



SEEK WISDOM, ELEVATE YOUR INTELLECT AND SERVE HUMANITY !



COLLEGE OF BUSINESS AND ECONOMICS

SCHOOL OF COMMERCE

**THE EFFECT OF MEDIA ADVERTISING ON
CONSUMER BUYING BEHAVIOUR.**

By: Eyerusalem Kibret Adane

June 2023

Addis Ababa, Ethiopia

**THE EFFECT OF MEDIA ADVERTISING ON
CONSUMER BUYING BEHAVIOUR
IN ADDIS INTERNATIONAL BANK S.C.**

By: Eyerusalem Kibret Adane

**THESIS SUBMITTED TO THE SCHOOL OF GRADUATE STUDIES OF
ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS OF DEGREE OF
MASTERS OF ART IN MARKETING MANAGEMENT**

Advisor: Temesgen Belayneh (Ph.D.)

June, 2023

Addis Ababa, Ethiopia

DECLARATION

I, Eyerusalem Kibret Adane, declare that this thesis "THE EFFECT OF MEDIA ADVERTISING ON CONSUMER BUYING BEHAVIOUR IN ADDIS INTERNATIONAL BANK S.C." is my original work, prepared under the guidance of Temesgen Belayneh (Ph.D.). All materials used in this thesis have been properly credited. I further confirm that the thesis has not been submitted either in part or full to any other higher learning institution to earn any degree.

Eyerusalem Kibret Adane

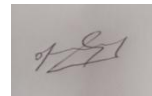
Name
Addis Ababa University, Addis Ababa

Signature
June, 2023

STATEMENT OF CERTIFICATION

This is to certify that Eyerusalem Kibret Adane has carried out her research work on the topic entitled "**THE EFFECT OF MEDIA ADVERTISING ON CONSUMER BUYING BEHAVIOUR IN ADDIS INTERNATIONAL BANK S.C.**" is her unique work and appropriate for submission for the award of a Masters degree in Marketing Management.

Temesgen Belayneh (Ph.D.)



Advisor

Signature

Addis Ababa University, Addis Ababa

June, 2023

APPROVAL SHEET
ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE
DEPARTMENT OF MARKETING MANAGEMENT
POSTGRADUATE PROGRAMME

This is to certify that Eyerusalem kibret's thesis, THE EFFECT OF MEDIA ADVERTISING ON CONSUMER BUYING BEHAVIOUR IN ADDIS INTERNATIONAL BANK S.C., submitted to the Master of Arts in Marketing Management, meets the required quality and originality standards.

APPROVED BY BOARD OF EXAMINERS

Signed by The Examining Committee:

Advisor

Signature

Date

Temesgen B. (PhD)



13/07/23

Internal Examiner

Signature

date:

Yibeltal N. (Asst. Professor)
External Examiner



Signature

11/7/2023
Date

ACKNOWLEDGEMENT

First and foremost, I want to express my gratitude to the Almighty GOD for everything. Following that, I want to thank Dr. Temesgen Belayneh for his insightful and helpful feedback.

I also would like to thank Addis International Bank S.C sample selected branches and the human resource management department for their relentless help.

Last but not least, I wanted to thank my husband Admasu Lemma and my friends for their moral encouragement and for providing material.

Eyerusalem Kibret

June, 2023

ABSTRACT

Advertising is any sort of paid promotion of concepts, products, or services by an acknowledged sponsor that is not personal. The majority of business organizations think that an advertisement has a direct impact on sales volume; hence they measure the success of an advertising campaign by whether or not sales volume has increased. This research is undertaken to investigate the effect of media advertising on consumer behavior. The study used questionnaires to gather quantitative data from primary sources and descriptive designs. Customers from Addis international bank S.C. are the study's target audiences. The sample size for this research was 384 people. The researcher first used simple random sampling approach to select branches located in Addis Ababa. Then after used convenient sampling technique to select respondents from each branch. Descriptive and explanatory methods were used to analyze the data after they were obtained the regression analysis was calculated using the SPSS version 26 methods, and the correlation analysis was calculated using the Pearson correlation method. From the results, it can be inferred that media advertisements and consumer purchasing behavior are positively correlated. The message factor of the advertising is ranked top in terms of its level of correlation when compared to other relationship dimensions taken into account in this study. The channel factor of the advertisement is placed second in terms of the strength of the connection, and the source factor follows on the third rank. The average score for the combined mean value of all variables is 3.909, indicating a high level of agreement. In the multiple regression analysis results, all the predictor variables accounted for 33.1% variation in customer buying behavior and all have a significant effect on customer buying behavior As a result of the findings, the study recommends that the company's marketing department develop a better message factor of advertising that can help the business establish potential and prospective clients. The Bank should also choose suitable spokesperson to effectively communicate the enticing message and select the appealing media with the strongest level of public acceptability.

Keywords: Message Factor, Source Factor, Channel factor

Table of Contents

ACKNOWLEDGEMENT	v
ABSTRACT	vi
List of figures	x
List of Tables	x
CHAPTER ONE	1
Introduction	1
1.1. Background of the study	1
1.2. Background of the company	3
1.3. Statement of the problem	4
1.4. Research Questions	5
1.5. Objectives of the Study	6
1.5.1. General objective	6
1.5.2. Specific Objectives of the Study	6
1.6. Significance of the Study	6
1.7. Scope of the Study	6
1.8. Limitations of the study	7
1.9. Organization of the Study	7
CHAPTER TWO	8
REVIEW OF RELATED LITERATURE	8
2.1. Introduction	8
2.2. Theoretical Review	8
2.2.1. AIDA Theory	8
2.2.2. Foote, cone and Belding FBC Model.....	9
2.2.3. Hierarchy of effects Theory	11
2.2.3.1. Stages of Hierarchy of Effects Theory	11
2.2.4. The three communication effects	11
2.2.4.1. The Message factors	12
2.2.5. Objectives of Advertising.....	14
2.2.6. The Effect of Advertising.....	15
2.2.6.1. Positive effect of Advertising	15
2.2.6.2. Negative effect of Advertising	16
2.2.7. The concept of consumer Behavior.....	16

2.2.7.1. The five stages of consumer buying behavior	17
2.3. Empirical review	20
2.3.1. Review of previous Literatures done on the topic.....	20
2.4. Research Gap.....	22
2.5. Research hypothesis	23
2.6. Conceptual frameworks.....	24
CHAPTER THREE	25
Research Design and Methodology.....	25
3.1. Research approach.....	25
3.2. Research Design	25
3.3. Sampling Design.....	26
3.3.1. Target population	26
3.3.2. Sampling Frame	26
3.3.3. Sampling Technique.....	26
3.3.4. Sample Size.....	27
3.3.5. Sampling Procedure	27
3.4. Data collection Method and Instrument	28
3.5. Data analysis Method.....	29
3.6. Validity and Reliability.....	29
3.6.1. Validity.....	29
3.6.2. Reliability	29
3.7. Research Ethics	30
CHAPTER FOUR.....	30
Data presentation, Analysis and Interpretation.....	30
4.1. Response Rate.....	31
4.2. Socio demographic characteristics results of respondents	31
4.3. Descriptive statics of study variables.....	32
4.3.1. Source factor dimension.....	33
4.3.2. Message factor dimension.....	33
4.3.3. Channel factor dimension.....	34
4.3.4. Consumer behavior dimension.....	35
4.4. Correlation Analysis	36
4.5. Assumptions test.....	37
4.5.1. Normality Assumptions	37
4.5.2. Linearity Assumptions	39

4.5.3.	Homoscedasticity	39
4.5.4.	Multi-Collinearity	40
4.6.	Multiple Regression Analysis	41
4.6.1.	ANOVA (Analysis of Variance)	41
4.6.2.	Regression Coefficient Analysis	42
4.7.	Regression Analysis and validating the proposed Hypotheses.....	43
CHAPTER FIVE.....	45
Summary of findings recommendations and conclusion	45
5.1.	Summary of findings.....	46
5.2.	Conclusion.....	47
5.3.	Recommendation.....	47
5.4.	Suggestion for future research	48
Reference:	49
Appendices	52

List of figures

Figure 2-1: Foote, cone and Belding model FCB GRID-Richard Vaugh 1980.....	10
Figure 2-2: Five-stage model in consumer behavior source (Hawkins & Mothersbaugh 2008) .	18
Figure 2-3: conceptual frame work of the study	24
Figure 4.1. Normality-Histogram Graph	38
Figure 4.2. p-p plot	39
Figure 4.3. scatter plot	40

List of Tables

Table 3-1: Reliability test results	29
Table 4-1: Socio demographic characteristics results of respondents.....	31
Table 4-2: Source factor items	33
Table 4-3: Message factor items	33
Table 4-4: Channel factor items	34
Table 4-5: Consumer behaviour items	35
Table 4-6: Over All Descriptive statistics	35
Table 4-7: Correlation analysis	37
Table 4-8: Normality test	38
Table 4-9: Multicollinearity Test	40
Table 4-10: Model Summary	41
Table 4-11: ANOVA.....	41
Table 4-12: Regression Coefficient Analysis.....	42
Table 4-13: Summary of the Research Hypothesis Result.....	44

CHAPTER ONE

Introduction

1.1. Background of the study

Advertising plays crucial part in spreading the word about a particular good or service and influencing consumers' behavior while making purchases. It can aim to inform, persuade, or remind consumers. Particularly unsought items, like those in the banking sector, need extensive advertising due to low awareness and fierce rivalry among competitors. (Armstrong and Kotler 2000).

Advertisement as noted by (Kotler & Keller 2012) is Any kind of non-personal, paid advertising that is used to market ideas, products, or services by a designated sponsor in print, broadcast, network, electronic, and display media.

According to (Guolla, Belch& Belch 1990) the fact that the time or space for an advertisement must often be purchased is reflected in the paid component of this definition. Advertising uses mass media (such as TV, radio, magazines, and newspapers) that may communicate a message to vast populations of people, frequently all at once. Because advertising is impersonal, there is typically no way for the message recipient to provide immediate feedback (with the exception of direct-response advertising), thus the marketer must consider how the audience will interpret and respond to the message before it is conveyed.

What makes Advertising one of the most preferable promotional mix elements is its cost efficiency and effectiveness. Additionally, it is an effective tool to enlighten customers and shape their perspectives. Melkamu 2014, noted that advertising is the most popular and most debated method of marketing. He also claimed that many marketers use it because of its wide audience, cost-effectiveness, and capacity to build brand identities and symbolic appeal for an organization or a business.

Customer purchasing behavior is the sum of a buyer's opinions, affinities, requirements, and choices with regard to the buyer's behavior in the business context while acquiring a good or

affiliation. The investigation of consumer behavior makes use of humanistic controls from the humanities, cognitive science, human science, and financial perspectives. Advertisers believe that by learning what motivates consumers to acquire particular goods and services, they will be better able to determine what products are necessary for their industry, what products are no longer in demand, and how to effectively market those products to consumers (Katke, 2007).

The analysis of customer behavior reveals that customers are the business center's performance experts. According to the idea of occupation, customers recognize a variety of professions in the commercial world. Three shoppers identify these professions in the choice system, starting from the information supplier, moving from the consumer to the payment, and ending with the disposer. According to Engel, Blackwell, and Mansard's research, client behavior refers to the actions and decision-making processes of persons who buy stocks and make purchases for personal use. Client behavior is the decision-making process and physical growth that people value while examining, obtaining, using, or rejecting goods and services (Arshad, 2014).

Advertising helps to organize social and economic interactions and harmonize societal behavior, forcing those who follow common values, and facilitating peaceful coexistence. The second strategy, in contrast, receives a lot of criticism since it encourages mass consumption through advertising. It provides fresh, barely differentiating symbolic values to let communications be more targeted at a larger audience (Belch, 2004).

Direct measures and indirect measures are the two different sorts of measures. A connection between advertising and sales is established by direct measures of advertising performance. It is possible to compare the sales of two markets or periods and observe any comparable changes. Indirect metrics of advertising effectiveness take into account variables like client knowledge, attitude, or recall of the advertising message that have an indirect impact on sales, profitability, or corporate objectives (Esubalew, 2021)

The advertising's primary attribute is its ability to grab the target audience's attention. Without doing so, it cannot be called to be effective. There are two ways to assess how well advertising draws attention. Pre-test and post-test, respectively (Belch, 2004).

The evaluation of a customer's brand awareness familiarity with a specific product or brand, which is how marketers who largely rely on advertising assess their advertising performance. This sort of measurement is predicated on the notion that there is an immediate connection between awareness and advertising (Kotler and Keller, 2012). Customers are requested to understand the meaning of the commercials in this case, which is comprehension. Measures of understanding include recall tests, questioning techniques, and others. Because attitudes among groups exposed to advertising communication are measured in terms of attitudes, attitude change is the outcome of advertising. Because of the adverts here, the purchasing behavior or activity is measured.

Currently, more than 25 private banks are already operating in Ethiopia, and additional banks are waiting approval from the National Bank to open for business. As the number of competitors increases in the industry, the market environment will be very competitive and challenging. These forced commercial banks to spend millions of birr for advertisement & promotion to gain a competitive advantage and remain vibrant in the industry.

As one of the private banks in Ethiopia Addis International bank S.C. implements different marketing communication strategies to reach out and influence its customers in the market. To be competitive in the market and gain customer's attention, the bank uses various media outlets to advertise its products and services.

1.2. Background of the company

Addis International Bank was founded in 2011 with paid-up capital and subscribed capital of Birr 500 million and 700 million, respectively. AdIB is established by a variety of stockholders, including cooperatives, microfinance institutions (MFIs), Iddirs, other commercial enterprises, and individual citizens. The major shareholders of the Bank are Cooperatives and their members. The bank's Paid-Up Capital has rapidly expanded in recent years as a result of the confidence of its shareholders and its focus on capital expansion. Shares in the bank are still for sale. Additionally, the bank's subscribed capital has climbed to Birr 1.4 billion, and its paid-up capital has increased to Birr 1.42 billion.

The bank quickly expanded its branch network from 3 to 124 in capital and regional cities, and it now has more than 412,133 customers nationwide. The bank now has more than Birr

14.6 billion in total assets. The active participation of its crucial stakeholders, including its workers, shareholders, and consumers, was a major factor in its expansion.

1.3. Statement of the problem

It is crucial and challenging for promotional planners to effectively communicate the correct message to the right audience at the right time. (Kotler, 2007). In support of this (Mitta & Pachauri, 2013) pointed out that how commercial enterprises interact with their clients and the message conveyed in the advertisement should be compelling enough to draw clients' attention.

The current Ethiopian banking sector becomes highly competitive due to the entry of new local banks into the industry. In addition to this, the Ethiopian Government has also announced that it will allow foreign banks to join the banking industry. To remain competitive in the market and both acquiring new clients and keeping current ones, commercial banks have to design effective marketing communication strategies. Advertising is one of the most widely used communication methods which is used by almost all banks. Financial organizations, particularly banks, invest millions of birrs in marketing their goods and services to potential clients as well as to the general public.

According to the data obtained from marketing department of Addis International Bank S.C. the bank spends 8,000,000 million Birrs in 2021/22. Many banks use a variety of media outlets, such as television, radio, newspapers, and social media, to promote their names, products, and services. But what matters the most is, knowing how the released advertisement affected the way consumers responds to it. As (Guolla, Belch & Belch 1990) pointed out assessing the effectiveness of advertisements before they are implemented and after the final version gives many avoiding costly errors, considering alternate tactics, and advertising efficiency, and determining if objectives are achieved. In reality, most business organizations failed to assess how their advertisement impact customers buying behavior. Additionally, they don't pay enough attention to how well the message is received and how the medium they use affects their audience's purchasing decisions. The current market price for releasing advertisements on the broad cast and outdoor media is very expensive.

According to the data obtained from Ethiopian broadcast corporate and Ethiopian broadcasting service (EBS), the average price to release an advertisement per minute is 22,000 & 30,590 respectively. This becomes a challenge for all business organizations especially financial institutions as the cost of releasing adverts escalate, they need to find out which medium can significantly affect their consumers buying behavior and narrow their choice of media selection to achieve their objective at a reasonable price. In addition to this, the effectiveness of the message delivered in influencing customers' decision-making power has not been given enough attention as it should be. This situation happens in Addis International bank S.C. The bank spends millions of birrs on advertisement but enough assessment is not done on how it impacted its customer's behavior.

Despite the fact that numerous important researches on Ethiopia have been conducted by Melkamu, 2014, Asnake, 2018, Haregewain, 2019, Esubalew, 2021. These studies are constrained in scope in that they only look at a small number of factors in order to study how advertising affects customers differently. Furthermore, previous studies were rarely focused on media advertising's impact on consumers' purchasing decisions in the context of Ethiopian private banks, and no study on the case of Addis International Bank S.C. has been encountered so far. In the context of the bank the issue of advertising is always raised by branch managers when they are asked about why they failed to mobilize the expected resources to the bank. On the other hand the bank spends millions of birr for advertisement this shows that there is some kind of gap on the effectiveness of the advertisement. Therefore conducting research to understand the effect of the advert on consumers buying behaviour is necessary.

1.4. Research Questions

The research questions that this study aims to address are:

- To what extent does the source factor of advertising affect the consumers' buying behavior of Addis International Bank S.C.?
- What effect the message factor of media advertising have on consumer buying behavior of Addis International Bank S.C.?

- What effect do the media advertising channel factors have on consumers' purchase decisions?

1.5. Objectives of the Study

1.5.1. General objective

The general objective of the study is to analyse the effect of media advertising on consumers' buying behavior in Addis International Bank S.C.

1.5.2. Specific Objectives of the Study

- To examine how the source factors of media advertising affect consumers' purchasing decisions.
- To determine how the message factor of media advertising affect consumers' purchasing decisions.
- To highlight how the channel's media advertising aspects affect consumers' purchasing decisions.

1.6. Significance of the Study

The finding of the study will give an insight for the management of the bank and to other financial institutions to know about the effect of media advertising on consumer behavior; it can also be used as a secondary data during the preparation of media planning. In addition to this, this study will be helpful for decision-making during the media selection process, the study can also give valuable information to the marketing department of the bank and other stakeholders to understand which media can significantly affect their customer's behaviour. The result of the study can also help AdIB and other financial institutions & business organizations to design effective media advertising strategies. It also serves as a resource for students and marketing professionals and allows other scholars to perform more study on this topic.

1.7. Scope of the Study

The study on the effect of media advertising on consumer's buying behavior is limited to only one firm. Addis International bank S.C. (AdIB). Due to time constraints and other financial limitations, this research specifically focuses on the effect of media advertising

from the three communication processes (the media, the source & the channel factors) on consumers' buying behavior of Addis International Bank s.c.

Methodologically, the study employed a descriptive design. Besides, the study used a structured questionnaire to get primary data. Different, journals & articles on media advertising & consumer behavior are also reviewed to support the primary data.

Geographically, this research is conducted on 15 sample branches located in Addis Ababa city.

1.8. Limitations of the study

It is important to address any potential restrictions or weaknesses, as with any research project. The respondents' unwillingness to fill the questionnaires due to lack of time, because of the nature of the customers of bank, and lack of understanding on the usefulness of the study. The use of closed-ended questions may have resulted in a lack of topic coverage or authenticity.

1.9 Organization of the Study

The study is arranged into five chapters. The first chapter is back ground of the study, statement of the problem, research question, objective, significance & limitation. Chapter two provides the theoretical foundation of the study and empirical evidence followed by a summary of research gaps and conceptual framework. Thereafter, the third chapter presents the methodology be used in the study. Chapter four focuses on the results of the analysis and discusses the findings. Finally, chapter five will present a summary of findings, a conclusion, and give recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1. Introduction

This chapter assesses significant literature that has been cited from books, journals, reports, dissertations, and other works. The chapter is organized into three sections: a review of the theory, an examination of the facts, and a conceptual framework. The source factor, message factor, and channel factor are the three key components of the communication process. Theoretical models of advertising efficacy are examined in the theoretical review. The empirical review portion carefully examines references to earlier studies on the variables under study. The conceptualization of the research, which is developed by the assessment and definition of the conceptual model components that specify the link between the dependent and independent variables, is the subject of the third portion of the discussion.

2.2. Theoretical Review

This section examines the main theoretical frameworks that can be used to investigate and comprehend marketing communication. Different authors have put out a variety of theories regarding marketing communication. AIDA theory, the Foote, cone and Belding FBC model and Hierarchy of effects Theory are a few of the theories.

2.2.1. AIDA Theory

The AIDA model provides a comprehensive explanation of how advertising influences customer behavior and purchasing decisions throughout the entire process. It stands for attention, interest, desire, and action, all of which are essential to understanding how advertising affects customer behavior. The first component, called attention, outlines the process by which a brand is able to capture a consumer's attention after initially coming into touch with them through an advertisement. It may be either favorable or unfavorable attention, or perhaps, in a worst-case scenario, no attention at all. Only the first scenario—in which the customer pays attention to the advertisement and eventually the brand—is advantageous from the advertiser's perspective (Kotler, 2007). The second component which

is interest emphasizes to stimulate target viewers' interest, as this is what advertisers prioritize doing (Broeckelmann, 2010). The third level of the AIDA model's hierarchy, called desire, addresses the aspirations of target customers to purchase a good or service.

From the perspective of advertising, want is defined as the level of fervent desire for a thing. The goal of advertising is to arouse desire, so it is important that they highlight the qualities and advantages of their products (Richardson, 2013). The act of a client taking action, i.e., actually buying a good or service occurs at the fourth level of the AIDA model's hierarchy.

Customers are prepared to pay for the goods at this point in order to satisfy their acute want for a specific good or service. Utilizing effective communication methods to reach the mass market, the corporation should create awareness, interest, desire, and attractiveness for its products in order to increase demand for both new and existing products. As a result, using the theory in business encourages rapid expansion of the company' customer base and revenue (Aaker and Joachimsthaler, 2000).

2.2.2. Foote, cone and Belding FBC Model

Richard Vaughn developed the Foote, cone and blending model, popularly known as the FBC grid, in the year 1980. The grid-based concept was created using think and feel as its foundational elements. Consumer engagement levels are categorized as either high involvement or low involvement based on these two variables. Based on customer involvement and decision-making patterns, the four quadrants of the FBC grid separate products and the incentive to purchase those things into four categories.

	Thinking	Feeling
	1	2
High involvement	Informative (Learn, feel,do)	Affective (Feel, learn, do)
	3	4
Low involvement	Satisfaction (Do, learn, feel)	Habitual (Do, feel, learn)

Figure 2-1: Foote, cone and Belding model FCB GRID-Richard Vaugh 1980

1. **Quadrant 1 High Involvement/Thinking Informative:** - It represents the careful consideration and high levels of involvement clients exhibit prior to making a purchase. The buying decisions that fall under this quadrant are determined by the value that a client associates with a certain demand or product. Due to the amount of money spent on the purchase, a high-priced item that is purchased only once in a lifetime will fall into this quadrant. Investments in financial and insurance products, the purchase of a home or piece of land, and the purchase of jeweler are a few examples. Offering client's comprehensive product information, including a hands-on demonstration, is the ideal way to market products that fall inside this quadrant.
2. **Quadrant 2 High Involvement/Feeling Affective:** - covers items that need a lot of interaction and whose buyers focus their decisions on how they feel. Making such decisions requires persuading oneself while making the decision. As Vaughn (1980) pointed out the primary driver in this area is impact. Feel Learn Do Pattern is the quality that is displayed in Quadrant 2. The most effective method of marketing these goods is to offer clients high-impact pictures. Displaying eye-catching graphics in print and on television is the best media approach to win over customers in this area since these images have a visual effect.
3. **Quadrant 3 Low Involvement/Thinking:** - represents the ongoing expenditures made as a result of or in order to sustain life. Due to the clients' habits, this type of purchase is made with a minimal degree of thought and involvement. The attribute displayed in quadrant three is the pattern of do, learn, and feel. (Vaughn 1980) submits the focus on symbolic elements and visual components that will have a significant influence on consumers is the best advertising strategy for these goods. Reminder advertising and repetition of the same jungles and snappy phrases are the best media tactics to attract customers who fall under this segment.
4. **Quadrant 4 Low Involvement /Feeling:** -It involves consumer purchases done with little emotion or involvement. This type of purchase includes giving in to peer pressure or making purchases only for the sake of making them. This category includes items that are purchased spontaneously or for personal satisfaction. The optimal marketing

approach for these goods is to concentrate on the inclinations and preferences of the consumer. (Vaughn 1980) suggested that the best media tactics to attract customers in this area are through newspapers and billboards.

2.2.3. Hierarchy of effects Theory

The hierarchy-of-effects hypothesis is a theory created by Robert J. Lavidge and Gary in the year 1961. It outlines how advertising impacts a consumer's choice to buy or not to buy an item or service. The hierarchy demonstrates how advertising influences consumer learning and decision-making processes. It is employed to plan out a series of advertising message objectives for a specific product, building on each new objective until a sale is ultimately made.

2.2.3.1. Stages of Hierarchy of Effects Theory

The awareness and knowledge (cognitive):- stages when a customer receives information about a good or service, and how they interpret the information they receive. At this stage, it is critical for advertisers to stress brand information in a straightforward and accessible way that compels a potential customer to study more and develop an emotional bond with a product. The advertiser's responsibility is to ensure that product information is easily accessible. (Belch and Belch, 2003).

The liking and preference (affective):- stages when consumers create opinions about a brand, thus an advertisement shouldn't highlight a product's features, benefits, or technical skill at this time. Advertisers should instead make an effort to appeal to a consumer's values, emotions, self-esteem, or way of life.

The conviction and purchase (Conative):- phases that emphasize action. It takes place when a marketer tries to convince a potential consumer to buy something as a result of the knowledge they have learned and the emotional bond they have formed with a brand. It could mean taking positive action in response to doubt about a product or service. At these stages, advertisers should try to convince potential customers that they need a product or service, maybe by offering a trial run or sample item.

2.2.4. The three communication effects

The source factors

According to (Belch & Belch, 2003), source is the individual who is directly or indirectly responsible for disseminating a marketing message. A spokesperson who conveys a message

and/or presents a good or service is referred to as a direct source. An indirect source, like a model, draws attention to the advertisement and/or improves its aesthetic but doesn't truly convey a message.

- **Source credibility:** -is the degree to which the source is seen to have relevant knowledge, talent, or experience and is believed to provide accurate, unbiased information by the recipient. As Belch & Belch (2003) noted Credibility has two key components: competence and trustworthiness. A knowledgeable speaker with strong communication skills will persuade more people than a speaker with less knowledge. But in addition, the source must be trustworthy, honorable, moral, and credible.
- **Source Attractiveness:** - Advertisers typically exploit the source attribute of beauty, which includes similarity, familiarity, and likeability. The concept of similarity states that the message's sender and recipient are comparable. While familiarity refers to exposure-based knowledge of the source. A source's likeability may be defined as a connection to them as a result of their personality, conduct, or other qualities. The process of identification, which is triggered by the receiver's desire to establish a connection with the source and results in the adoption of comparable beliefs, attitudes, preferences, or behaviors, is how source attractiveness results in persuasion.
- **Source power:** - when a source has the ability to impose incentives and penalties on the recipient, it has power. (Belch & Belch 2003). Because of this influence, the source may be able to persuade someone else to agree with the request or viewpoint they are promoting. Compliance is the method by which influence happens when a receiver views a source as powerful. In order to receive a good response or escape punishment, the receiver submits to the source's persuasive influence and adopts his or her perspective.

2.2.4.1. The Message factors

The communicator of marketing communications often has several message points they want to get across. Planning a message requires understanding how to most effectively present these arguments and exclude any prospective audience members' opposing viewpoints.

- **Order of presentation:** -The presentation of the arguments is a fundamental factor in the design of a persuasive message. The message's strongest points should never be introduced in the middle; instead, they should come early or late (Belch & Belch 2003). The strongest arguments are presented at the beginning of the message because it is believed that a primacy effect, which states that information presented first is most persuasive, is at work. Marketing communicators must select if their messaging should draw a clear conclusion clearly or leave it up to the audience to make their own inferences. According to research, messages with clear conclusions are typically easier to understand and more effective at changing attitudes. People with higher levels of education prefer to come to their own conclusions and may become irritated by attempts to explain the obvious or make inferences for them. But for a less informed audience, who might not draw any conclusions or who would infer the wrong thing from the message, it might be important to state the conclusion.
- **Message sidedness:** - As (Belch & Belch 2003) pointed out a one-sided communication solely highlights qualities or advantages that are favorable. However, in a two-sided communication both the positive and negative aspects of a message are presented. One-sided messages work best when the intended audience has a good opinion of the subject. Additionally, they perform better in front of an uneducated crowd. When the target audience is highly educated or holds opposing opinions, two-sided messages are more successful. It also boosts the source's trustworthiness. A communicator who offers both sides of an issue is likely to be perceived as less prejudiced and more objective since an educated audience is more likely to be aware of competing viewpoints.
- **Message appeal:** - One of the advertiser's most essential creative approach choices is selecting the appropriate appeal (Kotler, 2003). While some advertising aim to influence consumers' rational, intellectual decision-making processes, others utilize emotional appeals in an effort to elicit a particular emotional reaction. It is that also believed that persuasive advertising blends emotional values with rational justifications for buying a product. The process of naming competitors in an advertisement either directly or indirectly and comparing one or more specific features is known as comparative advertising (Belch & Belch 2003). This type of advertisements is useful for new brand

and for brands with market share. In order to elicit this feeling and motivate people to act to eliminate the threat, advertisements will occasionally appeal to people's fears. As (Khan, 2015) pointed out the degree of fear in a message and acceptance or persuasion is inversely correlated, this indicates that when the level of fear employed grows up to a certain point, message acceptance rises. Beyond that, acceptance declines as fear intensifies.

Among all advertising messages, humorous ads are frequently the most well-known and memorable. Consumer attention is captured and held by humorous messages. They increase efficacy by boosting customer mood, improving their like of the advertisement, and raising their feelings for the good or service (Andrade, 2020).

The Channel factors

- **Personal verses non personal channels:**-Information obtained through personal media of influence is typically more convincing than information obtained through the media. A sales message is significantly more adaptable, unique, and effective than an advertisement. Advertising is typically created by individuals who have little direct interaction with consumers (Belch &Belch 2003)
- **Clutter:**-is defined as the volume of commercial content in a medium. Since there are so many messages competing for consumers' attention across numerous mediums, clutter is becoming a bigger worry for advertising.(Danaher & Tracey 2013) Customers are frequently irritated by the volume of advertising, which makes it challenging for ads to properly convey their message. To eliminate this problem many advertises shifted on releasing their ads on top rated shows that have large audience.

2.2.5. Objectives of Advertising

Advertising's role and purpose in a marketing program, as well as the goals of an organization's advertising efforts, frequently change. Advertising may attempt to build awareness or a favorable perception of its product or service over a longer period of time (Percy, 2008). An advertising aim (or goal) is a particular communication task that must be completed with a certain audience within a given time frame (Kotler & Keller 2012).

The objectives of advertising can be classified as to inform, persuade, remind and reinforce. The goal of informative advertising is to increase consumer awareness of new items/or new features of existing ones. Comparative advertising, which clearly contrasts the features of

two or more brands, is a tactic employed in some persuasion marketing and its goal is to convince people to enjoy, prefer, believe in, and purchase a given commodity or service. Advertising that serves as a reminder and tries to encourage repeat purchases of goods and services. Reinforcement Advertising seeks to persuade current customers that they made the right decision.

According to Percy 2008, Advertising has a variety of goals, including need recognition, buyer identification, brand building, alternative evaluations, exposure, awareness, attitude modification, profit, purchase decision, and customer retention. Advertising is essential in encouraging people to make purchases. According to Keller (2003), brand awareness refers to consumers' capacity to recall and recognize the brand in a variety of situations and to connect the brand's name, logo, symbol, and other visual cues to particular connections in their memories.

2.2.6. The Effect of Advertising

2.2.6.1. Positive effect of Advertising

When executed well, advertising can serve a number of purposes and have a significant impact. It assists in identifying items, their suppliers, and how they vary from competitors. Additionally, it transmits information on the goods, their characteristics, and the shop where they are sold. It also supports efforts to promote the creation of new goods and the recommendation to reuse current ones. Companies might use advertising to introduce a product that consumers could find valuable or to raise consumer awareness of an unmet need. This effect is frequently seen when new products are introduced to the market. Advertising also has the ability to evoke images and symbolic appeals for products and services, which is important for companies that provide products and services that are difficult to differentiate from one another. It may nevertheless have a profound impact on individuals even when other elements of the marketing plan have failed (Belch & Belch 1990).

Advertising, which is a type of communication, is actually a very structured form of applied communication, employing both verbal and non-verbal elements that are composed to fill specific space and time determined by sponsor. According to (Percy, 2008), effective communication through advertisement leads the consumers toward the purchase.

2.2.6.2. Negative effect of Advertising

Advertising is a communication tool which is widely used by many business organizations. However it is criticized by many scholars for the ways it influenced our society. As (Guolla, Belch & Belch, 1990) pointed out many ads are being criticized for misleading and deceiving consumers. Numerous researches have also revealed that people generally distrust advertising. Although they tend to feel more confident in advertising claims when they are focused on their actual purchase decisions, consumers typically do not trust advertising.

The other main critique of advertising is that it typically contains little to no information about genuine products. Advertising wastes resources and only improves living conditions for few. One of the common criticisms of advertising is that it represents an ineffective, wasteful process that uses financial and human resources to reshuffle current total demand instead of increasing total demand. According to (Marian, 2013) Advertising creates unrealistic expectations. Prescription medicine advertisements that are targeted directly at consumers have led to unrealistic expectations regarding the efficacy and adverse effects of the drugs. The visuals of these advertisements solely feature happy, healthy people. The true negative effects of the medications are never fully depicted. For a very long time, advertising has been used to persuade customers to spend their money on goods or services that they might not actually need. Advertising is unethical and, if not watched closely, it can have a more harmful impact than positive on an individual (Marian, 2013).

2.2.7. The concept of consumer Behavior

Consumer behavior is the study of how individuals, groups, and organizations choose, obtain, use, and discard goods, experiences, or concepts to meet wants, as well as the effects that these actions have on the consumer and society (Hawkins, Mothers Baugh, 2010). It is clear from this idea that consumer behavior is not just concerned with making purchases of goods or services; rather, the process starts long before these actions are taken. The buying process starts in the consumer's mind, where they find other things that they may buy with their own advantages and disadvantages. Internal and external research is a result of this. Following the decision-making process for acquiring and employing the things, follows the post-purchase behavior, which is similarly significant since it tells marketers as to whether their product has been effective or not.

According to Hoyer & MacInnis, 2008 Consumer buying behavior is the term used to describe the purchasing habits of ultimate consumers, or people and families who purchase products and services for their own use. How effectively marketers comprehend customer behavior will greatly influence their ability to influence purchasing behavior. Marketers must understand the precise demands that consumers are trying to satiate as well as how those needs convert into purchasing criteria. They must comprehend how consumers research different options and choose between rival brands using this knowledge. Marketers also need to be aware of how different customer types behave in terms of their buying habits and processes. For instance, a consumer's personality or lifestyle may have an impact on their purchasing decisions (Belch & Belch, 2003).

2.2.7.1. *The five stages of consumer buying behavior*

Every customer has unique demands, and these needs have an impact on their decision-making. These choices may be difficult for consumers to make depending on how they view a product, how they evaluate and compare it, and how they decide which product type to buy. The consumer purchase hypothesis comprises multiple distinct stages, according to several academics and experts. Over the years, a great deal of academics and researchers have developed their own theories and models based on various features and discoveries. Despite the minor differences between these theories, according to Kanu & Ezeabougou (2019), they all ultimately lead to a theory about consumer purchasing that includes the stages of product or service discovery, purchase, and the process of post-purchase product evaluation..

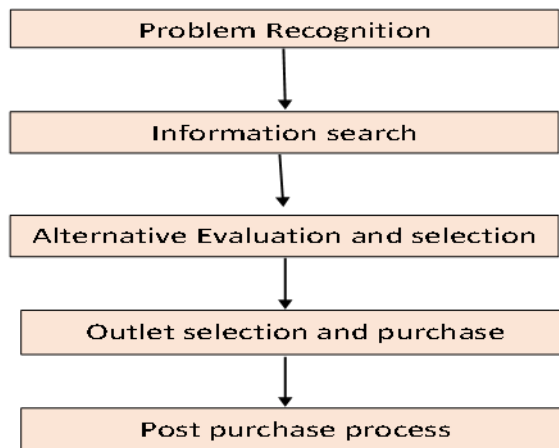


Figure 2-2: Five-stage model in consumer behavior source (Hawkins & Mothersbaugh 2008)

Consumers typically go through five stages before making a purchase: problem identification, information search, alternative evaluation, purchase, and post-purchase behavior. Consumers have the option of skipping or reversing these processes. These methods might be different for recurring or repeating transactions vs first-time customers.

2.2.7.1.1. Problem recognition

The way a person perceives their feelings and situation at the moment is their real state. A desired state is the way an individual wants to feel or be at the moment. According to (Hawkins & Motherbahgh, 2008), A difference between a desired and actual state that is significant enough to awaken and engage the decision process is the cause of problem detection.

Three reference groups that consumers either belong to or would like to belong to could offer useful insight into how marketers should approach social media involvement. Consumer choice-making is influenced by cultural, societal, and personal factors. Consumer purchasing decisions are significantly influenced by social class, culture, and subculture (Kotler, 2012). The main element influencing someone's desires and behavior is their culture. Additionally, social factors like our families, social networks, and societal roles and positions have an impact on the purchase decisions of consumers.

2.2.7.1.2. Information search

The next step for a potential customer is to search for and gather information after determining their needs. At this stage of the buying process, the customer weighs all the advantages and disadvantages of the purchase. A person can access public, commercial, and private sources of information. The impact of information sources varies depending on the product and the target market. According to Ismail, Majeed, and Faris (2016), consumers often learn the most about a product via commercial sources that the marketer has influence over.

2.2.7.1.3. Alternative evaluation

At this stage, the Consumer weighs a variety of options based on, among other important factors, the product price, quality, quantity, and value-added features. Marketers need to comprehend alternative assessment, or the process by which consumers choose which

brands to buy. Customers' evaluations of their purchase alternatives will vary depending on the actual consumer and the buying situation. Some customers do thorough analyses and reason through their choices. Sometimes, the same customers make little to no evaluations; instead, they make snap decisions and rely on their instincts. Customers may decide what to buy on their own, while other times they seek help from friends, online reviews, or salespeople.

2.2.7.1.4. Outlet selection and purchase

As (Hawkins & Motherbahgh, 2008), pointed out there are three steps a consumer can take to make a choice on a purchase: Outlets come first, brands come second, and both brands and outlets come first at the same time. In the first scenario, as an illustration, a customer thinking about purchasing a notebook computer may first choose a brand and then buy it from the retailer offering the greatest deal (or the simplest access, best image, service, or other pertinent features). In the second instance, the customer may be familiar with one store and choose to go there and select a computer from the brands that are offered. The third tactic involves simultaneously assessing a product's and a store's attributes. Once the consumers selected the brand and retail outlets, they must complete the transaction (Hawkins & Motherbahgh, 2008) this involves what is called purchasing the product.

2.2.7.1.5. Post purchase process

Post-purchase analysis is the process by which a client determines whether or not the product was valuable to him and whether it met his needs. After purchasing a good or service, a customer could discover that some aspects fall short of his initial perceptions or expectations. On other occasions, consumers can hear nice remarks about other brands, which might make him doubt the quality of the item he bought. Because of this, marketers should use an Integrated Marketing Communications approach to support customer decisions and boost brand loyalty. Consequently, the marketing team's work does not end with the customer's purchase; rather, it has just begun. Social media may serve as an additional venue for this ongoing monitoring of customer satisfaction after the sale.

Based on their own experiences, customers may also voice an unfavorable view of a brand. The impact of negative reviews or complaints about a business is greater than that of favorable ones, and they can spread more quickly (Kotler, 2012). Negative comments or

criticism shouldn't be deleted, and brands should respond quickly and specifically to any complaints made by customers.

2.3. Empirical review

2.3.1. Review of previous Literatures done on the topic

Esubalew (2013), study the effect of media advertising on consumer buying behavior on four real estate companies located in Addis Ababa. An inferential analysis was conducted by using correlation & multiple regressions to show the relationship and the significance between dependent and independent variables. The research finding show that form the three independent variables in terms of correlation strength, the advertisement's channel factor comes in first, with the dependent variables followed by the message factor and source factor.

Nyamtara (2019) conducted a study on the influence of Advertisement on consumer buying behavior the case of Vodacom Tanzania. The study applied a case study research design and quantitative & qualitative approaches. The findings of the study revealed that print media promotion and internet advertisement have a positive influence on consumer purchasing habits.

In Riyadh, Saudi Arabia, Akayleh (2021) looked at the impact of social media advertising on customer behavior. The independent variables in the study's variables include customer purchasing decisions and social media advertising. Income, education, gender, age, and culture are all taken into account as moderating factors. The results of the study demonstrate that social media advertising has a significant influence on customers' purchase choices. Consumers' gender, age, and culture have a big moderating impact. In contrast, the link between a consumer's purchase choice and social media advertising is unaffected by wealth and education.

According to Degifu Hailu (2021), a study titled "The Influence of Advertising on Consumer Brand Preference on the Case of Automobile in Addis Ababa" on the study message factor, source factor, and channel factor were treated as the independent variables and the dependent variable was brand preference. The outcome showed that messaging element had the largest and most significant impact on customers' choice for brands.

Deborah (2021) attempts to explore how media advertisements affect Addis Abeba drivers' risk of being involved in a traffic accident. To gather and evaluate data, the researcher used a quantitative research technique. The Addis Abeba inhabitants who were chosen as respondents using the convenience sample approach. The results indicated a favorable significant association between social media advertising, billboard advertising, and radio advertising and the decline in traffic accidents. On the other hand, there is a slight but favorable correlation between the number of traffic accidents and television advertising.

Sama (2019) investigated how ads on TV, radio, newspapers, in magazines, and internet affected consumer behavior during and after the purchase. Data were gathered through an online survey. To arrive at the scientific conclusion, the tests Kruskal Wallis, Cronbach alpha, and exploratory factor analysis were utilized. The study's findings indicate that each of the five stages of consumer behavior is exclusively influenced by the newspaper. The outcome also showed that newspapers and magazines are the most effective forms of media for influencing consumers' pre- and post-purchase decisions. The second and third best media for increasing customer awareness, interest, and conviction are TV and the Internet, respectively.

According to (Tsion 2021), a research titled "Effectiveness of social media on Brand Awareness in small and medium size Enterprises in the case of Ezega .com" this study was aimed to explore the link between social media marketing chosen aspects of brand awareness. To ascertain the suitability of the data and the analysis tools, data were tested for linearity, normality, Cronbach's alpha, and multicollinearity. The data suggest that out of the selected three brand awareness dimensions all of them had a significant influence on increasing the brand awareness of firm acquired via social media marketing.

In the example of advertisements on EBS TV, Nebyu (2021) did study on how TV advertisements affect consumers' decisions on which products to buy. The study comprises four independent factors with favorable associations; the independent variables include the consumers' product choice, attention-getting, and trustworthiness. The Pearson correlation approach was used to evaluate the data using correlation and conventional multiple regressions in order to determine the relationship and significance between the dependent and independent variables. The results demonstrate a favorable correlation between TV

advertisements and consumer product preferences. According to the regression results, eye-catching advertisements significantly influence buyers' product decisions. With the dependent variable, it was discovered that the advertisement's credibility was not statistically significant. The study said that TV advertisements that are broadcast by EBS must be aesthetically appealing to capture viewers' attention by associating a good message with it. They should also have an impact on viewers' recall.

According to (Fan 2022), a study titled "The impact of Advertisement on consumer behavior," this study attempted to examine how advertisement shapes consumer behavior to develop a positive relationship. The study used statistical techniques such as Kruskal-Wallis, exploratory factor analysis, and Cronbach alpha to examine the data gathered. According to the study's findings, advertisements like newspaper ads are linked to changes in customer behavior. Also, it was shown that advertisements on the internet and television had an impact on consumer behavior by providing a platform for customers to grasp clearly the types of goods that are offered in the market.

2.4. Research Gap

Several researches have been conducted the effect of media advertising on consumer buying behavior in different industries using different variables(Rita Adhikari 2010, MelkamuDaba 2014, Asnake Meshesha 2018,Ramzan Sama 2019,Haregewain Hailu 2019,Esubalew Abebaw 2021). Despite the fact that there have been several studies conducted across the world on the impact of advertising on customer purchase decisions, market competitiveness and consumer behavior dynamisms compelled many academics to explore this topic in order to gain fresh insights.

Some studies were undertaken on media advertising's impact on consumers in the case of commercial banks in Ethiopia (Melkamu, 2014) conducted a study on media advertising's impact on consumers on consumers behavior in the case of Oromia bank. But only the media factor was seen as the independent variable on consumers buying behavior. The message factor and source factor are not included in the study. Similarly, Haregewain 2019 studied media advertising's impact on consumer purchasing decisions in the example of Abay bank. Advertisement characteristics like impressive ads, understandable ads and attention-grabbing ads were taken as independent variables whereas consumer buying

behavior was treated as dependent variable. Esubalew (2012) investigated media advertising's impact on consumer purchasing decisions in the example of real estate companies.

As it is explained in the above discussion the previous studies use different independent variables other than the source factor, message factor and channel factor or conducted the study in other industries. When the industry is different the nature of the respondents will also be different for example real estate customers are different from bank customers in terms of their income, life style and their perspective. This could affect the outcome of the research So that, it is necessary to do more research using different independent variables in the banking sector.

Furthermore, following the observation of such relevant studies, it can be stated that several researchers have looked into and investigated various facts of advertising and its impact on consumer purchasing behavior. However, there are also significant discrepancies between the scientific theory and earlier works. Numerous researchers have investigated their work in their respective contexts.

In the context of the bank Branch managers are frequently questioned about why they were unable to mobilize the anticipated resources to the bank, and they constantly bring up the problem of advertising.. On the other hand the bank spends millions of birr for advertisement this shows that there is some kind of gap on the effectiveness of the advertisement. This indicates the need to do the research on this title at Addis International Bank S.C.

2.5. Research hypothesis

The study hypothesis is presented below

H₁. The source factor of media advertising would have a significant and positive relationship with customers' buying behavior

H₂. The message factor of media advertising would have a significant and positive relationship with customers' buying behavior.

H³. The channel factor of media advertising would have a significant and positive relationship with customers' buying behavior.

2.6. Conceptual frameworks

According to Moskal and Leydens (2000), conceptual frame work is a textual or visual presentation that provides explanation using graphics or narratives.

The purpose of this study is to determine how advertising influences the clients of Addis International Bank S.C.'s buying habits. The three elements of the communication process source, message, and channel factor will be examined as independent variables and consumer buying behavior will be the dependent variable in order to determine the effect of advertising on customers' purchase decisions.

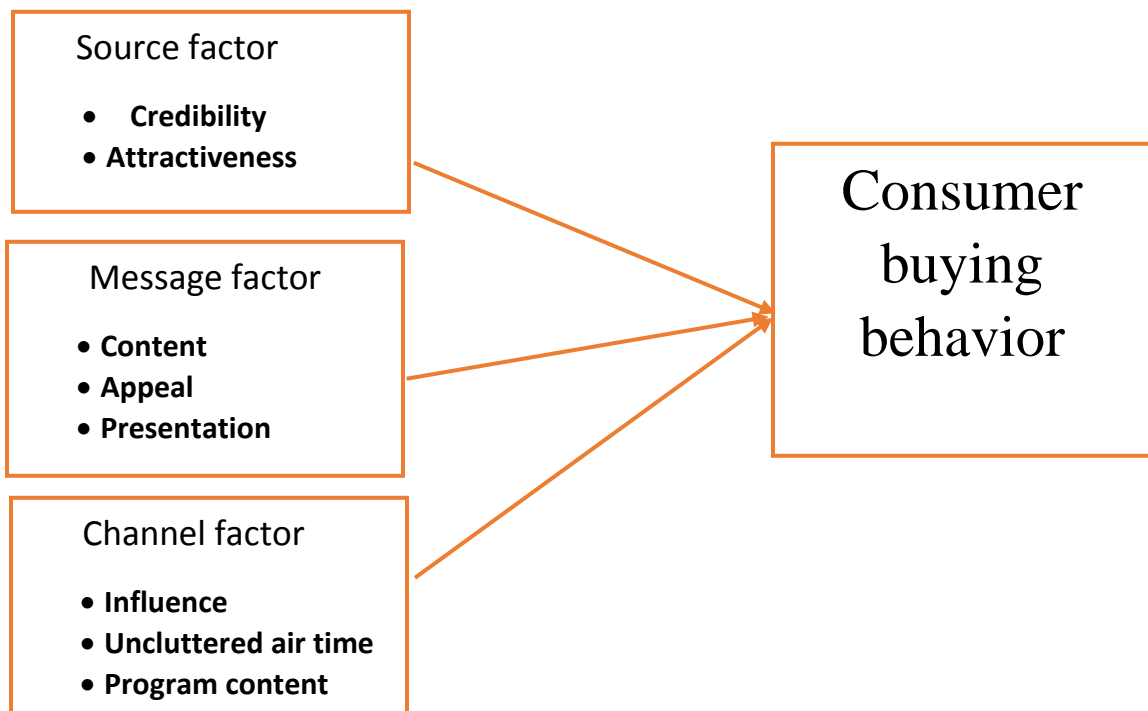


Figure 2-3: conceptual frame work of the study

Adapted from E. Belch & A. Belch 2003

CHAPTER THREE

Research Design and Methodology

The methodology of the study is covered in this chapter, which also includes discussion of the research approach, design, sample size, sampling procedures, source of data, data collection tools, reliability and validity tests, and data analysis methodology.

3.1. Research approach

This study used a quantitative research strategy to accomplish the aforementioned goal. Quantitative studies, according to Creswell (2005), are those that rely on statistical analysis to get their conclusions. How the three communication processes—media factor, source factor, and message factor—affect consumer behavior is investigated using a quantitative approach. Creswell (2005) found that using statistical techniques to determine whether the study's postulated correlations between the variables hold true or not is the best method for generating cause-and-effect linkages between variables that provide statistical data.

3.2. Research Design

The study is used descriptive and explanatory research design. Shit et al., Affirm that (2009). The main goals of descriptive studies are specific predictions, reports of facts, and

descriptions of traits pertaining to people, groups, or circumstances within a particular target population. Explanatory analysis, also known as analytical research that aims to find some causal relationships between the factors or variables that are relevant to the research issue. Therefore, this research will systematically describe the effect of media advertising on consumer behavior in Addis International Bank s.c.

3.3. Sampling Design

3.3.1. Target population

According to (Marczyk, Dematteo & Fenstiner 2005) the population is all individuals of interest to the researcher. As per the data obtained from the corporate planning & Business development department at the end of December 30, 2022, the number of customers in Addis Ababa city reached 226,673 which represent 55 % of the total population

3.3.2. Sampling Frame

A sampling frame is a list, directory, or index of cases from which a sample is chosen. (Mugenda and Mugenda, 2003). The sampling frame of this study will be customers who are at a legal age (18 and above) and use the banking services at Addis International Bank s.c. in Addis Ababa branches.

3.3.3. Sampling Technique

To choose true representatives of the study's population, there are various sorts of sampling approaches. The study used simple random sampling to select branches located in Addis Ababa. Then, because the bank's whole population cannot be available at once, convenience sampling is used to choose selected respondents from the sample frame among non-probability sampling. Convenience sampling is a non-probability sampling method, according to Kombo et al. (2006), where units are chosen for inclusion in the sample because they are the easiest for the researcher to access. This can be due to geographic proximity, availability at a given time, or willingness to participate in the research. Therefore, it is best to choose customers taking into account small time and budget constraints.

3.3.4. Sample Size

Sample size refers to the number of study participants or observations. The total population of the study is 226,673 from this entire population of the study the following sample size will be drawn using the following (Kothari, 2004) formula.

$$n = \frac{Z^2 \cdot p \cdot q \cdot N}{e^2(N-1) + Z^2 p \cdot q}$$

Where: n: sample size; N = Total Population; P =population reliability (or frequency estimated for a sample size); q= p-1; e= the desired level of margin or precision of error (5% error or 0.05); and Z =Z denotes for the value corresponding to the level of 95% confidence level found in statistical table i.e., 1.96

$$n = \frac{1.96^2 \cdot 0.5 \cdot 0.5 \cdot 226,673}{0.05^2(226,673-1) + 1.96^2 \cdot 0.5 \cdot 0.5}$$

n=383.60≈384

As a result, based on the formula this study will require a sample of 384 customers of Addis International Bank s.c.

3.3.5. Sampling Procedure

According to the data obtained from the Branch operation department, Addis International Bank S.C. has 67 branches located in the city of Addis Ababa. These branches are classified into three grades as Grade I, Grade II, and Grade III branches based on their transaction, number of staff & performance. Thus, at first, the researcher randomly selected 15 branches from all grades. Then to select the sampled respondents from the selected branches, a convenience sampling technique is applied.

No	Grade	Branch	Number of customers	Percentage share	Sample to be distributed
1	III	Main	5,380	9.70%	37
2	II	Bole	4,320	7.80%	30
3	II	Arat kilo	4,900	8.90%	33
4	II	Megenagna	5,000	9.00%	34

5	II	Mexico	4,100	7.40%	28
6	II	Lideta	4,500	8.10%	31
7	II	Stadium	4,385	7.90%	30
8	II	Bole Medhanialalem	4,967	9%	34
9	II	Hayahulet	4,445	8.50%	33
10	I	Beklobet	2,185	3.90%	16
11	I	Kera	2,350	4.20%	16
12	I	Gofa	2,100	4%	15
13	I	Lafto	1,867	3.30%	14
14	I	Balderase	2,350	4.20%	17
15	I	Yeka	2,193	3.90%	16

Source: own survey, 2023

In this study, both primary and secondary sources of data are used. Primary data will be collected by questionnaire from the customers. Books, journals & articles written regarding advertisement and consumer behavior are also reviewed to support the primary data.

3.4. Data collection Method and Instrument

In this study, the researcher gathered the required data from customers of Addis International Bank S.C through a questionnaire. The questionnaire was selected since it is the best method for gathering first-hand information. As a result, the questionnaire is divided into two sections and arranged in accordance with the goals of the study. The general demographic data of the sampled respondents were shown in the first section of the survey questionnaire. The primary questions in the second section are those that are most closely related to the study's goals. These questions will have a Likert scale rating format ranging from 1 to 5 where; strongly Agree (SA) = 5, Agree (A) = 4, Neutral (N) = 3, Disagree (D) = 2, and Strongly Disagree (SD)= 1. And the questionnaire prepared in both Amharic and English language. Furthermore, the study performed data coding, entry, editing, and cleaning activities then after the statistical package for the social sciences (SPSS) is applied for processing and analyzing the results. Finally, various empirical evidences are triangulated to support the primary data results

3.5. Data analysis Method

In this study, descriptive statistics like mean and standard deviation were used to help the reader grasp the topic. Then to understand the degree of relationship, correlation studies between the dependent variable and the independent variable were conducted. Additionally, the effects of the three variables on consumer behavior in AdIB were examined using multiple regression analysis.

Zaidatol and Bagheri (2009) created interval classification for the Likert Scale after analyzing the mean result, which is used in many academic studies. In this classification, a mean score of more than 3.8 on a five-point Likert scale is regarded as high, one between 3.4 and 3.79 is seen as moderate, and one below 3.39 is regarded as low.

3.6. Validity and Reliability

3.6.1. Validity

Validity as described by (Mugenda and Mugenda, 2003) is the precision and significance of the conclusions drawn from the research findings. To strengthen the instruments; the study's content validity technique involved engaging bank and advisor specialists. As a result, Ambiguous items will be modified or discarded, based on, advisor.

3.6.2. Reliability

Reliability is the consistency or the degree to which a research instrument measures a given variable consistently every time it is used under the same condition (Mugenda and Mugenda, 2003). For this study, internal consistency reliability will be determined by Cronbach's alpha. Zikmund et al. (2010) stated that scales with a Cronbach's alpha coefficient greater than 0.7 are regarded as sufficient to establish the dependability. As a result, the overall dependability test's score of 0.925 is greater than the threshold. This demonstrates the items' high level of internal consistency.

Table 3-1: Reliability test results

Measurement	Number of Items	Cronbach's alpha
Source factor	5	.752
Message factor	5	.818
Channel factor	6	.722
Consumer behavior	7	.830
	23	.895

Source: Own survey, 2023

3.7. Research Ethics

The information gathered will solely be applied to comprehend how media advertising affects consumer behavior. Moreover, the researcher is solely accountable for carrying out the complete study process and must abide by all organizational and Addis Ababa University laws. The research is conducted in compliance with the university's norms, regulations, and policies. The four stages of research ethics are followed by procedures for acceptable design, data collection, analysis, and distribution of findings; earlier goals and motivations for the study will be suggested. The research's initial goals and motivations are suggested. The organization's data collection methods shall not be misinterpreted or abused.

CHAPTER FOUR

Data presentation, Analysis and Interpretation

The data analysis and interpretation of the research findings are covered in this chapter. Additionally, a thorough description of the questionnaire survey was included. The data analysis was done using the Statistical Package for Social Science. A quantitative methodology was also utilized in the survey, and results were provided as means, correlations, and regressions, with a discussion of the findings' potential importance for the study question following.

4.1. Response Rate

In order to conduct this research, 384 questionnaires were dispersed throughout 15 branches. Three hundred sixty-seven (367) questionnaires or 95.5% were returned. This percentage is consistent with Mugenda & Mugenda's (2003) explanation that, given a hypothesis, a response rate of 50% is acceptable for examination and reporting, 60% is outstanding, and a response rate of 70% or higher is wonderful. Accordingly, 95.5% was unexpected for an examination.

4.2. Socio demographic characteristics results of respondents

Before starting the data analysis, it is helpful to have some prior knowledge, such as demographic information, to help the study make more sense to the readers. Based on a range of background information acquired through an additional questionnaire survey, the samples in this study were divided into different categories. The demographic analysis in this study aims to characterize the characteristics of the sample, including the quantity of respondents, the proportion of men and women in the sample, the age range, employment status, and educational level, all of which are described below.

Table 4-1: Socio demographic characteristics results of respondents

Profile of respondents	Category	Frequency	Percentage
Gender	Male	206	56.1
	Female	161	43.9
	Total	367	100
Age group	18-30	128	34.9
	31-45	151	41.1
	46-60	68	18.5
	> 60	20	5.4
	Total	367	100
Education level	Primary school	44	12
	secondary school	60	16.3
	TVET/Diploma	111	30.2
	First Degree	82	22.3
	Master's degree & above	70	19.1
	Total	367	100
Occupation status	Government	81	22.1
	Non-government	113	30.8
	Private organization	144	39.2

	Unemployed	29	7.9
	Total	367	100
Service year	Less than one year	73	19.9
	1-3 years	116	31.6
	3-6 years	117	31.9
	greater than 6 years	61	16.6
	Total	367	100

Source own survey 2023

As it can be seen in the table the gender distribution of respondents; of the total respondents 206 (56.1%) were men and 161 (43.9%) were women. As a result, men made up the majority of the respondents.

The age category of respondents was broken down into four groups for the study, with the age group of 31-45 years having the highest proportion of respondents (41.1%) followed by 18-30 years (34.9%), 46-60 years (18.5%), and above 60 years old (5.4%).

In terms of the respondents' educational backgrounds, 12% have only completed primary school, 16.3 % have completed secondary school, 30.2 % have a TVET/Diploma, 22.3 % have a bachelor's degree or higher, and the final 19.1% have a master's degree or higher. This shows that most respondents are literate and can easily understand and react to the questions

The majority (39.2%), according to the respondents' occupations, worked in the private sector. Non-Government organizations made up 30.8% of the total, followed by government organization employees (22.1 %), and the jobless (7.9%).

The majority of respondents, 117 (31.9%), had been AdIB customers for 3-6 years, followed by 116 (31.6%), who had been customers for 1-3 years. In addition, 73 (19.9 %) and 61 (16.6 %) of the respondents were clients of the bank for a period of time of less than a year and greater than six years, respectively.

4.3. Descriptive statics of study variables

Utilizing straightforward analyses of the mean and standard deviation for the variables of interest for each group in the research is one statistical method for determining equivalence

across the group. The average level of agreement or disagreement among the sample group with each statement is shown by the mean. The more people who disagree with the statement, the lower the mean become. A higher average indicates that more people concur with the statement.

4.3.1. Source factor dimension

Table 4-2: Source factor items

Source factor	N	Mean	Std. Deviation
The source for the bank advertising incredible	367	3.81	0.818
My purchase decision is influenced by an advertisement that is supported by a reliable source.	367	3.87	0.99
The source for the bank advertising is attractive.	367	3.94	0.953
Advertising done by famous people will influence me to buy a product or service	367	3.95	0.987
The person who advertises the bank has the power to influence me	367	3.98	0.859
The outdoor media setting used by the bank for advertising is appealing.	367	3.41	1.382
Grand total		3.827	0.998

Source: own survey 2023

The degree of agreement with regard to the source factor dimension is displayed in the above table. Accordingly, respondents have a strong level of agreement with all the statements the source person's power, the reliability of the source person, source attractiveness, the influence of famous source person& credibility of source person as shown by mean scores of 3.81, 3.87, 3.94, 3.95, 3.98 and 3.41 respectively

In general, respondents moderately agreed with the claims about source factor, as indicated by the component's overall mean score of 3.827. Additionally, the source factor dimension has a standard deviation of 0.998, meaning that the bulk of the responses from the chosen respondents are centered on the mean.

4.3.2. Message factor dimension

Table 4-3: Message factor items

Message factor	N	Mean	Std. Deviation
----------------	---	------	----------------

The bank's advertising message aims to appeal to consumers on a logical level, by striving to convey details about the features of the product and the advantages of owning or utilizing it.	367	3.80	0.855
The Bank's visual messages which are appeared in different media platforms are appealing	367	3.81	0.849
The advertisement message released by the bank are trustworthy	367	3.85	0.883
I believe the message in the bank's advertisements is clear.	367	3.86	0.859
The Bank's advertising message appeals to the viewer's emotions by emphasizing the emotional aspects of the product	367	3.99	0.748
Grand total		3.862	0.839

Source own survey 2023

As it can be seen the above table all the five statements in the message factor category were overwhelmingly agreed upon by respondents. Such as relevant information about the product, message appeal, visual message, message trustworthiness and clarity with a mean score of 3.80, 3.81, 3.85, 3.86 & 3.99 respectively. The message factor component's total mean value is 3.862, which shows that respondents generally agreed with the statements about the message factor. Additionally, the Message factor dimension has a standard deviation of 0.839, meaning that the bulk of the responses from the chosen respondents are centered on the mean.

4.3.3. Channel factor dimension

Table 4-4: Channel factor items

Channel Factors	N	Mean	Std. Deviation
Broad cast medias which are used by the bank (TV, Radio & Internet) influenced me to use the product	367	3.96	0.906
The broadcast media material that features the banks advertising is appealing.	367	4.06	0.822
Print media (newspapers, magazines, and brochures) which are used by the bank as a form of advertising led me to consider using the product.	367	4.21	0.8
The print media program content in which the bank uses in advertising is attractive.	367	4.25	0.936

Outdoor advertising (billboards, banners, and interior branding design of branches) used by the bank initiated me to use the product.	367	4.30	0.828
Grand Total		4.156	0.858

Source own survey 2023

The five assertions in the message factor category were consistently agreed upon by respondents with a mean score of 3.96, 4.06, 4.21, 4.25 and 4.30 respectively. The Aggregate mean value is 4.156, indicating that respondents typically strongly agreed with the claims about the channel factor. Furthermore, the standard deviation of the Message component dimension is 0.858, indicating that the majority of the responses from the selected respondents are centered on the mean.

4.3.4. Consumer behavior dimension

Table 4-5: Consumer behaviour items

Consumer behavior	N	Mean	Std. Deviation
The advertisement of the bank influenced me to prefer it	367	3.610	0.926
I choose the bank because of the medium they use for advertisement	367	3.650	0.937
I prefer the bank because I was influenced by the message in the advertisement	367	3.760	0.969
The source person is the reason for me to choose the bank	367	3.830	0.948
Advertisement done by the bank understands my need and that influenced me to use their product	367	3.900	0.832
The Banks advertisement provide you relevant information	367	3.900	0.877
The Banks media advertisement attracts potential customers	367	3.900	0.902
Grand total		3.793	0.913

Source: own survey, 2023

The results showed that all of the consumer behavior dimension's components had high mean scores, with respective values of 3.61, 3.65, 3.67, 3.83, 3.90, 3.90 and 3.90 respectively. Towards a mean score of 3.793 and a standard deviation of 0.913, shows that the respondents generally agreed with the consumer behavior dimension.

Table 4-6: Over All Descriptive statistics

Variable	N	Mean	Standard deviation
	Statistic	Statistic	Statistic
Source factor	367	3.827	0.998
Message factor	367	3.862	0.839
Channel factor	367	4.156	0.858
Consumer behavior	367	3.793	0.913
Over all mean		3.909	0.902

Source: own survey, 2023

The cut-points utilized by Zaidatol and Bagheri (2009) to examine the mean result provide the foundation for the descriptive statistics analysis. Low performers are those with a mean score of 3.39 or less, moderate performers are those with a mean score of 3.40 to 3.79, and high performers are those with a mean score of more than 3.79. Based on that, the above table demonstrates that the dimensions (i.e., Source factor, Message factor, Channel factor & Consumer behavior) have respective means of 3.827, 3.862, 4.156 & 3.793. According to the respondents' responses, it can be concluded that the sampled respondents strongly agreed with the dimension items for message factor, channel factor and consumer behavior dimension item. Moreover, the aggregate mean of the dimensions accounted for a mean value of 3.909, indicating that most respondents highly agreed on the dimensions, while the standard deviation, 0.902, revealed low dispersion. Consequently, it means most of the sampled respondents' responses are grouped around the means.

4.4. Correlation Analysis

Using Pearson's correlation coefficient analysis (r), the degree of correlation between the independent and dependent variables in this study was determined. The " r " value of the correlation requires both a positive or negative magnitude and direction. It may have a value in the range of -1 to +1. If the correlation coefficient is zero, there is no correlation between the measured variable and anything else. The correlation coefficient of -1 is a perfect negative association, while the correlation coefficient of +1 is a perfect strong positive link.

The researcher followed the recommendations made by Taylor (1999) in order to interpret the significance of connections between variables. The author categorizes the correlation coefficient (r) as follows: Strong is defined as > 0.5 , moderate as 0.3 to 0.49, and weak as 0.1 to 0.29.

Table 4-7: Correlation analysis

Correlations					
		SF	MF	CF	CBB
SF	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	367			
MF	Pearson Correlation	.686**	1		
	Sig. (2-tailed)	0			
	N	367	367		
CF	Pearson Correlation	.499**	.399**	1	
	Sig. (2-tailed)	0	0		
	N	367	367	367	
CBB	Pearson Correlation	.512**	.531**	.349**	1
	Sig. (2-tailed)	0	0	0	
	N	367	367	367	367

Source: SPSS output, 2023

The above table demonstrates that the significant Pearson correlation values for the variables are Source factor (0.512), Message factor (0.531), and Channel factor (0.349) at a significant level. As a result, the two factors namely source factor and message factors have strong correlation with the dependent variable. In addition to this the channel factor have moderate correlation with consumer behavior. This implies that all the three variables have strong relationship with the dependent variable.

4.5. Assumptions test

The results of testing the statistical hypotheses are shown in this section. As a result, fundamental presumptions were examined and determined to be valid. The results are presented below.

4.5.1. Normality Assumptions

The histogram in particular is used to visually identify the normality test. According to Brooks (2008), the histogram should be bell-shaped if the residuals are normally distributed. The histogram should be bell-shaped if the residuals are evenly spaced. The normality test is identified using graphical methods, specifically the histogram. According to Brooks (2008), if the residuals are regularly distributed, the histogram should be bell-shaped. Furthermore, running descriptive statistics to obtain kurtosis and skewness is a popular rule-of-thumb test

for normality. Hair et al. (2010) and Bayrne (2010) argued that data is considered to be normal if skewness and kurtosis. are between -1.96 to +1.96.

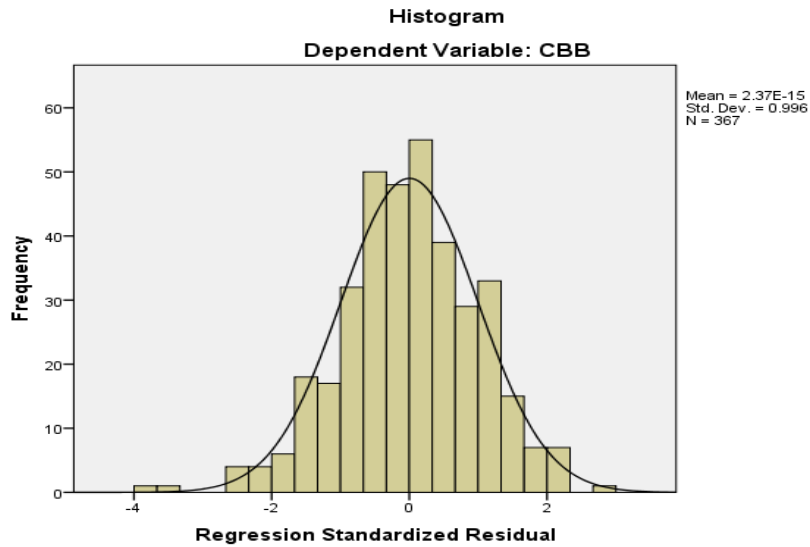


Figure 4.51. Normality-Histogram Graph

Source: SPSS Output, 2023

Figure 4.1 shows the frequency distribution of the standardized residuals compared to a normal distribution. As you can see, except few, all residuals are fairly close to zero. The greatest bars on the histogram are all centered around the central value, indicating that the bulk of scores are located near the center of the distribution. Therefore, this indicates that the residuals are normally distributed.

Table 4-8: Normality test

Descriptive Statistics						
Variables	N	Mean	Std. Deviation	Skewness		Kurtosis
	Statistic	Statistic	Statistic	Statistic	Std. Error	Statistic
SF	367	3.9095	0.71875	-0.945	0.127	1.379
MF	367	3.8616	0.63918	-0.386	0.127	0.483
CF	367	4.0322	0.62496	-0.606	0.127	1.064
CBB	367	3.7933	0.6431	-0.452	0.127	0.817

Source: SPSS output, 2023

As the statistics of all variables in above table 4.8 show, the Skewness results were between +1.96 and -1.96 and the Kurtosis +1.96 and -1.96. Therefore, we can say that the data was normal and reliable for analysis.

4.5.2. Linearity Assumptions

According to Waters and Osborne (2002), linear connections are required for standard multiple regressions to successfully predict the relationship between dependent and independent variables.

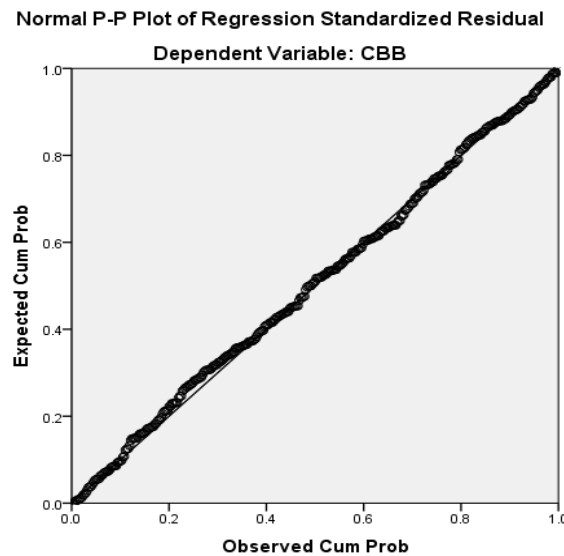


Figure 4.52. p-p plot

Source: SPSS Output, 2023

In figure 4.52, The residuals plot shows no significant variation from the mean, suggesting that the assumptions are reasonable for these data.. This plot shows that there exists a linear correlation between a dependent variable and the independent one. However, as shown in Figure 4.2 the scatter and P-P plot findings demonstrated that the study met the linearity assumptions.

4.5.3. Homoscedasticity

Homogeneity of variance is the definition of homoscedasticity given by Hair, Anderson, and Tatham (1996). As seen in Figure 4.3 , there are no clusters or systematic patterns in the scatter plot, which roughly resembles a rectangle pattern. According to Waters and Osborne (2002), this implies that the assumption of homoscedasticity has not been seriously violated.

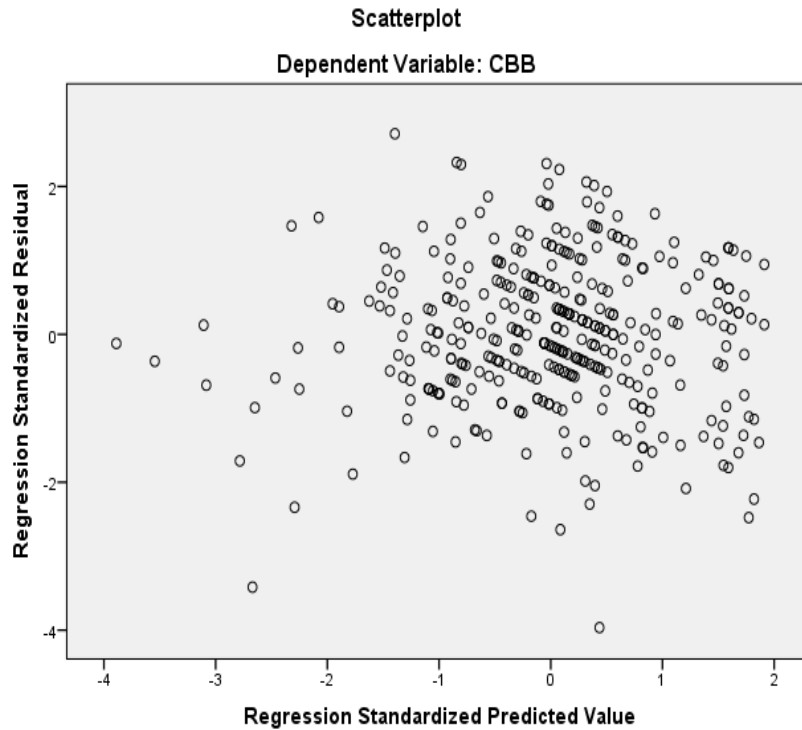


Figure 4.53. scatter plot

Source: SPSS Output, 2023

4.5.4. Multi-Collinearity

The presence of multicollinearity in the model is discovered by utilizing the Variance Inflation Factor. As stated by Hill, R.C., and Adkins, (2003), if the variance inflation factor exactly or surpasses 10 then there is an issue of multicollinearity. Lower amounts of VIF are preferred, whereas greater levels might negatively impact the regression's outcomes.

Table 4-9: Multicollinearity Test

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	SF	0.469	2.134
	MF	0.525	1.906
	CF	0.745	1.343

Source: SPSS Output, 2023

As shown in the above table since the variance inflation factor is below 10, and the tolerance value above 0.1 implies there is no serious multicollinearity problem among the variables and hence all the independent variables can be considered in the model estimation.

4.6. Multiple Regression Analysis

In this study, a multiple regression model is utilized with independent variables (source factors, message factors, and channel factors) and dependent variables (customer buying behavior) to assess the impact of media advertising on consumer buying behavior in Addis International Bank. Accordingly, a significance level of five percent was used.

Table 4-10: Model Summary

Model Summary ^b				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.575 ^a	0.331	0.325	0.52826
a. Predictors: (Constant), CF, MF, SF				
b. Dependent Variable: CBB				

Source: own survey, 2023

The R-Square statistic reveals the percentage of the dependent variable's variation that is explained by the independent variables. As indicated in the model summary table- 4.10, the co-efficient of determination (R²) is 0.331 which means 33.1 percent of the variance in consumer buying behavior can be explained by the three variable (source factor, message factor and channel factors), and the rest 66.9 percent to be described by other factors. Therefore, the proposed independent variables (source factor, message factor and channel factors) together are good indicator variables of the consumers buying behavior in Addis international bank S.c.

4.6.1. ANOVA (Analysis of Variance)

ANOVA was used in this study to discuss the overall objective and demonstrate the combined impact of independent variables (source factor, message factor and channel factors) on the dependent variable, consumer buying behavior. This research is often used to determine the model's suitability for estimating factors influencing the consumers buying behavior.

Table 4-11: ANOVA

ANOVA ^a						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	50.07	3	16.69	59.807	.000 ^b
	Residual	101.299	363	0.279		

Total	151.369	366			
a. Dependent Variable: CBB					
b. Predictors: (Constant), CF, MF, SF					

Source: SPSS Output, 2023

The above Table 4.11 showed an analysis of variance (ANOVA). F-ratio is a test of the null hypothesis that the regression coefficients are all equal to zero. For this data, F= 59.807 is significant at the level of significance is 0.000 which is less than five percent. This means, the three descriptive variables have great impact on consumers buying behavior in Addis international bank. But it does not mean that all these factors influencing consumers buying behavior have equally significant correlation with consumers buying behavior. Therefore, this indicates that all the independent variables used in this study all have strong statistically significant predictors of consumers buying behavior in Addis international bank.

4.6.2. Regression Coefficient Analysis

Regression coefficient analysis shows the effect of independent variables on the dependent variable. The significance value of source factor, message factor and channel factors was statistically significant at 0.05 levels of significance in agreement with the hypothesis. This means that the above three independent variables have a great effect or influence on the consumer buying behavior.

Table 4-12: Regression Coefficient Analysis

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.274	0.208		6.109	0.000
	SF	0.212	0.056	0.237	3.780	0.000
	MF	0.331	0.06	0.329	5.542	0.000
	CF	0.103	0.051	0.100	2.006	0.046

Source: SPSS output, 2023

When all other independent variables are maintained constant, the coefficients in table 4.12 above show how much the dependent variable varies with each independent variable. The beta coefficients demonstrated the direction and strength of the effect of the independent factors on the dependent variable. Consequently, the result of coefficient value of regression

analysis indicated the highest determinant factor which affect consumer buying behavior was message factor (at Beta value=.329), followed by, and source factor (Beta=.237) and channel factor (Beta=.0.100). Thus, from this finding one can infer that customer message factors and source factors has the most significant factors influencing customer buying behavior.

Based on the above table the equation becomes;

$$Y = \alpha + 0.237SF + 0.329MF + 0.100CF + \varepsilon$$

Where: - Dependent variable; CBB= Customer buying behavior;

Independent variables; SF = source factor, MF = message factor, and CF = channel factor.

4.7. Regression Analysis and validating the proposed Hypotheses

H1: Source factor of advertising has a favorable and meaningful impact on the client buying behavior in Addis International Bank.

The results of multiple regressions show at a five percent level of significance source factor dimension has a positive and significant effect on customer buying behavior in Addis International Bank with a coefficient value of 0.237. The finding implies that; holding other things at constant shows that a 1 percent improvement in the source factor dimension leads the source factor of advertising on customer buying behavior to change by 23.7 Percent. Which is a percent increase in source factor dimensions items, source factor of advertising on customer buying behavior towards Addis international bank increased by 21.2 percent. Therefore, the hypothesis is accepted. Anwar & Jalees' (2017) research on source factor and consumer purchase intentions supports this conclusion. According to the experts, the source factor significantly affects customers' purchasing decisions. The research's findings are further reinforced by Nyarko et al. (2015), who investigated how source factor influences the purchasing decisions of Ghanaian adolescents based on a study of Anmilk Ghanaads.

H2: Message factors of advertising has a positive and significant effect on Customer Buying Behavior in Addis International Bank

It is positive and significant in determining consumer buying behavior in Addis international bank at a 5% critical value. For one percentage increase in message factor, the Bank will increase its customer buying behavior of the bank products and services by 32.9 percent.

The study's findings indicated a favorable relationship between consumer purchasing behavior and the independent variable messaging aspect of the commercial, thus we accept the second hypothesis H2($\beta=0.329$, $t= 5.542$, $P\text{-value}0.000$)As a result of these findings, hypothesis 2 is accepted. Haider (2014) found that the message factor significantly influences consumer buying behavior in his study on the prioritization of factors affecting consumer attitude toward mobile advertisements on Pakistani youth. Dereje (2019) also found that the message factor has a positive impact on attitudes towards mobile advertisement.

H3: There is a significant positive relationship between channel factor of the advertisement and customers' buying behavior.

According to the results, there is a considerable correlation between the predicted variable of consumers' purchasing behavior and the predictor channel factor of advertisement. The study' conclusions show that ($\beta= 0.100$, $t= 2.006$, $P\text{-value } 0.046$). Consequently, the study's findings supported this, and we adopt the third hypothesis, H3. This outcome is comparable to that of Sameti & Khalili's (2017) research, which discovered that persuasive outside-the-store advertising affects attitudes toward the promoted brand before attitudes toward the advertised goods.

Table 4-13: Summary of the Research Hypothesis Result

Hypothesis Findings Result	Findings		Result
H1: Source factor of advertising has a positive and significant effect on Customer buying behavior in Addis International Bank.	$\beta = 0.212$; $p < 0.05$	Positive and Significant	Accepted
H2: Message factors of advertising has a positive and significant effect on Customer Buying Behavior in Addis International Bank	$\beta = 0.331$; $p < 0.05$	Positive and Significant	Accepted

H3: There is significant positive relationship between channel factor of the advertisement and customers' buying behavior	$\beta = 0.103;$ $p < 0.05$	Positive and Significant	Accepted
--	--------------------------------	--------------------------	----------

As it is presented in the above table the results of multiple regressions demonstrate that source factor dimension has a positive and substantial impact on customer purchasing behavior in Addis International Bank with a coefficient value of 0.237 at a five percent level of significance. At a 5% critical value, Addis International Bank's messaging factor is likewise beneficial and significant in predicting consumer purchasing behavior. This implies that the Bank will get a 32.9 percent rise in consumer purchasing behavior for bank products and services for every percentage increase in messaging factor. According to the results regarding the channel factor there is a substantial and favorable correlation between the anticipated variable in customers' purchasing behavior and the predictor channel factor of advertising.

CHAPTER FIVE

Summary of findings conclusion and recommendations

In this section major findings from the research study were summarized in this part to provide an overview. Using the data, conclusions were drawn, and after that, recommendations for potential

solutions were made. Finally, a suggestion for the direction of future research is made along with the study's shortcomings.

5.1. Summary of findings

Investigating how media advertising affects consumer behavior is the primary objective of this study. Accordingly, the analysis and interpretations are presented. The main highlights of the findings are as follows.

To deal with the study three independent variables namely Source, Message and channel factor are used.

- The average score for the combined mean value of channel factor is 4.156, indicating a high level of agreement.
- Customers' total agreement with message factor component scored a mean of 3.862, indicating a high degree of agreement.
- The Source factor dimension's overall mean score was 3.827, indicating a moderate level of agreement.
- The Pearson correlation matrix demonstrates that three independent variables; Channel factor, Source factor, and Message factor have favorable and statistically significant correlations with customer behavior.
- In general, in the multiple regression analysis results, all the predictor variables accounted for 33.1% variation in customer buying behavior and all have a significant effect on customer buying behavior.
- Source factor has a positive and significant effect on customer buying behavior in Addis international bank S.C. at a 5% level of significance with a coefficient value of 0.237.
- Channel factor has a positive and significant effect on customer buying behavior in Addis international bank S.C. at a 5% level of significance with a coefficient value of 0.100.
- Message factor has a favorable and considerable effect on customer buying behaviour in Addis international bank S.C. at a 5% level of significance with a coefficient value of 0.329.

- Finally, the entire hypotheses made were tested, and (Source factor, Channel factor, and Channel factor) are positively related and have an effect on customer buying behaviour in Addis international bank S.C. therefore, the hypotheses are accepted.

5.2. Conclusion

The study used three variables (i.e. Source, Message & Channel factor) in addition to this the responses were analyzed using inferential and descriptive analysis Therefore, the following conclusion is drawn based on the summary of the study's main findings.

From this it can be concluded that the three dimensions have from moderate up to high level of agreement. Moreover, in terms of mean value score among the factors affecting consumer buying behaviour Channel factor dimension has a higher agreement or mean value.

The results of the correlation matrix analysis demonstrated that the three independent variables have a favorable correlation with consumer buying behavior in Addis International Bank. The channel component of the advertisement is placed third when compared to the other relationship characteristics taken into account in this study. In terms of the strength of the association, the advertisement's source factor comes in second, while its message factor comes in first This implies that as the Bank enhances the stated variables, the customers' buying patterns will also enhanced.

According to the results of the multiple regression study, message factor has the greatest influence on overall consumer behavior with a beta value of 0.329, source factor and channel factor have effects on consumer buying behavior with a beta value of 0.237 and 0.100 respectively.

5.3. Recommendation

The researcher forwards the following recommendations to the bank's management and other researchers based on the study's findings

Print media (newspapers, magazines, billboards), electronic media (radio, television), and other forms of media make up the advertising channel. Depending on the audience profile and the used communication message, each of these media has distinct advantages and disadvantages and can have an impact on the target audience to varied degrees. Therefore, in

order to carry out its promotion, the companies must perform a survey of the media's audience and choose the appealing media with the strongest level of public acceptability.

A suitable spokesperson must be picked in order to effectively communicate the enticing message through the media of choice. In advertising, the term "source" refers to any individual who directly or indirectly communicates a marketing message.

The businesses have spent a lot of time and effort choosing spokespersons and presenters for their promotional messages. The source can be celebrity, popular, well-known person or just physically attractive. When choosing spokespersons and other individuals to communicate their advertising messages, firms spend a lot of effort into the process. A famous, well-known, or simply physically appealing individual could be the source. It is essential to put the media advertising message's substance, appeal, presentation, believability, and execution into a form that can be transmitted and is suitable for the chosen channel of communication. The media's message should be delivered in a way that makes it simple for consumers to understand it when it is translated into the advertiser's language.

5.4. Suggestion for future research

There is still need for more research in the area of how the banking industry media marketing affect their clients' purchasing decisions. There is a chance for researchers to either go further into the same characteristics of this study or add additional variables that may be able to more accurately or differently predict buying behavior in relation to real estate businesses' media marketing. Only respondents who lived in Addis Ababa were used in this study. The researcher advises that further research of a similar nature, with a larger sample size and covering a wider geographical area, be done. As a result, the sample would be more diverse and the results would be more accurate.

Reference:

Asenake Meshesha (2018), The effect of Advertising on consumer buying behaviour, The case of Nifas silk paints factory. MA Thesis school of commerce Addis Ababa University.

Awan, Ismail, Majeed & Ghazal (2016) Effects of Advertising on consumers buying behaviour with reference FMCGS in south Punjab-Pakistan .Journal of Marketing and consumer research Vol. 19.

Abideen, Z. and Saleem, S. (2011). Effective Advertising and its Influence on Consumer Buying Behavior, European Journal of Business and Management, Vol. 3 (3), pp. 55-65.

- Yeshin, T. (1998). *Integrated Marketing Communications: The Holistic Approach*, Oxford: Butterworth-Heinemann.
- Belch, G. E. and Belch, M. A. (2007), *Advertising and Promotion: An Integrated Marketing Communications Perspective*. 7th edition, New York: McGraw-Hill-Irwin.
- KiandokhtHadadia and Mahmoud Khalid Almsafirb (2015). *The Impact of Media Advertising on Proton Sales*. Published by Elsevier B.V, This is an open access article under the CC BYNC-ND license Procedia
- HiwotWorkneh. (2018). *The Effect of Advertising on Consumers' Buying Preference: The Case of TECNO Mobile in Addis Ababa*. Master thesis at Addis Ababa University School of Commerce Marketing Management Program Unit, Addis Ababa, Ethiopia.
- Furaji, F., Łatuszyńska, M., Wawrzyniak, A. and Wąsikowska, B. (2013). Study on the influence of advertising attractiveness on the purchase decisions of women and men. *Journal of International Studies*, Vol. 6, No 2, pp. 20-32.
- Spark, J. (2016). *Consumer Behavior and Purchase Decisions*. [online] My venture pad. Available at: <http://myventurepad.com/consumer-behavior-purchase-decisions>.
- Creswell, J. W., (2003), *Research Design: Qualitative, Quantitative and Mixed Methods Approaches*, 2nd ed., California: SAGE.
- Singh, B. (2012). *Impact Of Advertisement on the Brand Preference of Aerated Drinks*, Asia Pacific Journal Of Marketing & Management Review, Vol.2 (2), pp. 148 -160.
- D.Hoyer & J. MacInnis (2007), *Consumer Behaviour* 5th edition United States of America.
- Degifu Hailu (2021), *The Influence of Advertising on consumer brand preference, on the case of Automobile in Addis Ababa: MA Thesis School of commerce, Addis Ababa University*.
- Mantel S., Kardes F. (1999), *Attitude based Processing in Consumer Preference*, *Journal of Consumer Research*, 25(4), 335-339.
- MeronNigussie, (2017). *The Effect of Media Advertising on Customers' Brand Choice: The Case Of United Bank S.C in Addis Ababa*. Master thesis at Addis Ababa University School of Commerce Marketing Management Program Unit, Addis Ababa, Ethiopia.
- Rani, J. and Maran, (2013). *An Impact of Demographic Variables on Consumers Preference with reference to Air conditioner*, *Indian Journal of Research*, Vol. 2 (7), pp. 198-199.
- Mulugeta G/Medhin and AbdulsukurNuru (2014). *Promotion Management: An Integrated Marketing Communication Approach*, Addis Ababa University School of Commerce Marketing Management Program Unit, Addis Ababa, Ethiopia.
- Salama, S. A., Muhammad, A., Barween, A. K. & Said, A. S., (2020). *Factors Affect Customer Retention*. Research Gate.

McAllister, D. J. (1995) Affect- and Cognition-Based Trust as Functions for Interpersonal Cooperation in Organizations, *Academy of Management Journal*. 38 1, pp. 24-59.

E.C Kanu and A.N.Ezeabough (2019), *International Journal of Arts and Commerce* Vol. 8.no1 available at ijac.org.uk/article/8.11-1-15.

Esubalew Abebaw (2020), *The Effect of Media Advertising on Consumer Buying Behaviour on Four Real estate companies located Addis Ababa*, MA Thesis St. Merry University.

Kothari, C. (2004). *Researchodology, Methods and Techniques*, second revised edition. New age international publishers.

Chris, F. and Barbara, J. (2014). *Marketing Communications*. United Kingdom: HeriotWatt University. Corbetta, P. (2003). *Social Research: Theory, Method & Techniques*. London: SAGE.

Fayq Al. Akayleh (2021), *the influence of social media Advertising on consumer behaviour* Vol,8Novavailableathttps://www.researchgate.net/publication/351225157_The_influence_of_social_media_advertising_on_consumer_behaviour.

Fatima, S. and Lodhi, S. (2015). *Impact of Advertisement on Buying Behaviors of the consumers: Study of Cosmetic Industry in Karachi City*, *International Journal of Management Sciences and Business Research*, ISSN: 2226-8235 Vol-4, Issue 10, pp.125.

Zikmund, W. B. J., G., Griffin, M., Carr, J. C., & Babin (2010).” *Business research methods*” (8th Ed.) Mason, HO: Cengage Learning.

Getnde Mulakasege (2015) *Influence of Advertising on consumers buying behaviour ,Case study of forever living Cosmetics products* MA thesis Mzumbe University.

Haregewoin Hailu (2019), *the effect of Media Advertisement on consumer buying behaviour a case of Abay Bank s.c* MA Thesis School of commerce Addis Ababa University.

AschalewDessie (2018), *Factors Influencing Marketing Effectiveness of the Real Estate Industry in Addis Ababa*. Master thesis at St. Mary’s University School of Graduate Studies Marketing Management Program Unit Addis Ababa, Ethiopia.

Hawkins & Mothersbaugh (1980), *Consumer Behaviour, building Marketing strategy* 11th edition New York: McGraw-Hill-Irwin.

Ismail, Majeed & Farisa (2016), *journal of marketing & consumer behaviour* vol 19 available on core.ac.uk

Keller, K. L., (2013), *Strategic brand management: Building, measuring, and managing brand equity*. 4th ed. England: Pearson Education

Kotler, P. and Keller, K.L. (2012), *Marketing Management*.14th Ed. New Jersey: Prentice Hall.

Larry Percy (2008), Strategic Integrated Marketing Communications Elsevier Inc.

Marian <https://studymoose.com/negative-impact-of-advertisement-essay>

Mugenda, O.M., & Mugenda A.G. (2003), Research Methods: Quantitative and Qualitative Approaches, African Centre of Technology Studies, Nairobi.

Nyamtara (2019), the influence of Advertisement on consumer behaviour; the case of Vodacom, Tanzania.

Ouwersloot, H. and Duncan, T. (2008).Integrated Marketing Communications, European edition, London: McGraw-Hill.

Peter J.Danaher& Tracey S.Dagger (2012), Comparing the relative effectiveness of Advertising Channels Journal of Marketing research vol.1.

Ramzan Sama (2019), Impact of Media Advertisement on consumer's behaviour, Journal of creative communications Institute of management studies.

Appendices

Addis Ababa University

School of Commerce

MA Program in Marketing Management

To be filled by customer

Dear Respondents,

I'd like to introduce myself as Eyerusalem Kibret, a student at the Addis Ababa University School of Commerce, and thank you in advance for your assistance in filling out the questionnaire. This questionnaire aims at identifying and analyzing the effect of Advertising on consumers buying behaviour in the case of Addis International Bank s.c. Your information will be used for research purpose only and your response are confidential to keep your response anonymous. Your participation to the research is much esteemed.

For further inquiry use with the following contact information

Eyerusalem kibret

0913749649

eukb21@gmail.com

Part one: Demographic Information

1. Gender: Male Female
2. Age: 18-30 31-40 41-50 51-60 61+
3. Educational Level: Primary Education Secondary Education
TVET/Diploma First Degree Master 's Degree and above
4. Occupation: Government Private Unemployed Student

Part Two: Questions directly related with the study

Please circle to indicate your level of agreement with the statements made here under the questions on the factors affecting media advertising. *1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree,*

Source Factor		Rate				
1	The person who advertise the bank has the power to influence me	1	2	3	4	5
2	My purchase decision is influenced by an advertisement that is supported by a reliable source.	1	2	3	4	5
3	The source for the bank advertising is attractive.	1	2	3	4	5
4	Advertising done by famous people will influence me to buy a product or service	1	2	3	4	5
5	The source for the bank advertising is credible	1	2	3	4	5

Message factor		Rate				
1	The bank's advertising message aims to appeal to consumers on a logical level, By striving to convey details about the features of the product and the advantages of owning or utilizing it.	1	2	3	4	5
2	The Bank's advertising message appeals to the viewer's emotions by emphasizing the emotional aspects of the product	1	2	3	4	5
3	The Bank's visual messages which are appeared in different media platforms are appealing	1	2	3	4	5
4	The advertisement message released by the bank are trustworthy	1	2	3	4	5
5	I believe the message in the bank's advertisements is clear.	1	2	3	4	5
Channel factor		Rate				
1	Broad cast medias which are used by the bank (TV, Radio & Internet) influenced me to use the product	1	2	3	4	5
2	Print media (newspapers, magazines, and brochures) which are used by the bank as a form of advertising led me to consider using the product.	1	2	3	4	5
3	Outdoor advertising (billboards, banners, and interior branding design of branches) used by the bank initiated me to use the product.	1	2	3	4	5
4	The broadcast media material that features the banks advertising is appealing.	1	2	3	4	5
5	The print media program content in which the bank uses in advertising is attractive.	1	2	3	4	5
6	The outdoor media setting used by the bank for advertising is appealing.	1	2	3	4	5

Please mark the box next to the questions that relate to consumers' purchasing behaviour with a **circle** to indicate how much you agree with the statement. Numbers ranging from 1 to 5 indicate how strongly they agree or disagree with a statement.. *1 = strongly disagree, 2 = disagree, 3 = neutral, 4 = agree, 5 = strongly agree,*

Consumer buying behaviour		Rate				
1	The source person is the reason for me to choose the bank	1	2	3	4	5
2	I prefer the bank because I was influenced by the message in the Advertisement	1	2	3	4	5
3	I choose the bank because of the medium they use for advertisement	1	2	3	4	5
4	The advertisement of the bank influenced me to prefer it	1	2	3	4	5
5	Advertisement done by the bank understands my need and that	1	2	3	4	5

	influenced me to use their product					
6	The Banks media advertisement attracts potential customers	1	2	3	4	5
7	The Banks advertisement provide you relevant information	1	2	3	4	5

አዲስ አበባ ዩኒቨርሲቲ የንግድ ስራ ትምህርት ቤት
 ማከኔንግ ሜጅመት ዲፓርትመንት
 ድህረ ምረቃ ፕሮግራም
 በባንኩ ደንበኛ የሚሆኑ

ወደ የመጠቀሚያ ተሳታፊዎች

በመጀመሪያ እና ከሁሉም በላይ፣ መጠይቁን ለመጣት ለምትደርጉት ትብብር በቅድሚያ ምክንያቱን መግለጽ እፈልጋለሁ። እየሩሳሌም ክብረት እባላለሁ በአዲስ አበባ ዩኒቨርሲቲ የንግድ ተማሪ ስሆን ለዚህ የድህረ-ምረቃ ትምህርት ማሟላት የሚጠይቅ ጥናት በመከራት ላይ እገኛለሁ። የዚህ ጥናት አላማ በአዲስ አበባ ትምህርት ቤብ ሲሆን የሚጠይቅ ጥናት በመከራት ላይ እገኛለሁ። የዚህ ጥናት አላማ በአዲስ አበባ ትምህርት ቤብ ሲሆን የሚጠይቅ ጥናት በመከራት ላይ እገኛለሁ።

ለተጨማሪ ጥያቄዎች ማስተላለፊያዎን መግኛ አድራሻ ይጠቀሙ

እየሩሳሌም ክብረት
09 13 74 96 49
eukb21@gmail.com

ከታች በምትመለከቷቸው ቁጥሮች ላይ ለቀረቡት ጥያቄዎች የእናንተን ሃሳብ የበለጠ ገላጭ የሆነ ወይንም አሜሌታ በያዘው የምርጫ ሳጥን ወስጥ ላይ ወይም × ምልክት ያስቀምጡ

ክፍል አንድ: አጠቃላይ መረጃ

1. ያታ: ወንድ ሴት
2. ዕድሜ: 18-30 31-40 41-60
3. የትምህርት ደረጃ: 1-8 ክፍል 9-12 ክፍል ዲፕሎማ/ቴክኒክ እና መምህራን
4. ስራ ስያሜ: መንግስታዊ ተቋም መንግስታዊ ያልሆነ ተቋም
- የግል ስራ ስራ የሌለው/ተማሪ
5. ከባንክ፣ ጋር ለምን ያህል ጊዜ በደንበኛነት ትቆይተዋል? ከአንድ ዓመት በታች ከ1-3 ዓመት ከ3-6 ዓመት ከስድስት ዓመት በላይ

ክፍል ሁለት ከጥናቱ ጋር በቀጥታ የሚመዳ መጠይቆች

እባክዎ ከዚህ በታች ጥናቱ መጠይቆች መልስ ይሰጡ። ለጥናቱ ስራዎች ላይ ተጠቃሚ ሆኖ መሳተፍዎን ያሳያል። ጥናቱን ማስተላለፊያ መግለጫ መላክ ታስብ።

1=በጣም አልሰማም; 2=አልሰማም; 3=አስተያየት የለኝም; 4=እስማማለሁ 5=በጣም እስማማለሁ

የምንጭ መነሻ					ደረጃ				
1	ባንኩን የሚያስተዋውቀው ሰው የባንኩን ምርት እንደገና አስተዋፅኦ አለው	1	2	3	4	5			

2	በአስተማሪዎች ምንጭ የሚገኙ ማህተሞች የግዢ ወሳኔዬ ላይ ተፅዕኖ አለው	1	2	3	4	5
3	የባንኩን ማህተሞች የሚሰሩ ሰው አቀራረብ ማህተም ነው	1	2	3	4	5
4	በታዋቂ ሰዎች የሚሰሩ ማህተሞች አንድን ምርት ወይም አገልግሎት እንደገዛ ይገፋፋሉ	1	2	3	4	5
5	የባንኩ ማህተሞች ምንጭ ሰው ተአማኒ ነው	1	2	3	4	5
የመልእክት መነሻ		ደረጃ				
1	የባንኩ የማህተም መልእክት ምክንያታዊ በሆነ መንገድ ደንበኞችን ለመረከብ ያለመ እና ስለ ምርቱ ባህሪያት እና ስለ ለሚሰጠው ጥቅም የሚለፅ ነው	1	2	3	4	5
2	የባንኩ የማህተም መልእክት የምርቱ ስሜት ጽታዎች ላይ በማሳተፍ ተመልካቹን ስለማቆም ይረዳል	1	2	3	4	5
3	በተለያዩ የሚገኙ መድረኮች የሚሰጠው የባንኩ እይታ መልእክቶች ማህተም ነው	1	2	3	4	5
4	በባንኩ የሚሰጠው ማህተም መልእክቶች ተአማኒነት አላቸው	1	2	3	4	5
5	በባንኩ ማህተም ዎች ወስን ጥያቄ መልእክት ግልጽነት ወይም አጠቃላይ ለሆኑ	1	2	3	4	5
Channel factor		ደረጃ				
1	ባንኩ የሚሰጠው ማህተም የብሮደካስት ማህተም ዎች (ቲቪ፣ ሬዲዮ እና ኢንተርኔት) ምርቱን እንደጠቀሙት ማህተም አድርጎታል	1	2	3	4	5
2	ባንኩ ለማህተም ነገር የሚገለግል የህትመት ማህተም (ጋዜጦች፣ ማዘጋጃዎች እና ብሮሾች) ምርቱን ለመጠቀም እንዳስብ አድርጎታል	1	2	3	4	5
3	ባንኩ የሚሰጠው ማህተም የወጪ ማህተም ዎች (በልቦናዎች፣ ባንኮች እና የቅርንጫፎች የወስን ብራንዲንግ ዲዛይን) ምርቱን እንደጠቀሙት ማህተም ገፋፋቸዋል	1	2	3	4	5
4	የባንኩን ማህተም የሚቀርበው የብሮደካስት ማህተም ቁሳቁስ ማህተም ነው	1	2	3	4	5
5	ባንኩ በማህተም ላይ የሚሰጠው የህትመት ማህተም ፕሮግራም ይዘት ማህተም ነው	1	2	3	4	5
6	ባንኩ ለማህተም የሚሰጠው የወጪ ማህተም ቦታ ማህተም ነው	1	2	3	4	5

የደንበኞች የግዢ ባሕሪ		ደረጃ				
1	ባንኩን እንደሚጠቀሙት ምክንያታዊ የሆነው ምንጭ ሰው ነው	1	2	3	4	5
2	በባንኩ ማህተም የሚሰጠው መልእክት ባንኩን እንደሚጠቀሙት አድርጎታል	1	2	3	4	5
3	ባንኩን የሚጠቀሙት ለማህተም በሚሰጠው ማህተም ነው	1	2	3	4	5
4	የባንኩ ማህተም ባንኩን እንደሚጠቀሙት አድርጎታል	1	2	3	4	5
5	በባንኩ የሚሰጠው ማህተም ፍላጎት ስለሚሰጥ ምርታቸውን እንደጠቀሙት ተጽዕኖ አድርጎታል	1	2	3	4	5
6	ባንኩ የሚሰጠው የሚገኙ ማህተም ዎች አቅም ያላቸው ደንበኞችን የሚሰጡ ናቸው	1	2	3	4	5
7	በባንኩ የሚሰጠው ማህተም ዎች ጠቃሚ መረጃዎችን ሰጥተዋል	1	2	3	4	5