SERVICE QUALITY, CUSTOMER ENGAGEMENT, AND CULTURAL AND EXPERIENTIAL OFFERINGS ON CUSTOMER LOYALTY TOWARD CAMBODIA TOUR OPERATORS

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ABSTRACT

This study will identify the service quality, customer engagement, and cultural and experiential offerings influencing customer loyalty toward Cambodia tour operations. The income of each citizen of Cambodia increases mainly in the city. It will continue growing in the future as the tourism industry continues to expand optimistically, even though some survived the previous few years due to the COVID-19 pandemic. Moreover, this research is also ground in some theorical framework such as SERQUAL model, Social Exchange Theory, Relationship Marketing Theory and Engagement Theory. For data collection employes a quantitative methodology using questionnaire distributed via social media and another online platform. The research hypotheses were tested using descriptive and inferential statistics to understand the influence of dimensions. The analysis results showed that all hypotheses proposed were supported, revealing that service quality, customer engagement, and cultural and experiential offerings have significant influence on customer loyalty toward Cambodian tour operators.

Keywords: Tour Operator, Service Quality, Customer Engagement, Cultural and Experiential offerings, Customer Loyalty

INTRODUCTION

Tourism plays an essential role to develop the Cambodia's economic, generate the income ideal with local business and generating employment. However, the rapid growth of tour operators has intensified competition, creating strong and weak challenges to maintain customer loyalty. Many Cambodian tour operators continue to face issues due to their limited of company development such as lack of service quality, weak customer engagement and limited infinitary of culture and experience offerings, which lead to low satisfaction and reduced repeat patronage (Kim et Al., 2020). Although the issue had addressed above have been widely examined in tourism study, but limited research focused on these factors in the Cambodia context. Understanding their influence is significant, as customers' loyalty plays a critical role in sustaining competitiveness and long-term growth. Therefore, this research inspects the service quality, customer engagement, and cultural and experiential offerings on customer loyalty toward Cambodia tour operators. The findings aim to provide insight for improvement services strategies, enhance customer endearment and promoting the sustainability of tourism in Cambodia and correct set up for this type of business.

STUDT OBJECTIVES

1. To study the impact of Service quality factors: Accountability, Skillfulness, Technical system on Customer Loyalty.
2. To study the impact of Customer Engagement factor Personalized Interaction, Community Building, and Interactive feedback & review on Customer Loyalty.
3. Does Cultural & Experiential offerings factor Authentic Cultural Immersion, Tailored Experience and Sustainable and responsible tourism have an influence on Customer loyalty?

SCOPE OF WORK

Service Quality
1.1. Accountability
1.2. Skillful
1.3. Technical system

Customer Engagement
2.1. Personalized Interaction
2.2. Community Building
2.3. Interactive feedback and review

Cultural and Experiential Offerings
3.1. Authentic Cultural Immersion
3.2. Tailored Experience
3.3. Sustainable and responsible tourism
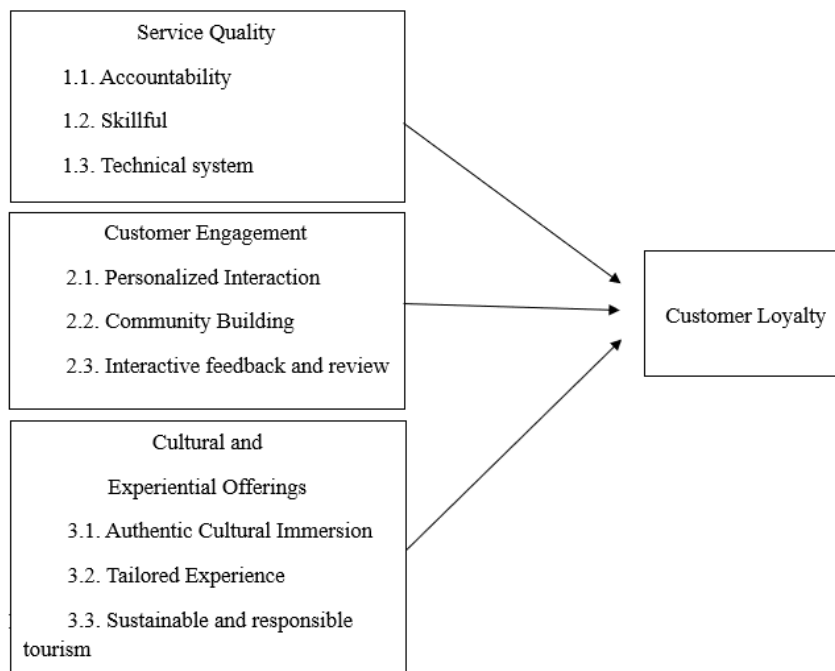
Customer Loyalty

HYPOTHESIS TEST

H1: Service quality factors (Consisting of accountability, skillfulness or competency, and technical systems) have a significant impact on customer loyalty.

H2: Customer Engagement factors (Consisting of personalized interaction, community building, and interactive feedback and review) have a significance on customer loyalty.

H3: Cultural and experiential offerings (Consisting of authentic cultural immersion, tailor experience, sustainable and responsible tourism) have a significance on customer loyalty.

LITERATURE REVIEW

Item no.	Authors (Year)	Finding	Variables
1	Wang & Li (2023)	Recognized five key drivers of customer loyalty including satisfaction, motivation, and experience quality especially on repeat bookings.	Perceived Quality
2	Oliver (1999); Parasuraman et al. (1985); Morgan & Hunt (1994)	To show customer satisfaction and loyalty by applying some theory such as SERVQUAL, Expectancy-Disconfirmation and Relationship Marketing.	Service Quality / Loyalty
3	Snuverink (2017)	Found that online behavior such as replying customer, arrange booking or booking trough website enhance tourist with saving their time and budget.	Customer Engagement
4	Luo et al. (2019); Harrigan (2017)	Personalized interaction, community and feedback system via face to face, social media enhance tour operator service strengthen brand loyalty in Tourism.	Customer Engagement
5	Saavedra-Azabache et al. (2024)	Illustrated how inbound marking strategies such as discount, incentive, rewards effectively maintain customer loyalty in the tourism sector.	Loyalty Strategy / Engagement
6	Altinay (2019)	Identify the uniqueness among local art and culture to enhancing the customer emotional, engagement and loyalty.	Cultural/Experiential Offering
7	Su & Swanson (2017)	Found the tourist more loyal when feel uniqueness, experiencing, immersive to local art and culture attach with Experience Economy Theory.	Cultural/Experiential Offering

8	Tolkach & King (2022)	Reviewed the role community-based tourism (CBT) and its effectiveness in creating loyal customer bases by sharing experience and satisfaction.	Cultural/Experiential Offering
9	Brodie et al. (2011); Blau (1964)	Customer engagement increases loyalty when customers receive warm welcome, connection, emotional and good relationship.	Engagement Theory
10	Gretzel & Fesenmaier (2022)	Tourists expect to get quickly responsive and connection though digital as real time such as booking system, confirmation of booking and notify the date of traveling or something else and it consider creating the trust and loyalty to customer.	Digital Engagement

Theoretical Framework and Literature Analysis

The theories foundation utilized for this study are the SERVQUAL Model (Parasuraman et al., 1985) and the Engagement Theory (Brodie et al., 2011). The SERVQUAL Model contends that service quality can be evaluated based on five dimensions such as reliability, empathy, responsiveness, tangibles, and assurance. For SERBQUAL was integral in the selection of independent variables such as service quality base on reliability and responsiveness, which were used to form the study's hypothesis. For the Engagement Theory (Bodie et. Al., 2021) relevant to customer engagement that support the dimension of personal interaction, community building, and interactive feedback. Furthermore, Social Exchange Theory (Blau, 1964) reinforces the idea which allows the people who consume the service to perceive more mutual benefit from interaction. For the third variable, Experience Economy Theory (Pine & Gilmore, 1999) stated that allow customers seek more transformative experience and immersion. This theory aligns well with sub variable like authentic cultural immersion, tailored experiences, and sustainable tourism. Last but not least, Customer satisfaction-Loyalty theory (Oliver,1999) and Relationship Marketing Theory (Morgan Hunt, 1994) underpin the dependent variable, customer loyalty enables them to have satisfaction, repeated consume the service and allow the business to operate in long term. Thus, the theoretical perspective used not only validate the framework structure but also strengthen the academic rigor of this study's hypotheses and analysis.

METHODOLOGY

The respondents of this survey's questionnaire comprised of individual used to consume the service previously in local. Using Tamane's formula for sample size calculation, the minimum required sample was determined by 400 respondents to ensure a statistically valid analysis of the target population.

This study employed a quantitative research method, using a Good Forms questionnaire as the primary tool for data collection. Respondents gather mostly across the social media platform. For measurement, this research applied 5-point Likert Scale to measure the respondents' level of satisfaction, where 1 = strongly dissatisfied, 2= dissatisfied, 3= neutral, 4 = satisfied, and 5= strongly satisfied. The questionnaire is divided into five categories and consists of demographic data question (6 questions), the factors of service quality (Independent variable 1, 9 questions), the factors of customer engagement (Independent variable 1, 9 questions), the factors of cultural and experiential offerings (Independent variable 1, 9 questions), and customer loyalty (Dependent variable, 9 questions). This survey consists of 42 questions in total.

Variable (Sub-variables)	Sample of Survey Statements
Service Quality (accountability, skillful staff, technical system)	Tour staff responded quickly to concerns; The tour guide provides accurate information and a clear itinerary; Booking website/app was user-friendly and functional.
Customer Engagement (personalized interaction, community building, feedback)	The tour operator customized the itinerary based on my preferences; Tour staff was friendly and actively connected with travelers; The tour operator encouraged customers to provide feedback about the tour experience.
Cultural and Experiential Offering (authenticity, tailored experience, sustainability)	The tour included visits to historical sites and cultural landmarks; The tour operator offered unique activities that enhanced my travel experience; The tour operator promoted eco-friendly and responsible travel practices.

The online questionnaire was checked for validity and approved by Dr. Sawitree Santipiriyapon as advisor. The data gathered from the questionnaire with 439 respondents were analyzed by using Cronbach's Alpha in the statistical software (SPSS), with a total reliability test of 0.925. The required value to be accepted is 0.7-1.00.

RESEARCH RESULT

Demographic Data

Most respondents were male (55.13%), followed by female (44.87%). Respondents' ages were evenly distributed across the four ages groups with the 22 – 26 years old group (51.94%) being the highest by a slight of proportion. Respondents mainly come from Cambodia (91.57%) that used to use this service before and another respondent (8.43%) also had been used it before. For Respondent's education had slightly different from high school or diploma had 25.97%, bachelor's degree had 48.29% until master's degree above had 25.74%. Furthermore, for the time of travel to anywhere mostly the proportions of 2-3 time per year is 31.44%, the 4 times up per year is 31.44% while travel one once per year only 30.30%. Traveler mostly select the domestic tour operation (66.51%) rather than foreign tour operators (33.49%) to arrange or preparing the tour destination.

Means and Standard Deviation

- Customer Loyalty: ($\bar{X}$=3.025, SD=0.806), Neutral
- Service Quality Factor= ($\bar{X}$=3.141, SD=0.657), Neutral
- Customer Engagement Factor= ($\bar{X}$=3.101, SD=0.710), Neutral
- Cultural and Experiential offerings= ($\bar{X}$=3.179, SD=0.641), Neutral

Multiple Linear Regression

1. Service Quality vs Customer Loyalty: Accepted with Adjusted R-square = .912, F = 1495.764, *P≤0.05 (Accountability<.001, significant, Skillful<.001, significant, and Technical <.001, significant.)
2. Customer Engagement vs Customer Loyalty: Accepted with Adjusted R-square =0.769, F= 487.142, *P≤0.05 (Personalized Interaction<.001, significant, Community Building <.001, significant, Interactive Feedback and review=.009, significant.)
3. Cultural and experiential offerings vs Customer Loyalty: Accepted Adjusted R-square =.696, F=335.586, *P≤0.05 (Authentic Cultural Immersion<.001, significant, Tailored Experience=.323, not significant, Sustainable and Responsible Tourism<.001, significant)

CONCLUSION AND DISCUSSION

Demographic Data

Most respondents were male (55.13%), followed by female (44.87%). Respondents' ages were evenly distributed across the four ages groups with the 22 – 26 years old group (51.94%) being the highest by a slight of proportion. Respondents mainly come from Cambodia (91.57%) that used to use this service before and another respondents (8.43%) also had been used it before. For Respondent's education had slightly different from high school or diploma had 25.97%, bachelor's degree had 48.29% until master's degree above had 25.74%. Furthermore, for the time of travel to anywhere mostly the proportions of 2-3 times per year is 31.44%, the 4 times up per year is 31.44% while travel one once per year only 30.30%. Traveler mostly select the domestic tour operation (66.51%) rather than foreign tour operators (33.49%) to arrange or preparing the tour destination.

Literature:

This study supports upon three main theriacal frameworks: the SERVQUAL Model, Engagement Theory, and Experience Economy. As reflected in the results, all theories mentioned were found to have positive influence on customer loyalty toward tour operators. This sympatric with SERVQUAL model's assertion that dimension such as reliability and responsiveness influence satisfaction and loyalty. In addition, the findings confirm the Engagement Theory (Brodie et al., 2011), which highlighted behavioral and emotional to customer care, and Social Exchange Theory (Blau, 1964), which prioritize the significance of perceived mutual benefit in maintaining

long-term customer relationships. The Experience Economy framework (Pine & Gilmore, 1999) is also validated, as many respondents indicated a preference for authentic, immersive experiences, reinforcing the importance of cultural connection in tourism.

Attitudes Towards Key Variables

- **Service Quality**: Respondents were generally satisfied with sub-variables such as staff accountability, professionalism, and efficient booking systems. Overall, respondents are moderately satisfied with the role of service quality in building trust and loyalty.

- **Customer Engagement**: Participants responded positively to personalized interactions and respond was acceptable through the service. These findings suggest that ongoing engagement, beyond the initial booking, significantly influences customer retention and advocacy.

- **Cultural and Experiential Offerings**: Respondents were supportive of offerings related to authentic cultural experiences, tailored travel plans, and sustainable tourism practices. Overall, respondents were moderately satisfied with the itinerary.

Hypotheses Support

- H1: Service Quality (Accountability, Skillful and Technical) has a significant on Customer Loyalty toward Cambodia tour operators.
- H2: Customer Engagement (Personalized Interaction, Community Building, Interactive feedback and review) has a significant on customer loyalty towards Cambodia tour operators.
- H3: Cultural and Experiential offerings (Authentic Cultural Immersion and Sustainable and responsible tourism) have a significant on customer loyalty towards Cambodia tour operators while Tailored Experience does not have a significant on customer loyalty towards Cambodia tour operators.

STUDY LIMITATION

While most respondents expressed satisfaction with the services provided by tour operators, this study still presents several limitations such as the sample was largely composed of younger, college educated individuals, which may not fully represent the perspectives of older tourists or those with different travel behaviors and expectations. As the data was self-reported, there is a possibility of social desirability bias, where respondents may have rated services more positively than they felt. Additionally, the focus on Cambodian tour operators limits the generalizability of the findings to other countries or tourism markets. Finally, the exclusive use of quantitative methods restricted the depth of analysis regarding emotional or cultural factors that may influence customer loyalty, which could be better explored through qualitative research in future studies.

RECOMMENDATION AND IMPLICATIONS

The findings of this study provide practical strategies for Cambodian tour operators to improve customer loyalty through enhancing in service quality, engagement, and cultural and experiential offerings. Key recommendations include:

1. Improve accountability and technical system: As the strongest service quality factor (Technical System, $\beta = 0.735$; Accountability, $\beta = 0.365$) the tour operator should invest more to improve the quality of booking platform, real time update and notify the customer about bookings make the customer more convenient, comfortable, reliability and trust.
2. Improve the connection between customers: with Community Building ($\beta = 0.516$) considered the most influential engagement factor, tour operators should focus more on communication among the customer through any platform that tour operators had and try to make them satisfaction until repeat consume.
3. Emphasize Authentic and Sustainable Cultural Experiences: Given that Authentic Cultural Immersion ($\beta = 0.581$) and Sustainable Tourism ($\beta = 0.239$) significantly influenced loyalty. Tour operators should find the more unique and meaningful to customers in order to generate their memories and experience.
4. Revaluate Personalization Offerings: As Tailored Experience ($\beta = 0.055$) was not statistically significant, Tour operators should provide the flexibility package and allow the customer to customize their itineraries.

Future study should explore many methods including interviews in order to gain deeper insight into tourist experiences and behavior. Broader industry coverage and examine brand trust and perceived value. The study provides evidence-based insights for Cambodian tour operators to better understand traveler behavior and improve long-term customer loyalty strategies in a competitive tourism environment.

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