



**ST MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES**

**THE EFFECT OF ADVERTISING ON CONSUMERS' BANK PREFERENCE
IN THE CASE OF OROMIYA INTERNATIONAL BANK.**

**BY
NAOL GEREMEW WAKENE**

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Addis Ababa, Ethiopia

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ACRONYMS

OIB	Oromiya international bank
ADS	Advertising
ANOVA	Analysis of variance
CBP	customer bank preference
SPSS	Software Package for Social Science
TV	Television

ABSTRACT

Financial institutions are in a tough competition which requires effective promotional tools to increase awareness and persuasion of customers, where advertising is among the important communications medium that has powerful effect on customers bank preference. The purpose of the study was to analyze the effect of advertising on customer bank preference in OIB bank service. The study was to examine the effect of Advertising message, celebrity advertising media channels advertising and frequency advertising on customer bank preference. The researcher selected participants of the study from Addis Ababa city branches of Oromiya international bank. Under this five branches where selected simple randomly by the students. Quantitative research approach was adopted and probability methods were used (purposive sampling for the selection of branches and total sample size of the study is 240 respondent. Data were distributed using structured questionnaire and analyzed using SPSS 25. The results of the study revealed that among all variables ads message, celebrity ads, ads channel and frequency ads are messages having significant effect on customer bank preference. The findings showed that ads message advertising and celebrity ads has the most powerful influence on OIB customer bank preference frequent ads has less significant on the customer bank preference. Given this findings, it is recommended The study recommends that ADV Message should be strong and easily understandable and also frequent reminding of the bank through ads is needed.

Keywords: *Advertisements, Media, Consumers Bank Preference*

CHAPTER ONE

INTRODUCTION

1.1. Background of the Study

Advertisement in today's world is more turbulent, chaotic and challenging than ever before (Kanter,1995). It is not enough for a business to have good and quality products or services sold at appealing prices. To generate sales and profits, the benefits of products have to be communicated to consumers via

different channels. In marketing, this is commonly known as promotion. A business' total marketing communication program is called the promotional mix and consists of a combination of advertising, personal selling, sales promotion, public relation and direct marketing (Kotler, 2012).

The organization has to deliver the message about the product to its consumers through well-organized marketing strategy. Of all the marketing tools, advertisement is an effective way to influence the mind of viewers and gives viewers' exposure towards a particular product or service (Katke, 2007).

Advertising is a component of promotional mix, which is used to create awareness about products and services for influencing purchase decisions. Marketers use these types of tools for communication Purposes. Nowadays, advertising has become one of the crucial commercial activities in the competitive globalized business environment. The study of consumer behavior became a concern of marketers, as they may learn how consumers choose their Goods and services required to meet multiple needs, which are the factors that are influencing their choice. The increasing complexity of economic life, has led to the necessity of knowledge of human economic behavior mechanism which is becoming larger and more complicated, requiring separate study of the two intrinsic components: human behavior as a producer of goods and services and the consumer's behavior (Dinu, G. and Dinu, L. 2012). Adjugler (2008) mentioned that advertising is one of the most popular kinds of marketing strategies.

1.2. Statement of the Problem

Most business institutions do not assess the effect of their advertisement and can't empathize with the persons to whom the advertising is being directed; they do not know how the customers feel about their products or services and how is important their products or services to their target market. Therefore, it is essential for a marketer to find out the extent to which the media advertisement influences in their buying behavior in the Banking Services (Mylonakis, 2008). World today's competitive and volatile environment all marketers including banks communicate with their target markets through advertising (Mittal & Pachauri, 2013). According to Mittal and Pachauri (2013), the way of their communication and the information contained in the advertising is not strong enough and pertinent enough to attract the attention of the consumers. Since the information is too weak or too irrelevant, the advertising has no chance of having an effect on consumers' bank preferences. Advertising must be consistent enough so that it will be accepted and bring an effect on consumers' buying behavior when judged against information previously processed and held in long-term storage (Schultz & Tannenbaum, 1988). In unstable global financial markets the necessity to attract and retain consumers in the banking sector becomes especially topical. One of the perspective tools increasing economic effectiveness of financial institutions is advertising. Peculiarities of advertising bank products and services are determined by their uniqueness, namely by their "intangible" character and inseparable connection between the clients' trust and stability of banking institution. The Banks' advertising effectiveness is the quality of information reporting to potential and existent consumers during an advertising campaign aiming at forming the bank's image and awareness of the bank products and services as well as at gaining certain economic result determined before and after the transmission of advertising message (Shakhov and Panasenko, 2012).

Most banking institutions address their advertising to holders of small accounts and thus advertise their products and services through the mass media. These need millions of money (i.e. According to the OIB's Annual Report of 2012/2013, the OIB invested about three million Birr in 2012 and about two million Birr in 2013 for advertisement and publicity).

These theories also apply to OIB's media advertisement that the bank doesn't know how the customers feel about the products and services and how is important and impact its ads on its customers' buying behavior. So, this study analyzed the effect of advertisement practices on consumers' Bank preference in banking services of OIB to fill the gaps.

1.3 Research Questions

Below are the research questions

1. What is the effect of advertising media usage the on the customer bank preference
2. How the adv message design used by the bank influence customers bank choice
3. What is the effect of adv on customers bank preference
4. Do advertising frequency have direct relationship with consumers bank preference

1.4 Objectives of the Study

1.4.1 General Objective

-The general objective of the study Is analyze the effect of advertising on consumers bank preference in the banking service.

1.4.2 Specific Objectives

- To determine the effect of adv media usage of the bank on customer bank preference
- To examine the effect of adv media message design of the bank of on customer bank preference
- To examine the frequency of adv usage of the bank on customer bank preference.
- to Evaluating the effect of Advertising Campaign on customer bank preference
- to analyze the effect of celebrity adv on customer bank preference

1.5 The Scope of the Study

The study on the effect of advertising on consumers' bank preference will delimited to only one service firm, Oromia International Bank S.C (OIB) in Addis Ababa City Administration due to time constrain and financial limitations the branches out of the city were excluded from it and also the nature of customers of banks make difficult to get enough information. Data collection will delimited to five branches of the bank in the city: kara kore, atena tera, Ayer tena, Bole and Mobil branches' customers. The period within which the research must be completed for submission was less than one academic year. Only effect of advertising on consumers' bank preference will be covered in the study since all other components of advertising, consumers' attitude and consumers' buying behavior like information search, evaluation of alternatives, purchase decisions and post purchase evaluations could not be researched to be careful not to be broader or not to be narrower in contents scope.

1.6 Significance of the Study

The study will initiate readers to know about the effect of advertising on consumers Bank preference related to business or financial services and the factors that make consumers respond to advertising.

Stakeholders like shareholders, management staffs, employees, customers, government institutions, investors, and etc, will be benefited from the outcome of this study by having the correct information and awareness about the effect of advertising on consumers' Bank preference and the factors that influence consumers to respond to advertising. Since, the result of the study has been positive effect on consumers' bank preference, the stakeholders can be motivated to assist the business and build trust which can lead to increased consensus for the strengthening of the business; ensure to be engaged in the process. The investor relations will be enhanced and fueled interests; consequently, the businesses value will increase. They will support their business to boost to stock value, a reduction in capital costs and stability on financial projects. And this also help similar business firms to use proper types of media advertising knowing their effect on consumers' buying behavior

1.7 Organization of the Paper

The paper will be organized as follows: the first part includes; Introduction (background of the study, background of the organization, statement of the problem, objectives, significance of the study, scope, limitations of the study and Hypotheses Testing). The second part is theoretical review of literatures extracted from different books, articles and journals. The third part includes Research methodology, the fourth part is Data Discussions and Analyses, and finally Conclusions and Recommendations

CHAPTER TWO

LITERATURE REVIEW

Advertising is always present, though people may not be aware of it. In today's world, advertising uses every possible media to get its message through. It does this via television, print (newspapers, magazines, journals etc), radio, press, internet, direct selling, hoardings, mailers, contests, sponsorships, posters, clothes, events, colours, sounds, visuals and even people(endorsements).

The advertising industry is made of companies that advertise, agencies that create the advertisements, media that carries the ads, and a host of people like copy editors, visualizers, brand managers, researchers, creative heads and designers who take it the last mile to the customer or receiver. A company that needs to advertise itself and/or its products hires an advertising agency. The company briefs the agency on the brand, its imagery, the ideals and values behind it, the target segments and so on. The agencies convert the ideas and concepts to create the visuals, text, layouts and themes to communicate with the user. After approval from the client, the ads go on air, as per the bookings done by the agency's media buying unit.

Promotions refer to the entire set of activities, which communicate the product, brand or service to the user. The idea is to make people aware, attract and induce to buy the product, in preference over others. ... Sales promotion is a part of the overall promotion effort.

Advertising is defined as any paid form of non-personal presentation and promotion of ideas, goods or service through mass media such as newspapers, magazine, television or radio by an identified sponsor (Kotler & Keller, 2012). Advertising is the best-known and most widely discuss form of promotion. Marketers use advertising for its cost-effectiveness with large audience and it also create brand images and symbolic appeal for a company or brand. It has been established that customers are more likely to consider buying and using certain brand of what they can remember the brand name and something about its attributes or benefits (Kotler and Armstrong, 2003; Belch & Belch 2009; Olusola et al, 2011).

2.1. Concept of Advertising

Today, we all have strong concepts of what advertising is, and we also tend to have very strong opinions and prejudices about it. Definitions of advertising are many and varied. It may be defined as a communication process, a marketing process, an economic and social process, a public relations process, or an information and persuasion process, depending on the point of view.

Advertising is the non personal communication of information, usually paid for and usually persuasive in nature, about products, services, or ideas by identified sponsors through various media (Bov'ee and Arens, 1989).

According to Wijaya (2012) a modern definition of advertising includes other important factors, such as media, audience, and goals. Advertising was defined in the journal as a paid form of persuasive communication that uses mass and interactive media to reach broad audiences in order to connect an identified sponsor with buyers (a target audience) and provide information about product (goods, service, and ideas). This definition has five basic factors: is usually paid by the advertiser, the sponsor is identified, generally reaches a broad audience of potential consumers, seeks to inform and also persuade or influence consumers, and the message is conveyed through many different kinds of mass media and also now interactive types of media.

Advertising is the use of paid-for space in a publication, for instance, or time on television, radio or cinema, usually as a means of persuading people to take a particular course of action, or to reach a point of view. It may also be taken to include posters and other outdoor advertising (Wilmshurst, 1985) .

2.1.2. Objectives of Advertising

Setting Advertising Objectives: The first step is to set advertising objectives. These objectives should be based on past decisions about target market, positioning and marketing mix, which define the job that advertising must do in the total marketing program advertising is a specific communication task to be accomplished with a specific target during a specific period of time. Advertising objectives can be classified by primary purpose-where the aim is to inform, to persuade, and to remind. Informative **Advertising** creates awareness of brands, products, services, and ideas. It announces new products and programs and can educate people about the attributes and benefits of new or established products individuals (markets) interested in their products. To succeed, they need to understand what makes potential customers behave the way

they do. The advertisers' goal is to get enough relevant market data to develop accurate profiles of buyers-to-find the common group (and symbols) for communications this involves the study of consumers behavior: the mental and emotional processes and the physical activities of people who purchase and use goods and services to satisfy particular needs and wants (Arens, 1996).

To create a demand for new products by explaining its utility, to announce a new product or service, to increase its sales by attracting new customers, to create brand preferences, to expand the market for new buyers, to assist the salesmen in their selling efforts, to warn the public against imitation of the product of the firm, to prepare ground for new products, barring new entrance, make special offers through sales promotion, to neutralize competitors advertising, and to enhance goodwill of the firm. Objective of any advertising is to communicate about the product and services to the prospective customers. General objectives of advertising are to inform the customers about the attributes and uses of the product (Helina, 2012).

Advertising is related and begins with a base of creating awareness and strengthening a company's position or image. It is advertising that makes the companies known. The second role is to create favorable climate for salespeople. In some instances, customers will order directly from the advertising, so the final purpose of advertising is to generate sales (Dwyer and Tanner, 2002). In addition, they define mass media advertising as "non-personal, paid announcements by an identified sponsor to reach large audiences, create brand awareness, help position brands, and build brand images" (Dwyer and Tanner, 2002) .

Advertising is also a valuable tool for building company or brand equity as it is a powerful way to provide consumers with information as well as to influence their perceptions. Advertising can be used to create favorable and unique images and associations for a brand which can be very important for companies selling products or services that are difficult to differentiate on the basis of functional attributes. Companies selling their products and services to the consumer market generally rely heavily on advertising to communicate with their target audiences as do retailers and 15 other local merchants.

Advertising is also used extensively by companies who compete in the business and professional markets to reach current and potential customers (Belch & Belch, 2009).

In today's market the range of products and services is especially large, they are all impossible to remember or purchase. The main goal of advertising a certain product or service is to attract the customer's attention and analyze the impact of advertising on the customers' behavior, which is

determined by a number of cognitive, emotional and behavioral aspects. In the centre of advertising is the customer, whose psychology is determined by numerous aspects and advertising itself, which aims at arousing the customers wish to acquire the product advertised, and most importantly, at achieving the act of purchasing the product (Jakštien, Susnien and Narbutas, 2008).

All the efforts to make an advertisement are centered on the sole aim of making it so effective and persuasive in a natural way so as to serve the motto of meeting the consumer psyche in a positive manner (Rai, 2013).

2.1.4 Importance of Advertising

For any business, advertising may perform a variety of functions when implemented correctly, and its effect may be dramatic. It helps to identify products and their sources and to differentiate them from others, and it communicates information about the products, its features, and its location of sale; it helps to try to induce new products and to suggest reuse. It can stimulate the distribution of products or services on local or global level (Arens, Schaefer & Weigol, 2009).

Advertising can help companies develop consumers' awareness to an unmet need or introduce a product that consumers may see as valuable. This influence is often present when new products enter the market. Customer awareness is often low for these items until companies promote them and attempt to drive customer demand through advertising (Dinu & Dinu, 2012).

Advertising can also used to create images and symbolic appeals for products and services, a capability that is very important to companies that are selling products and services that are very difficult to differentiate. It has the ability to strike a responsive chord with consumers when other elements of the marketing program have not been successful (Belch & Belch, 1990).

According to Ph. Kotler and others (2003), both the businesses and individual sellers should ask themselves what should the advertising of their products and services are and what impact on the customer should it make.

The role of advertisement changes unto what the organization wants them to do. An organization uses the advertising to help them survive from the impacts of economic trends. Still, the economists views that the advertising plays a significant effect on the consumer behavior and in a long process, the advertising can lead the organization to competition. Based on the understanding regarding the advertising, the approach rooted in the organization's search for the right answer on

the effect of the competition. Consequently, the accepted basic role of the advertising is to provide the consumers with the right amount of information regarding the product or services, which is related to the objective of the competition and that is to deliver the consumer satisfaction. In this view, the level of advertising affects the consumer who is the focus of the organization (Park, 1996), as cited by Vivekananthan, (2010)

According to Rahman (2012) advertising plays an important role in the process of moving the goods/services from the producers to the consumers. With mass marketing to distribute the output of production, the GDP (Gross Domestic Product) may increase to a considerable extent. Advertising helps to increase mass marketing while aiding the consumer to choices and preferences from amongst the variety of products and services offered for his selection and option. It was only in the latter half of the 19th century, that mass advertising, as we know it today, came into being. Mass production became a reality, and channels of distribution had to be developed to cope with the physical movement of goods, creating a need for mass communication to inform consumers of the choices available to them. We are all influenced with advertisements in our day to day life. Its forms and contents both are well liked amongst consumers. In other words advertising is simply an economic movement with only one objective behind to increase the consumer demand of the product as well as to enhance the sales volumes. Advertisements tend to be highly informative and present the customer with a number of important product attributes or features that will lead to favorable attitudes and can be used as the basis for a rational brand preference. People get information from the advertisement through the attractiveness it holds, the attention it creates and the awareness it gives. (Arens, 1996).

2.1.5 Developing Advertising Strategy:

Advertising strategy consists of two major elements:

A) Creating advertising message

Salient features or characteristics of a good advertisement copy are: (1) it should be simple (2) it should be capable of holding the reader's attention (3) it must be suggestive (4) it should have conviction value (5) it should educate the people (6) it should have memorizing value and (7) it should be true! then the message easily positively affect consumer buying behaviour or the reverse is true

B) Selecting Advertising Media

Advertisements Media choice is determined by a number of factors such as—Number of viewers, readers, listeners, characteristics of audience-education, sex, income, family size, relative cost of various media. Media selection helps the advertiser to find out which type of media to be used.

In the past companies often themed media planning as secondary to the message, creation process. These creative departments first created good advertisement then the media department selected first created good advertisement then the media department selected the best media for carrying these advertisements to desired target audience.

C) Evaluating Advertising Campaign:

It is the last step in major decision of advertising. In this stage evaluate the message of advertising. How much people get attention on the message of advertising. Its market covering capacity, style, tone, words and format etc are evaluated in this stage. The Effectiveness Of Your Advertising Campaign. The more effective your ad is, the greater the impact will be on your sales. When evaluating your ad, there are many factors that you need to consider. Advertisements can be a great way to attract leads for your products and services as well as have an positive effect on consumer buying behavior.

D. Advertising Budget:

After determining its advertising objectives the company next sets its advertising budget for each product. A brand's advertising budget depends on its stages of product life cycle. Market share also impacts the amount advertising needed. Because building the market or taking share from competitors requires larger advertising spending than does simply maintaining current share, high share brands usually needs more advertising spending as a percentage of sales the advertising budget indirectly affects the success of advertising and product sales. Second, it also contributes to the company's marketing costs. Ideally, the company gets a positive return. I mean, they get more money from sales than they spend on advertising.

Advertising Budget is the amount of money which can be or has to be spent on advertising of the product to promote it, reach the target consumers and make the sales chart go on the upper side and give reasonable profits to the company.

Before finalizing the advertising budget of an organization or a company, one has to take a look on the favorable and unfavorable market conditions which will have an impact on the advertising budget. The market conditions to watch out for are as follows:

Advertising is costly; often its effects are uncertain, and sometimes it takes a while before it makes any impact on consumers' buying behavior. It is for these reasons that many companies think it appropriate, occasionally to reduce expenditures on advertising or to entirely eliminate it.

On the other hand, some companies sometimes consider it unnecessary to advertise when their brands are already enjoying great success without advertisement. Such behavior implicitly fails to consider the fact that advertising is not just a current expense or mere exercise but an investment.

As companies are spending large amount of investment on the advertisement because they want to keep their product at the top of the customer's mind. Advertisement has proven to be a successful tool for the communication but companies are still in the confusion that what kind of ingredients should be there and how do these advertisements will help to change the consumer buying Behaviour.

E. Advertising message

The positive advertising message of these brands is that if you use this product, friends, family and co-workers will associate you with the brand's positive promises. Aspirational products are often expensive, adding status to them. They also use well-respected or admired celebrities.

This has led to the creation and growth of ordinary people joining the ranks of celebrities as "influencers." Many of today's self-made influencers have hundreds of thousands of followers, can help successfully launch or expand sales of products and make six figures using just their internet connection and a handful of social media accounts.

2.1.6. Evaluating Advertising Campaign: It is the last step in major decision of advertising. In this stage evaluate the message of advertising. How much people get attention on the message of

advertising. Its market covering capacity, style, tone, words and format etc are evaluated in this stage.

The Effectiveness Of Your Advertising Campaign. The more effective your ad is, the greater the impact will be on your sales. When evaluating your ad, there are many factors that you need to consider. Advertisements can be a great way to attract leads for your products and services as well as have an positive effect on consumer buying behavior.

2.2. Consumers' Buying Behavior

Consumers buying behavior is focusing on how individuals make decisions to spend valuable resources (time, money and effort) on consumption related items. This includes what they buy, why they buy it, when they buy it, where they buy it, how often they buy it, how often they use it, how to evaluate it after the purchase and the impact of such evaluation in future and how they dispose of it.

The aim of marketing is to meet and satisfy target customers' needs and wants. The modern marketing concept makes customers the center stage of organization efforts.

Consumers' buying behavior result from deeply held values and attitudes, their perception of the world, their place in it, from common sense, from impulse or just plain take. Consumers mainly face two types of purchase decisions: 'New Purchase' —these purchases are very difficult to be made by consumer due to lack of confidence in decision-making; and 'Repurchase'— consumer feels confident in making these decisions since they have previous experience in purchasing the product (Patwardhan, M., Flora, P. and Gupta, A. 2010) .

2.1.7. Factors that Influence Consumers' Behavior

The many factors that affect acquisition, usage, and disposition decisions can be classified into four broad domains the psychological core, the process of making decisions, the consumer's culture, and consumer behavior outcomes. To make decisions that affect outcomes like buying new products, consumers must first engage in processes described in the psychological core. They need to be motivated, able, and have the opportunity to be exposed to, perceive, and attend to information. They need to think about this information, develop attitudes about it, and form memories. The cultural environment also affects what motivates consumers, how they process information, and the kinds of decisions they make. Age, sex, social class, ethnicity, families,

friends, and other factors affect consumer values and lifestyles and, in turn, influence the decisions that consumers make and how and why they make them (Hoyer and Macinnis.,2010).

Two broad factors influence the consumers' choice.

The first is the individual consumer whose needs, perceptions of brand characteristics, and attitudes toward alternatives influence brand choice. In addition, the consumers' demographics, lifestyle, and personality characteristics influence brand choice.

The second factor that influence on consumer buying decision is the environment. The consumers' purchasing environment is represented by culture (the norms and values of society), by subcultures (a part of society with distinct norms and values in certain respects), and by face – to - face groups (friends, family members, and reference groups). Marketing organizations are also part of the consumers' environment since these organizations provide the offerings that satisfy consumer needs (Assael, H. 2001).

2.2 Empirical Literature

A study by Ugonna, A. (2017), on the effects of media advertising on Hero beer on consumers' purchase intent in Awka, Anambra State. Consumers' purchase intent was tested in this study, using the AIDCA theory of advertising, an extension of AIDA. AIDCA is an acronym for the attention, interest, desire, conviction, and action which an advertisement is expected to induce in consumers. The study focused on the effects which the variables of media advertising (TV, radio, and billboard) had on beer consumers' purchase intent of Hero beer, using the AIDCA model, as well as the effect of a combination of these variables (media-mix) on purchase intent using 200 beer consumers in the study area selected using judgmental sampling technique. The findings of the study showed that media advertisements of TV and radio had a significant influence on consumers' purchase intent, while radio and billboard advertisements had significant influence on the attention, interest, desire, conviction, and action (AIDCA) of consumers of Hero beer. The media-mix of radio and billboard mostly influenced consumers' purchase intent of Hero beer.

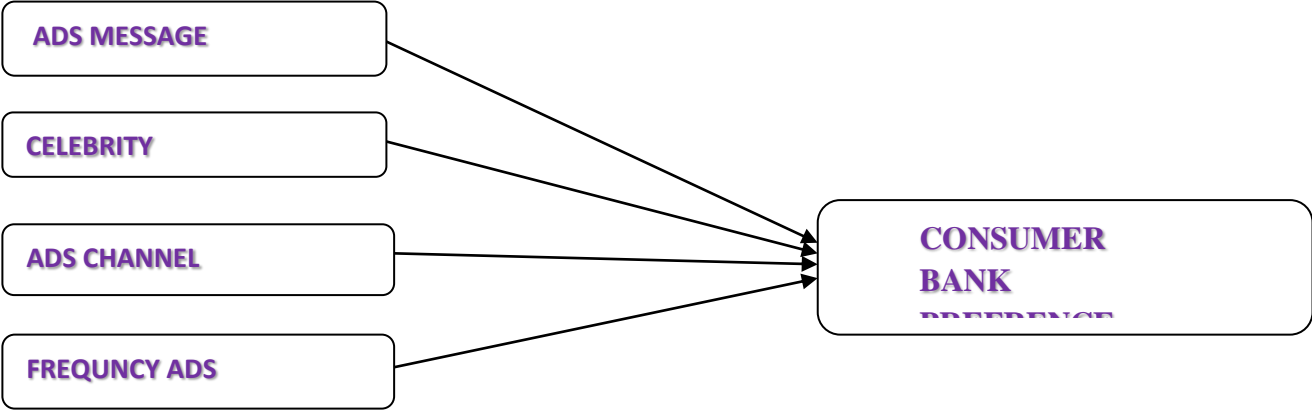
A study in 2016 on Advertisement and Its Impact on Consumer Buying Behavior on Healthcare Products in Bangalore City on 100 respondents by Dr. K. Nirmala, and Suganthi Pais, with The objective of analyzing the impact of TV advertisements on healthcare products and the factors influencing the customers buying behavior on healthcare product and the results of the study shows that the advertisements has both positive and negative impact on the customers buying behavior and most of the time advertisements mislead the customers in choosing their products.

A study designed to answer the role of social media advertising on consumer buying behavior in retail industry Istanbul-Turkey by Adnan V. and Ahmed A in 2016, found out weak relation between social media advertising and consumer need recognition, no relation at all with search for information, strong relation with evaluate the alternatives, and moderate relation for both buying decision and post-purchase behavior, as those steps represent the five steps need recognition model in consumer buying behavior. Moreover, findings showed no changes in this relation regarding to consumer's age, and education level. However, there were changes between Females and males in the relation with consumer need recognition, and search for information.

A study by Samar Fatima and Samreen Lodhi (2015), regarding the Impact of Advertisement on Buying Behaviors of the consumers: Study of Cosmetic Industry in Karachi City conducted on the 200 young male or female who use different brands of cosmetics to check the influence of advertisement on their buying behavior while creating the awareness and building the perceptions. The results revealed that advertisements are very useful in creating the awareness among the people but they are failed to build strong perceptions in the mind of consumers. Both of these variables such as consumer awareness and consumer perceptions will motivate the consumer to buy a certain product, as there is a positive relationship present in between them.

2.3. Conceptual Framework

Based on the above detailed literature reviews the conceptual framework was as follows:



Source: Compiled by the Researcher, 2021

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter deals with the methodology of the study where the research approach, the research type, sample and sampling techniques, source of data collection, data collection instruments, reliability & validity of the study and the method of data analysis are discussed.

3.1. Description of the Study Area

Oromia International Bank S.C. (OIB) is one of the private business institutions in Ethiopia which was established in accordance with the pertinent laws, regulations and the 1960 Commercial Code of Ethiopia, by the Monetary and Banking Proclamation No. 83/1994 and by the Licensing and Supervision of Banking Proclamation No. 592/2008. Accordingly, on September 18, 2008, OIB obtained a banking business license.

The Bank attained 248 total branches both in Addis Ababa and upcountry at the end of the financial year of 2019, centering its head office in Addis Ababa, Senga Tera site. 53 of the 248 branches are in Addis Ababa, and the remaining are in regional towns of which most of them are located in rural towns. The Bank is strategically moving towards opening more additional branches through concentrating on economically and potentially feasible location with a sound branch distribution and networking (OIB Annual Report, 2019).

3.2. Research Approach

The research can be classified in to three research approaches. These are qualitative research, quantitative and mixed research approach. Qualitative research involves studies that do not attempt to quantify their results through statistical summary or analysis. It seeks to describe various aspects about behavior and other factors in the social sciences and humanities. In this kinds of research data are often in the form of descriptions, not numbers. It typically involves in-depth interviews, group discussions, and observations without formal measurement.

In quantitative introductions, researchers sometimes advance a theory to test, and they will incorporate substantial reviews of the literature to identify research questions that need to be answered. In quantitative research, some historical precedent exists for viewing a theory as a scientific prediction or explanation. In this definition, a theory is an interrelated set of constructs (or variables) formed into propositions, or hypotheses, that specify the relationship among

variables (typically in terms of magnitude or direction). The idea of a theoretical rational, which they define as “specifying how and why the variables and relational statements are interrelated” (Creswell, n.d).

In this research the researcher preferred the mixed research approach because the study needs to address the factors that influence especially the effect adv on customer bank preference. it is also causal has cause and effect relationship between variables. The major characteristics of mixed method research is that it combines both quantitative and qualitative approach by including both data's in a single research study.

3.3. Sources of Data and Data Collection Techniques

The study was based on primary sources of data which was gathered through structured questionnaire. The secondary data was obtained through document analysis to supplement the primary data. A number of books, journals and articles on media advertising and consumer bank preference were reviewed.

With regard to data collection methods, a questionnaire was designed and distributed to the sample respondents. The questionnaire was prepared in a likert scale approach that composed five level of agreement starting from Strongly Agree to Strongly Disagree. Items of the independets variables are craft the reviewed litrature about the subject matter and by refering some previous studies on similar area.

3.4. Target Population, Sampling Size Determination Sampling Technique

3.4.1. Target Population

The target population of this study was Oromia International Bank’s branches (53) in Addis Ababa City Administration. Sampling units were the target population elements available for selection during the sampling process. Sampling units were customers of five OIB branches. The reason was that the researcher believed that all the customers of the bank knew or experienced the service of the organization due to some reasons (i.e the information they gained or due to the exposure they have got) that they have been served with this bank. In addition, these customers were being served with different like depositing, withdrawing, transferring, etc, so that they have been exposed to the information familiar with the products or/and services or Service provision, of the bank.

3.4.2. Sample Size

This refers to the number of items to be selected from the universe to constitute a sample. The size of sample should neither be excessively large, nor too small. Descriptive research typically uses larger samples; According to Sekaran (2003) sample size 30-500 is already adequate for most of the research. There are several approaches to determining the sample size (Kothari, 2004; Ruane, 2005 and Marczyk, DeMatteo, and Festinger, 2005). These include using a census for small populations, imitating a sample size of similar studies, using published tables, and applying formulas to calculate a sample size (Israel, 1992).

For this research published table was used to provide the sample size by assuming a 95% confidence interval and 5% margin error.

$$n = \frac{Z^2 P * Q * N}{e^2 (N-1) + Z^2 * P * Q}$$
$$n = \frac{1.96^2 (0.5) (0.5) (831,067)}{0.05^2 831,067-1 + 1.96^2 (0.5) (0.5)} = 240$$

Where n_0 is the sample size, Z^2 is the abscissa of the normal curve that cuts off an area α at the tails ($1 - \alpha$ equals the desired confidence level, e.g., 95%). e is the desired level of precision, p is the estimated proportion of an attribute that is present in the population, and q is $1-p$. The value for Z is found in statistical tables which contain the area under the normal curve (Israel, 1992).

As sample size determination was based on the unknown population formula, questionnaires were distributed proportionally to each branch. Thus, a total of sample size of 240 was employed.

3.4.3. Sample Design and Sampling Procedure

A probability sampling design (simple random sampling) was used to undertake the study and to complete the structured questionnaire on voluntary basis. It is typically not practical to include every member of the population of interest in a research study. Time, money, and resources are three limiting factors that make this unlikely. Therefore, most researchers are forced to study a representative subset—a *sample*—of the population of interest (Marczyk, DeMatteo,

For this study, therefore, five branches of OIB were selected as a sample from the all branches (in this case there were fifty three branches in Addis according to the database of OIB, in Addis Ababa City Administration).

3.5. Validity and Reliability

Validity is the most critical criterion and indicates the degree to which an instrument measures what it is supposed to measure. It can also be thought of as utility. In other words, validity is the extent to which differences found with a measuring instrument reflect true differences among those being tested (Kothari, 2004).

Numbers of different steps was taken to ensure the validity of the study:

- Data was collected from the reliable sources, from respondents who have experiences in using different products and services of the bank.
- Survey questions were made based on literature reviews and frame of references to ensure result validity.

In addition to asking if a measure is valid, we should also ask if it is reliable. A measure is considered reliable if it yields the same results each time it is used, assuming, of course, that there has been no real change in the variable being measured. In other words, reliable measures do not fluctuate- they yield consistent results (Ruane, 2005).

3.6. Methods of Data Analysis

The data gathered through the questionnaire was organized and edited to detect the incomplete questionnaires. To analyse the data different approaches are used. To analyse the demogrpahic profile of the participants simple descriptive statistics such as frequency and percentage was used. The data related to the subject matter are analysed in three steps, first the data under each variable is summarized using mean score and standard deviation. Since the objective of the study is to findout the effect that the predetermined vaiables have on the dependent variable, an inferential statistics was also used. Pearson correlation was used to measure th strength of the relationship between the variables and to measure the degree of effect multiple regression analysis is used. To facilitate the computational process, SPSS version 25 was used.

3.7. Ethical Consideration

To reach the respondents formal letter was provided to the bank. The respondents were given privileges of not writing their name and no respondents were forced to fill the questionnaire unwillingly and without making the actual purpose of carrying out the research clear to him/her. The purpose of the study was disclosed in the introductory part of the questionnaire. Furthermore, misleading or deceptive statements were tried to be avoided, in the questionnaires

CHAPTER FOUR

DATA PRESENTATION, ANALYSIS AND DISCUSSION

This chapter, deals with analysis and interpretation of the collected data through questionnaires distributed to customers of Oromiya international bank. The total questionnaires distributed to customers of were 240 copies. The data, which was gathered through questionnaires were analyzed using the statistical methods, which included the analysis of Demographic information, descriptive statics, Reliability Analysis, a correlation, Factor validity, and Regression analysis are presented through SPSS version.

4.1. Demographic Profile of Respondent

Table 4.1 Demographic information

Demographic characteristics		Frequency	
		Frequency	Percentage
Gender	Male	130	54.2
	Female	110	45.8
	Total	240	100.0
	Age group	18-20	30
	21-30	70	29.15
	31-40	100	41.66
	41-50	40	16.6
	Total	240	100.0
Marital status	Single	185	77.08
	Married	55	22.91
	Total	240	100.0
Education	Primary	76	31.5
	high school	63	29.8
	Certificate	38	22.9

	first degree	35	14.9
	second degree and above	28	.9
	Total	240	100.0

Source: Own, computed from survey data, 2021

Table 4.1 indicated that most of the respondents are male when we see the gender of the respondents male are 130 (54.1 %) while 110 (45.8%) were female.

The respondent's age, shown in the Table 4.1 Shows that 100 (41.66%) of the total respondents were in the age group of 31-40 years, followed by respondent in the age group between 21-30 years and 41-50 and that accounted 70 (29.15%) and 40(16.6%) respectively. The remaining of the respondents where under the age group of 18-20 that account 30(12.5%). This indicates that majority of the respondents were in the economically active population.

Concerning, the marital status of respondents also shows the above (table 4.1) indicate 185 (77.08 %) were single and 55(22.91%) were married. This indicates that most of the respondents were single.

Regarding the education qualifications of respondent as stated in table 4.1. From the total respondents, 76 (31.5%) were attained primary education, followed by the those attained secondary education ware accounted 63 (29.8%)the remain respondents were certificate holders, first degree holder and second degree and above holder that account 38 (22.9%), 35(14.9%) and 28(9%) respectively. This indicates that most of them higher education minimum and primary education is high.

4.2. Descriptive Analysis

Table 4.2 Descriptive analysis

Table 4.2 shows the descriptive statistics of advertising message (AM), Celebrity advertising (CA), Media advertising (MA), Frequently advertising (FA), and Customers bank preference (CBP), computed based on the 240 observations recorded for the total sample,

Descriptive Statistics			
Variables	N	Mean	Std. Deviation
Advertising message (AM)	240	4.339	.16701
Celebrity advertising (CA)	240	2.56	.18318
Media channel advertising (MCA)	240	3.716	.13933
frequency advertising (FQ)	240	2.4309	.16831
Customers bank preference (CBP)	240	3.364	.13454

Source: Own, computed from survey data, 2021

Advertising message (AM) had a mean value of 4.3 (SD=.16701) the result indicate that most of the respondents agree on OIB adv message advertising message is convincing and attractive . Celebrity advertising (CA), mean value of 2.56, (SD .18318) Indicates that most customers of OIB are respond on Celebrity advertising practice of OIB is less likely to change customer bank preference. Concerning, the mean value of Media channel advertising (MCA is 3.716, which indicates that most customers of OIB are agree on broadcast adv and other adv channel are enjoyable and influential with standard variation .13933. The descriptive statistics also displayed that frequently advertising (FQ) had a mean 2.4309 with the standard deviation .16831.

This indicates that most customers of OIB are disagreeing on frequently advertising (FQ) adv mainly when the time of holiday .Customers bank preference (CBP) data (mean value of 3.64 with SD=.13454) indicates that most of resonates shows that most customers of OIB agreed even if another brand as good as OIB and have same features, they preference (OIB).

4.3 Inferential Analysis

4.3.1 Corelation Analysis

Correlation is a measure of association between two variables. According to Kothari (2004), positive values indicate positive correlation between the two variables (i.e., changes in both variables take place in the stated direction), whereas negative values indicate negative correlation i.e., changes in the two variables taking place in the opposite directions. A zero value of indicates that there is no association between the two variables. When $r = (+) 1$, it indicates perfect positive correlation and when it is $(-) 1$, it indicates perfect negative correlation. To interpret the correlation result, the following cut point given by Marczyk, DeMatteo, & Festinger (2005) is used.

Correlation value rang	Interpretation
0.00 to 0.19	Weak or very low correlation
0.20 to 0.39	Low correlation
0.40 to 0.59	Moderate correlation
0.60 to 0.79	High correlation
0.8 to 1.0	Very high correlation

Source: Marczyk, DeMatteo, Festinger (2005)

The following codes represents the variables for simplicity

(AD) = Advertising message, (CA) = celebrity adverting, (MCA) = Media chanal advertisig, (FQ) = Frequency advertising, and (CBP) = Customersbank preference

Table .4.3 Correlations Matrix

		Correlations				
		(AD)	(CA)	(MCA)	(FQ)	(CBP)
Advertising message (AD)	Pearson Correlation	1				
	Sig. (2- tailed)					
	N	240				
celebrity advertig (CA)	Pearson Correlation	0.652	1			
	Sig. (2 tailed)	.000				
	N	240	349			
Media chanal advertisig (MCA)	Pearson Correlation	0.903	0.697	1		
	Sig. (2- tailed)	.000	.000			
	N	240	349	349		
Frequency advertising (FQ)	Pearson Correlation	0.790	0.897	.843	1	
	Sig. (2- tailed)	.000	0.000	.000		
	N	349	349	349	349	
Customers bank preference(CBP)	Pearson Correlation	0.843	0.579	.841	.681	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	240	240	240	240	240

Source: Own, computed from survey data, 2021

The above correlation table shows the direction of the relationship between the mentioned variables, the strength of each relationship and significance level. Based on this coefficient in this analysis that presented Advertising message (AM) and Customers bank preference (CBP) correlation Coefficient is 0.843, this explain that there is strong and positive relationship between

the two variables. Celebrity advertising (CA) and Customers bank preference (CBP) correlation coefficient is ($r=0.579$), this result indicate that there is strong and positive relationship between the two variables.

And also, Media channel advertising (MCA) and Customers bank preference (CBP) correlation Coefficient is($r= 0.841$), this showed that there is strong and positive relationship between the two variables.

Concerning a correlation coefficient result of Online advertising (OA) and Customers bank preference (CBP) is ($r=0.681$). This shows that there are a strong and positive relationship between the two variables.

4.3.2. Multiple Regression Analysis

Assumption Tests

According to (Thomas & Wonnacott, 1990), in the classical linear regression model it need to be test the classical linear regression model assumptions in order to maintain the data validity and robustness of the regressed result of the research. As result, this study tested the following classical linear regression model assumptions.

I. Normality Asumption Test

According Thomas & Wonnacott, (1990) one of the most commonly applied tests for normality is tested graphically using histogram and the residuals are normally distributed with a mean of zero, the histogram is bell-shaped.

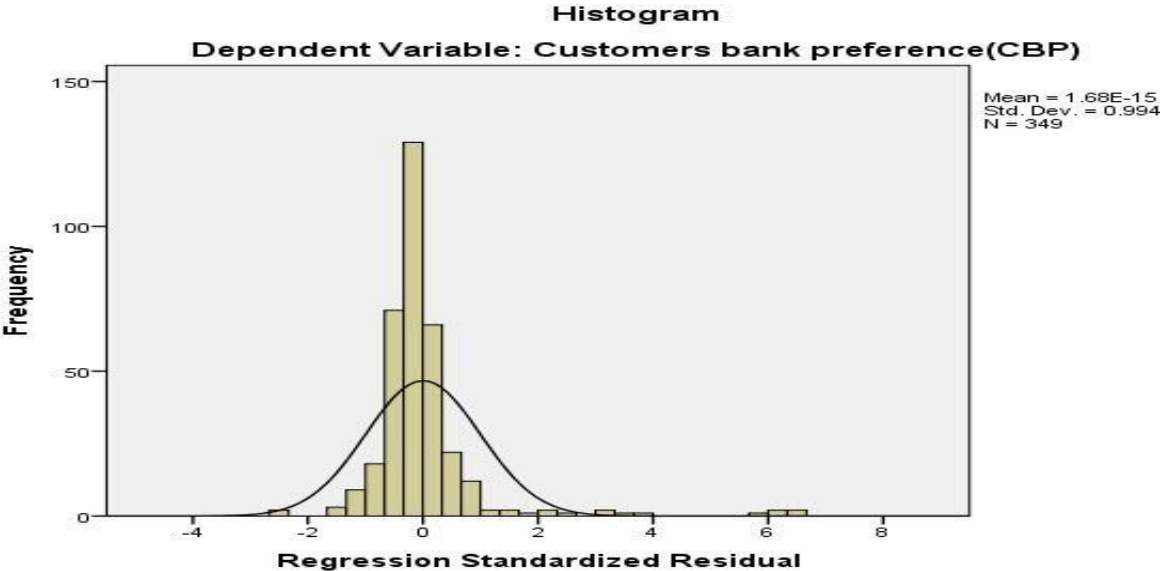


Figure 1 – Normality Test for Residuals

Thus, the study was test for assumption of Normality and as it can be seen from the above figure 4.1, the Histogram and density are bell-shaped; this implies that the residuals are normally distributed. Hence, the normality assumption is fulfilled and the data were consistent with a normal distribution assumption.

II. The Multicollinearity Test

Multicollinearity refers to the situation in which independent variables are highly correlated; resulting in a paradoxical effect, whereby the regression model fits the data well, but none of the independent variables has a significant impact in predicting the dependent variable The existence of multicollinearity is tested by calculating the Variance Inflation Factor (VIF) where a VIF coefficient greater than 10 indicates the presence of multicollienarity (Thomas and Wonnacott, 1990).

Table 4.5 Variance Inflation Factor (VIF) of the explanatory variables

Variable	Collinearity Statistics
	VIF
Advertising message (AM)),	5.530
Celebrity advertising (CA)	5.459
Media channel advertising (MCA),	7.313
frequency advertising (FQ)	9.819

Source: Own, computed from survey data, 2021

The results in above Table 4.9 indicate the VIF value of the explanatory variables and all independent variable are lower than the upper limit of VIF that is 10. Hence, the multi collienarity assumption is fulfilled.

III. Linearity Assumptions Test

In linear regression analysis it is assumed that there is a linear relation between the predictors and the dependent variable.

Result of Regression Analysis

In this section, the researcher used multiple regression analysis to detect the relationship between the dependent (customer bank preference) and independent variables (advertisement variables). Multiple regressions is not just one technique but a family of techniques that can be used to explore the relationship between one continuous dependent variable and a number of independent variables or predictors usually continuous (Julie and Pallant, 2005).

For the purpose of determining the extent to which Customers bank preference (CBP) affected by the explanatory variables advertisement dimension that are advertising message (AM), Celebrity advertising (CA), Media channel advertising (MCA), and Frequency advertising(FQ) researcher used multiple regression analysis models below table

Table 4.6. Model Summary of Multiple Regression Analysis

Model Summary				
Model	R	R Square	AdjustedR Square	Std. Error of the Estimate
1	0.869	0.755	0.752	0.06697
<i>a. Predictors: (Constant) advertising message (AM) Celebrity advertising (CA) Media channel advertising (MCA), Frequency advertising(FQ)</i>				
<i>b. Dependent variable; customer bank preference</i>				

Source: Own, computed from survey data, 2021

Table 4.7 above indicates R, R Square, Adjusted R Square and standard error of the estimate. Further, it lists the independent variables that are entered in to the regression model. R (0.869) is the correlation of independent variables with the dependent variables after all the intercorrelation are taken into account. The model summary, in the above table 4.7 shows the R Square is 0.755. This tells us how much of the variance in the dependent variable (customer bank preference) is explained by the independent variables / (Print media advertisement (PMA), Radio adverting (RA), Television advertising (TVA), and Online advertising (OA)/. This means that the

model (independent variables) explains 75.5% of the (dependent variable).

Anova Test

Table 4.7. ANOVA

ANOVA					
Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	4.756	4	1.189	265.123	.000
Residual	1.543	235		.004	
Total	6.299	240			
a. Dependent Variable: Customers bank preference(CBP)					
b. Predictors: (Constant), Advertising message (AM)), Celebrity advertising (CA) Media channel advertising (MCA), (T frequently advertising (FQ)					

Source: Own, computed from survey data, 2021

From the above table 4.8, we concluded that the model is a good and fit. Since, the p-value, 0.000 is less than $P = 0.05$. This result indicates a linear relation between the dependent variable Customers bank preference (CBP) and the independent variables, Advertising message (AM)), Celebrity advertising (CA) Media channel advertising (MCA), frequently advertising (FQ)

Regression Coefficient^c

The following coefficient table depicts the individual

Table 4.8 Beta Coefficients

Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		

1	(Constant)	.031	.011		2.787	.006
	Advertising message (AM)),	.389	.051	.483	7.696	.000
	Celebrity Advertising (CA)	.115	.048	.150	2.410	.016
	Media channel advertising (MCA),)	.540	.070	.559	7.749	.000
	frequency advertising (FQ)	-.246	.067	-.307	-3.676	.000
a. Dependent Variable: Customers bank preference(CBP)						

Source: Own, computed from survey data, 2021

According to (Julie Pallant, 2005, pp 153-154) to confirm independent variable as unique contributor or explain to dependent variables, we have to check the sig must be less than .05. This may tell us whether this variable is making a statistically significant *unique* contribution to the equation. Based on this, the above table 4.8 shows that all independent variable have significant value that is less than 0.05. Therefore, all independent variables that are Advertising message (AM)), Celebrity advertising (CA), Media channel advertising (MCA), and Frequency advertising (FQ) have significant value to explain Customers bank preference.

According to (Julie Pallant, 2005 pp 153-154) we need to look in the column labeled B under Unstandardized Coefficients interpret the regression result that depicted on the above table 4.8;

$$(CBP)= 0 .031 + 0. 389 (PMA) +0 .115 (RA) + 0.540 (TVA) - 0.246 (OA) + \varepsilon$$

To interpret the above regression, other things being constant, as OIB increases its advertising message by one unit, Customers bank preference increases by 0.389 units. advertising message has a positive and statistically significant at the conventional. Hence this result is consistent with the hypothesis of the study which is a positive and statically significant relationship between advertising message of OIB and Customers bank preference. The finding of this study implies that advertising message, has a positive impact on the Customers bank preference.

And also, an increase by one unit of Celebrity advertising of oromiya international bank, results in 11.5% increase in Customers bank preference. Celebrity advertising has a positive and statistically significant at 0.05 levels of significant. Hence this result is consistent with the hypothesis of the study which is a positive and statically significant relationship Celebrity advertising of oromiya international bank and Customers bank preference. The finding of this study implies that Celebrity advertising, has a positive impact on the Customers bank preference.

With Regard to advertising media channel, other things being constant, as OIB increase its media channels by one unit the Customers bank preference responds by 54 %. Media channel advertising has a positive and statistically significant at 0.05 levels of significant. Hence this result is consistent with the hypothesis of the study which is a positive and statically significant relationship between media channel advertising of OIB and Customers bank preference. The finding of this study implies that media channel advertising has a positive effect on the Customers bank preference.

However, the finding of the study indicates that frequently advertising has a reverse effect on the Customers bank preference at 0.05 levels of significant. Which means as OIB increases its advertisement frequency, customers preference decreases by 24.5%. Hence this result is inconsistent with the hypothesis of the study which is a positive and statically significant relationship between frequently advertising of oromiya international bank and Customers bank preference.

Table 4.9 summary of Hypothesis result

Hypothesis No	Hypothesis	Result	Reason
H1	Advertising message (AM) has a positive and significant relationship with Customers bank preference (CBP)	Consistent with the hypothesis of the study(H1)	Since, beta Coefficients =0.0389 which is positive @ 0.000 sig level
H2	Celebrity advertising (CA) has a positive and significant relationship with Customers bank preference (CBP)	Consistent with the hypothesis of the study(H2)	Since, beta Coefficients =0.115, which is positive @ sig.016
H3	Media channel advertising (MCA) has a positive and significant relationship with Customers bank preference (CBP)	Consistent with the hypothesis of the study(H3)	Since, beta Coefficients =0.540, which is positive @ sig.000
H4	Frequency Advertising (FQ) has a positive and significant relationship with Customers bank preference (CBP)	inconsistent with the hypothesis of the study(H4)	Since, beta Coefficients -.246, which is negative @ sig = 0.000

CHAPTER FIVE

MAJOR SUMMARY, CONCLUSION AND RECOMMENDATIONS

In this chapter the main findings, conclusion, recommendation and academic and practical implication of the study based on the result are presented. The major finding from the descriptive and multicollinearity regression are summarized precisely. Then conclusion are followed subsequently, with regards to advertising ,recommendation are posited to Oromiya international bank .furthermore managerial implication as well as recommendations are provided for further researchers interested in the area.

5.1. Summary of Major Findings

The present study measured the effect of advertisement on customer bank preference in Oromiya international bank in city branch. The research distributed 240 questionnaire to the target respondents. The collected data were analyzed by using SPSS Version 25. Based on the analysis made on chapter four, the following major findings were summarized.

From the descriptive analysis, the mean value of advertising message was 4.34 with SD =0.167, celebrity advertng has the mean value 2.56 with 0.18, mean value of Media channel advertising was 3.72 with SD =0.1393, mean value of frequency advertising was 2.43 with SD =0.168, and Customers bank preference has the mean value of 3.36 with SD =0.135.

The result from correlation shows that all the independent variables except frequency ads used in the study, advertising message, celebrity advertng, and Media channel advertising, have statistical significant relationship with the dependent variable bank preference. The regression result of this study confirm that, except the advertising frequncy, they have statistically significant and positive effect on customer bank preference on Customers bank preference. The strength of their relationship range from - 0.246 frequency ads to .540 Media channel advertising. With regard to the effect of each independent variable to the beta coefficient show that Media channel advertising has a strong effect on the dependent variable. While Radio ads explaining the variable of the dependent to less.

5.2 Conclusion

The main purpose of this study was to identify the effects of advertisement on customer bank preference in Oromiya international bank. The formulated objective of this study was to investigate the effect of advertising message (AM), celebrity adverting (CA), Media channel advertising (MCA), Frequency advertising (FQ) on Customers bank preference.

From the findings of the study it may concluded most of customers are influenced by advertisements on Advertising message followed by media channel advertising then and finally frequency ads.

Generally, it was observed that most of the bank customer are affected by OIB advertisement in their bank preference. Most of them they use service or products which are mostly advert and make them to be loyal.

On the other hand, it was observed that Advertising message, celebrity adverting and channel advertising are more trusted than new media advert. Reason of less significant impact of frequency ads on customer bank preference is that the lack of trust may be resulted when routinely adv are made. This may make the organization as it is not serving customer in the eyes of the public. People want to use serves or purchase products they have already seen or through experience.

Recommendation

Based on the findings and conclusions of the study, the researcher forwards the following recommendations for the marketing department of OIB and other concerned body .it is helpful for marketers to understand the effect of advertisement from customer perspective and it is important for the OIB to improving each media advertising variables activity to assure their customer preference.

- ❖ The study recommends that ADV Message should be strong and easily understandable believed and trusted . Advertisers should consider creativity when designing advertisements.
- ❖ Advertisement influence on brand association, loyalty and marketers really need to pay more and closer attention to the content, frequency, and timing of advertising. The content should be more specific and strong that help customers to develop their trust on the bank, to perceive the bank as offer a high quality of serves and to contribute in creating loyal.
- ❖ When allocating marketing budgets to media advertising tools, marketers should paid attention to the potential impact of each media advertising element on the build of customer bank preference. Because of ads made by the bank has direct influence on its Customers.
- ❖ The conclusions brought out from the findings shows that customers got information about the bank through media advertisement tool than any other sources of information. Therefore, to reach large number of target audience, attract, and to retain the existing ones, OIB needs to design its advertising methods using the various media outlets, such as electronic Media (TV, Radio, and internet); print media (newspapers, magazines, booklets, etc.) extensively. In addition, OIB is expected to build strong brand preferences rather than simply broadcast generic messages.
- ❖ Since Media ads by their nature require audiences, attentions, marketers should make the ads unique, attractive, and interesting to be heard and to gain listeners attention in such away, celebrity could impact customers to become familiar with the bank serves.

- ❖ The bank better put into practice that of advertising and service delivery to compete with good performance in the banking sector. Beside this the bank better to use update technology and to advert their product and serves through social media network.
- ❖ Finally, future research also needs to explore the effect of media ads on customer bank preference in the banking industry with wide range of factors by using large sample size and additional variables others those were not measured in the this study, which can also directly or indirectly influence on the bank preference

5.4. Limitations and Implications for Further Research

This study has yielded significant results and produced substantial contributions to the existing body of knowledge; however, there are also significant limitations which require further research to be conducted.

One of the major limitations of this study is the sample coverage, the absence of adequate studies and organized data especially empirical literatures, which would be useful to lay a more relevant factual base for the study and also The respondents' may unwillingness to fill the questionnaires due to lack of time, because of the nature of the customers of bank and may be the respondent lack of understanding the usefulness of the study, were the main limitations of the study. The results, are to be treated cautiously and future research might be conducted with the general population. In line with this, the sample size was not large. Therefore, future studies can analyze effect of ads on customer bank preference in the banking industry with wide range of factors by using large sample size. Second, the study analyses only one Bank confined in north Addis Ababa city Administration due to lack of capacity.

The case company taken in this study may limit the applicability of the findings to the bank industry in general. Thus, the researcher suggests that further studies can examine the remaining branches and different banks in the industry, which would provide a wider basis of analysis and identify more influential factors and effect of ads on customer bank preference. Finally, the study focused only on

the effect of ads on customer bank preference with the views of customers especially which type of media ad have more impact on their bank preference. So, future researchers can include other media tolls and the views of the bank managers, employees and other respective.

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Appendix

SAINT MARY UNIVERSITY



SCHOOL OF GRADUATE STUDIES

THE EFFECT ADVERTISING ON CUSTOMER BANK

PREFERENCE

Dear Participant,

My name is Naol Geremew. I am a student of marketing management in St Marry University. First of all, I am thankful for your participation. This questionnaire is for a research project conducted by a student of Master of Arts in Marketing of Master Thesis. This survey is conducted to figure out the effect of advertising on customer bank preference in the case of oromiya international bank.

Your valuable participation will help us to understand the effect of adv on customer bank preference. Please read the given instruction carefully before completing the questions. Required Note for cell phone users: Fill the form in landscape mode Demographic Information

Please click the appropriate options under which category you will fall in and best describes you.

Best Regards,

Naol Geremew

Tel: +251 919 343 853

Instruction

- No need to mention name on the questioner.
- The questioner includes both open and close ended questions. Use the mark [√] for the close ended and a brief answer for the open one

1. Age : 18-20 21-30 31-40 41-50 >51
2. Sex: Male Female
3. Educational level: No education Primary education Secondary education College Diploma First Degree Postgraduate Degree
4. Marital status: Married Single Divorced Widowed

Advertisement Related Questions

Please circle one number representing your rating for a particular factor by using the following scale:

Strongly Disagree (1), Disagree (2), neither Disagree nor Agree, (3), Agree (4) and Strongly Agree (5).

No	ADV Message Statement	1	2	3	4	5
(AM)	Advertisement message contents used by OIB advs is convincing an attractive					
(AM)	message contents used by OIB advs is influential					
(AM)	OIB The advertisement message is innovative					
(AM)	The advertisement message is simple to understand as a result it helps Me for banking preference..					
(AM)	The advertisement message is simple to understand as a result it helps Me for banking preference.					

(AM)	The advertisement message is easy to understand.					
(AM)	This adv is better than other ads that have the same message					
	ADV Channel					
(AC)	Print adv used by OIB are accessible in high populated area.					
(AC)	OIB broadcasting advertisement is influential					
(AC)	OIB broadcasting advertisement is enjoyable					
(AC)	broadcasting advertisement used by OIB is realistic and practical					
(AC)	Printing advs used by OIB are realistic and practical					
(AC)	Television advertisement are accessible.					
(AC)	Radio advertisement are accessible					
	ADV frequency					
(FQ)	OIB conducts advertisement frequent than other bank					
(FQ)	Repetitive advertisement made by OIB make consumer to think the bank is well					
(FQ)	Frequently advertised bank indicate the OIB service is motivating					
(FQ)	When OIB advertised frequently the bank gets more focus by its customer					
	Celebrity ADV					
(CA)	The celebrity of OIB is easily remembered					
(CA)	The celebrity of OIB credible					
(CA)	The celebrity has the power to change customer bank preference					
(CA)	The celebrity conveys all the true feature of the bank					
(CA)	I like the model or celebrity participated in OIB advertisement					

	CBP Dependent variable				
(CBP)	Even if another brand has the same features OIB I would prefer to use OIB service				
(CBP)	If there is another brand as good as OIB I prefer to use OIB				
(CBP)	When I think of a Bank OIB is one of the bank that come to my mind				
(CBP)	I like and trust the service provided by OIB				
(CBP)	I am happy being the customer of Oromiya international bank				
(CBP)	I recognize OIB brand quickly among other competing brands				
(CBP)	I always prefer OIB for any banking serves.				

