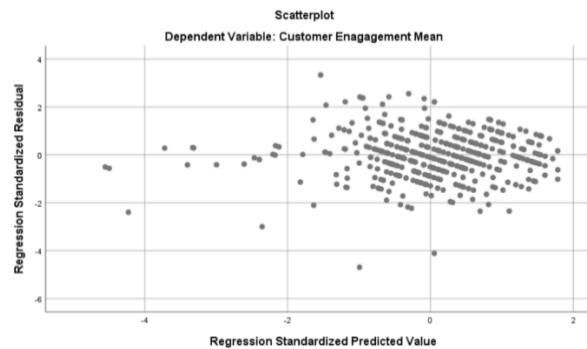


Figure 5 Standardized residuals versus standardized predicted values

Linearity was evaluated by a scatterplot of standardized predicted values against standardized residuals. The points were randomly scattered about the zero line without any discernible pattern or curvature, resulting in a relatively uniform band, suggesting that the linear model is appropriate and the assumption of linearity is satisfied.

Model 1: Direct effect model

Table 8 Model summary of multiple regression analysis predicting customer engagement

R	R ²	Adjusted R ²	Sum of square	F	Sig	Std. Error of estimate
0.69	0.48	0.47	66.24	74.49	0.000	0.42

For the purpose of investigating the impact of digital marketing strategies on customer engagement in coffee shops, multiple linear regression was implemented. The model exhibits a robust overall association ($R = 0.69$). According to the coefficient of determination, the five strategies account for 48% of the variance in customer engagement ($R^2 = 0.480$), with an adjusted R^2 of 0.47. Acceptable predictive accuracy is demonstrated by the standard error of estimate of 0.42. The statistical significance of the model is demonstrated by the ANOVA results ($F = 74.49$, $p < 0.001$). Overall, the factors make a substantial contribution to the understanding of customer engagement at the $\alpha = 0.05$ level ($p < 0.001$).

**Table 9** Regression coefficients of digital marketing strategies on customer engagement

Predictor	Beta	t	P-value
Content Marketing	0.16	3.81	0.000
Email Marketing	0.09	2.33	0.020
Influencer Marketing	0.14	2.69	0.007
Search Engine Optimization	0.13	2.47	0.014
Social Media Marketing	0.36	7.26	0.000

Table 9 indicates that all five digital marketing strategies achieve substantial positive influences on customer engagement. Email marketing exhibits a positive effect ($\beta = 0.09$, $t = 2.33$, $p = 0.020$), influencer marketing has a significant effect ($\beta = 0.14$, $t = 2.69$, $p = 0.007$), and SEO also shows an important positive effect ($\beta = 0.13$, $t = 2.47$, $p = 0.014$). Social media marketing exerts the most substantial influence among all variables ($\beta = 0.36$, $t = 7.26$, $p < 0.001$), and content marketing is also significantly influential ($\beta = 0.16$, $t = 3.81$, $p < 0.001$). Therefore, hypotheses H1–H5 are supported, and none of the strategies negatively affect customer engagement.

Model 2: Mediator prediction model

Table 10 Model summary table of multiple regression analysis predicting customer satisfaction

R	R ²	Adjusted R ²	F	Sum of square	Sig	Std. Error of estimate
0.647	0.419	0.412	58.272	47.564	0.000 ^b	0.404

The table highlights that multiple linear regression was employed to assess the impact of digital marketing strategies on customer satisfaction. The model showed statistical significance ($F = 58.27$, $p < 0.001$) and explained 41.9% of the variation in customer satisfaction ($R^2 = 0.419$).

Table 11 Regression coefficients of digital marketing strategies on customer satisfaction

Predictor	B	Std. error	β	t	P-value
Content Marketing	0.212	0.046	0.212	4.695	0.000
Email Marketing	0.060	0.029	0.085	2.058	0.020
Influencer Marketing	0.149	0.051	0.158	2.908	0.007
Search Engine Optimization	0.118	0.054	0.121	2.208	0.014
Social Media Marketing	0.248	0.050	0.260	4.984	0.000

All five digital marketing strategies significantly and positively influence customer satisfaction. Content marketing exerts a substantial influence ($\beta = 0.212$, $t = 4.695$, $p < 0.001$), although email marketing also demonstrates a significant effect ($\beta = 0.085$, $t = 2.058$, $p = 0.020$). Influencer marketing reveals a substantial positive effect ($\beta = 0.158$, $t = 2.908$, $p = 0.007$), whilst SEO marketing also shows a positive effect ($\beta = 0.054$, $t = 2.208$, $p = 0.014$). Social media marketing demonstrates the strongest effect on customer satisfaction ($\beta = 0.260$, $t = 4.984$, $p < 0.001$). Overall, these results establish the prerequisite for mediation testing by confirming that the predictors significantly influence the mediator; therefore, the null hypotheses for H6a–H6e are rejected.

Model 3: Mediation model

Table 12 ANOVA and model summary for mediation regression

R	R ²	Adjusted R ²	Sum of square	F	Sig	Std. Error of estimate
0.717 ^a	0.514	0.504	71.008	71.093	0.000 ^b	0.40800

A regression model was constructed to evaluate the mediating effect of customer satisfaction, employing both digital marketing strategies and customer satisfaction as determinants of customer



engagement. The model was statistically significant ($F = 71.09$, $p < 0.001$), and the explained variance in customer engagement increased from 41.9% ($R^2 = 0.419$) in Model 1 to 51.4% ($R^2 = 0.514$) in Model 3, indicating greater explanatory power when customer satisfaction was included.

Table 13 Multiple linear regression results testing the mediating role of customer satisfaction

Predictor	B	Std. error	β	t	P-value
Content Marketing	0.124	0.047	0.113	2.629	0.009
Email Marketing	0.055	0.030	0.070	1.851	0.065
Influencer Marketing	0.104	0.052	0.100	1.989	0.047
Search Engine Optimization	0.107	0.055	0.099	1.957	0.051
Social Media Marketing	0.310	0.052	0.295	5.991	0.000
Customer satisfaction	0.269	0.050	0.244	5.351	0.000

Customer engagement was substantially strengthened by customer satisfaction when included alongside the five digital marketing strategies ($\beta = 0.244$, $p < 0.001$). The standardized coefficients for the digital marketing predictors decreased relative to Model 1, suggesting that customer satisfaction may partially explain (i.e., mediate) the relationship between digital marketing strategies and customer engagement. Email marketing and search engine optimization demonstrate weaker effects and are not statistically significant at the 5% level. However, because the indirect effects were not formally tested using bootstrapping, this mediation evidence should be interpreted with caution.

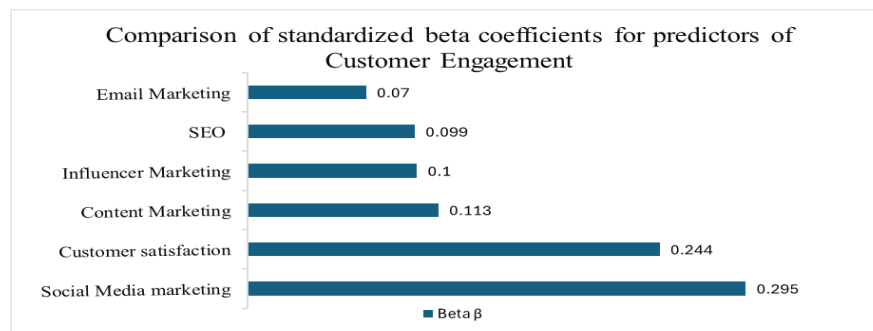


Figure 6 Comparison of standardized beta coefficients for predictors of customers

Figure 6 visually compares the standardized beta coefficients of the predictors. The figure shows that social media marketing has the strongest influence on customer engagement, followed by customer satisfaction and content marketing.

5. Findings and Discussion

The results of this study highlight the important role of digital marketing strategies in shaping customer engagement in Yangon's coffee shop sector. From a relationship marketing perspective, digital platforms enable coffee shops to maintain continuous communication with customers, strengthen brand relationships, and encourage active participation. The regression analysis indicates that all five digital marketing strategies positively influence customer engagement, confirming their effectiveness of digital marketing in the coffee shop market in Myanmar. Table 4.1 further indicates that customers mainly use Facebook and TikTok to discover coffee shops and rely on Google Search and Google Maps for location and reviews, underscoring the importance of social media, content, and SEO.

Among the five strategies, social media marketing demonstrates the strongest influence on customer engagement, as indicated by the highest standardized beta coefficient. This finding highlights the importance of visually engaging, interactive platforms such as Facebook and TikTok in attracting and interacting directly with customers and building online communities around their brands. These interactive features encourage likes, comments, and shares, which strengthen customer involvement and brand attachment.



Content and influencer marketing also show significant positive effects on engagement. Informative and engaging content helps customers understand the brand story and product offerings, while influencer recommendations enhance credibility and trust, particularly among Generation Z. SEO-driven visibility, especially through Google Maps reviews and search results, also plays an important role in helping customers discover coffee shops and evaluate their reputations before visiting. Positive reviews and strong search visibility also increase the likelihood of customer visits and engagement with the brand. However, the statistical results indicate that its direct effect on customer engagement is relatively weak compared with other digital marketing strategies. (Table 4.1). Email marketing shows the weakest effect among the strategies, although it still contributes to engagement through personalized promotions and targeted communication. This suggests that while email marketing remains useful for maintaining customer relationships, more interactive digital platforms are more effective at attracting customer attention.

Overall, customers in Yangon respond positively to coffee shops' digital marketing, as reflected in high satisfaction and engagement, particularly for clear, interactive, visually appealing campaigns such as social media promotions, influencer recommendations, and relevant, informative content. Personalized interactions (e.g., replying to comments or sending tailored offers) strengthen trust and satisfaction, indicating that transparency, consistency, and relevance drive retention and loyalty. Conversely, excessive or poorly targeted campaigns (e.g., frequent promotional emails) can cause annoyance, so quality should be prioritized over quantity. When customer satisfaction is included in the regression model, the direct effects of digital marketing strategies on customer engagement decrease. This result indicates that customer satisfaction partially mediates the relationship between digital marketing strategies and customer engagement. Therefore, effective digital marketing strategies influence engagement both directly and indirectly by improving customer satisfaction. This finding reinforces the importance of delivering valuable, transparent, and customer-focused digital experiences to sustain long-term engagement.

6. Limitations of the Study

This study has several limitations because the use of convenience and purposive sampling through social media platforms may introduce self-selection bias, as respondents are more likely to be digitally active users. Second, a cross-sectional design limits the ability to infer causal relationships between digital marketing strategies and customer engagement. Third, mediation was examined using regression analysis rather than bootstrapped indirect effects, a method that future studies could explore with more advanced statistical techniques. Finally, the sample shows a slight gender imbalance, which may influence the generalizability of the findings.

7. Conclusion

This study examined the effects of digital marketing strategies on customer engagement in coffee shops in Yangon, Myanmar, and the mediating role of customer satisfaction. The findings demonstrate that digital marketing plays a significant role in shaping customer engagement. Social media marketing shows the strongest influence on customer engagement, highlighting the importance of interactive platforms that allow businesses to communicate directly with customers and create engaging brand experiences. Content marketing and influencer marketing also contribute positively to customer engagement by providing valuable information and credible recommendations that help customers connect with the brand. Email marketing shows a relatively weaker influence but still supports customer relationships through personalized communication and promotional messages. Search engine optimization (SEO) shows a positive but statistically weaker effect on customer engagement, suggesting that its influence may operate more strongly through customer discovery rather than direct engagement. The result indicates that customer satisfaction mediated the connection between digital marketing techniques and customer engagement. It implies that digital marketing strategies are more beneficial when they focus on customer satisfaction, which subsequently results in stronger customer engagement and retention, prompting consumers to leave reviews and return to coffee shops in Yangon.

Based on the findings, coffee shop owners in Yangon are encouraged to prioritize social media marketing and to integrate other strategies, such as content creation, influencer collaborations, and effective use of Google Business Profile. They must also emphasize their commitment to customer satisfaction by



soliciting feedback and requesting honest reviews of their products and services. For future research, qualitative methods, such as interviews or focus group discussions with café owners and customers, could be conducted to explore customer attitudes and motivations in more depth, and future studies may also employ longitudinal designs to examine changes in customer engagement, extending to other cities like Mandalay, which is also a popular city in Myanmar, and comparing their menus and influential strategies, which would help to improve the depth of findings and further exploration.

8. Acknowledgements

I am appreciative to my supervisor, Dr. Herison Surbakti, for his understanding, constructive comments, and patience during the study process. He provided valuable advice and encouraged me to continue completing the research. He helped me resolve all my questions, clarified the methods and analyses, and patiently explained them, enabling me to understand the study clearly.

I would like to express my heartfelt appreciation to Dr. Suttisak Jantavongso for providing valuable guidance and for helping to validate the IOC letter, which strengthened my questionnaire before data collection. I am deeply grateful to Dr. Anna Davtyan, my sweetest teacher, for providing encouragement and academic support. I am also grateful to the lecturers, Phi Guize, and faculty members of the International College, Rangsit University, for sharing their knowledge, experience, and guidance, and for providing food and snacks during my studies.

I would also like to thank all respondents who participated in the survey for their time and willingness to share their coffee shop experiences, which made this research a success. I would like to acknowledge the support of my family, friends, classmates, and some coffee shop owners for their encouragement and assistance during this research, and my special person for their motivation and support throughout my academic journey; their support has been my greatest strength.

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