

**ADDIS ABABA UNIVERSITY  
SCHOOL OF COMMERCE  
DEPARTMENT OF MARKETING**



**THE IMPACT OF SOCIAL MEDIA  
MARKETING ON CONSUMERS'  
BRAND AWARENESS**



AUTHORS NAME:- NEJAT MOHAMMED

NAME OF ADVISOR:- DR. ABEBE EJIGU

ADDIS ABABA, ETHIOPIA

# **THE IMPACT OF SOCIAL MEDIA MARKETING ON CONSUMERS' BRAND AWARENESS IN ETHIOPIA**

**By: Nejat Mohammed**

**Advisor: Abebe Ajigu (Dr.)**

**A research project Submitted to the School of Graduate Studies of Addis  
Ababa University in Partial Fulfillment of the Requirement for the Award  
of Masters of Arts in Marketing Management**

**Department of Marketing Management  
Addis Ababa University School of Commerce**

**Addis Ababa, Ethiopia**

**THE IMPACT OF SOCIAL MEDIA MARKETING ON  
CONSUMERS' BRAND AWARENESS IN ETHIOPIA**

**By: Nejat Mohammed**

**Approved by Board of Examiners**

---

**Chairman, Department**

---

**Signature**

---

**Advisor**

---

**Signature**

---

**Examiner**

---

**Signature**

# Letter of Certification

This is to certify that Nejat Mohammed carried out her project on the topic entitled “**The Impact of Social Media Marketing on Consumers’ Brand Awareness in Ethiopia**”. This work is original in nature and is suitable for submission for the award of Master of Marketing Management.

---

**Advisor: Dr. Abebe Ejigu**

**Date:** \_\_\_\_\_

# Declaration

I, Nejat Mohammed, hereby declare that this project entitled “**The Impact of Social Media Marketing on Consumers’ Brand Awareness in Ethiopia**” is the outcome of my own effort and it is my original work. This study has not been presented for a degree in any other university and that all sources of material used for the project have been duly acknowledged.

**By: Nejat Mohammed**

**Signature**\_\_\_\_\_

**Date**\_\_\_\_\_



# Acknowledgement

First and foremost, I would like to thank God for his love, mercy and guidance throughout my life. Undoubtedly, this success has been made possible only through the will of God.

I would like to express my deepest appreciation to those who provided me the possibility to complete this report. A special gratitude I give to my advisor Dr. Abebe Ejigu whose contribution in stimulating suggestions and encouragement helped me to coordinate my project and write this research report. I would also like to thank my teacher Ato Tewodros Mesfin for his brilliant comments and suggestions, also my special thanks goes to my classmate Ato Meselework Yismu for his continuous support and assistance.

A special thanks to my late Dad, Mohammed Ibrahim, who has always been a source of encouragement, and also to my late sister, Yasmin Mohammed, for being my role model and the one to always inspire me. To my mom and siblings for all of the sacrifices that they have made on my behalf. Their prayer for me was what sustained me this far. I would also like to thank all of my friends who supported me in writing, and incited me to strive towards my goal. Most importantly, none of this could have happened without my beloved husband, Sami Zekaria who offered his encouragement, who has been kind and supportive to me over the past three years.

# Table of Content

Acknowledgement:.....	i
Table of Content .....	ii
Acronyms .....	iv
List of Tables .....	v
List of Figures .....	vi
Abstract .....	vii
Chapter One: Introduction .....	1
1.1. Background of the Study .....	2
1.2. Statement of the Problem .....	6
1.3. Research questions .....	9
1.4. Objective of the Study .....	9
1.5. Conceptual Definition of Terms .....	10
1.5.1. Social Media .....	10
1.5.2. Social Networking .....	10
1.5.3. Social Media Marketing .....	10
1.5.4. Brand .....	10
1.5.5. Brand Awareness .....	10
1.6. Significance of the Study .....	11
1.7. Delimitation of the Study .....	12
1.8. Limitation of the Study .....	12
1.9. Organization of the research .....	13
Chapter Two: Literature Review .....	15
2.1. Theoretical Framework .....	15
2.1.1. Social Media .....	15
2.1.1.1. Face Book .....	17

2.1.1.2. Twitter.....	18
2.1.1.3. LinkedIn.....	18
2.1.1.4. You Tube .....	19
2.1.1.5. Google Plus.....	19
2.1.2. Social Media Networking .....	20
2.1.3. Social Media Marketing .....	21
2.1.4. Brand Awareness .....	22
2.1.5. Synthesis of Previous Works.....	24
2.2. Conceptual Framework.....	26
Chapter Three: Research Design and Methodology .....	32
3.1. Research Design.....	32
3.2. Data Collection Tool/ Instrument of Data Collection.....	34
3.3. Source of Data.....	35
3.4. Procedure of Data Collection.....	35
3.5. Population, sample size and Sampling Technique.....	36
3.6. Methods of Data Analysis.....	38
3.7. Ethical Considerations .....	38
Chapter Four: Results and Discussions .....	39
4.1. Results/Finding of the Study.....	39
4.2. Discussion/Interpretations.....	58
Chapter Five: Summery, Conclusion and Recommendation .....	63
5.1. Summary of major findings .....	63
5.2. Suggestion .....	64
5.3. Further Area of Investigation .....	66
References.....	67
Appendix	

# Acronyms

ICT –	Information and Communication Technology
URL –	Uniform Resource Locator
ECA –	Economic Commission for Africa
OAU –	Organization for African Unity
NGO –	Non-governmental organizations
ETC –	Ethiopian Telecommunication Corporation
UGC –	User Generated Content
WOMM –	Word-of Mouth Marketing
SMM –	Social Media Marketing
ROI –	Return on Investment
IT –	Information Technology
SMM-	Social Media Marketing

## List of Tables

i.	Table 4.1.1 Demographic characteristics of respondents.....	39
----	---	----

## List of Figures

i.	Fig 2.2.1 Social media sales funnel adoption.....	27
ii.	Fig 2.2.2 Social media sales funnel adoption by Nichole Kelly (2010).....	27
iii.	Fig 2.2.3 Populating the top of the sales funnel Social Media.....	28
iv.	Fig 4.1.1: Column chart showing social presence of the respondents (%).....	41
v.	Fig 4.1.2: Pie chart showing respondents' level of trust on social networks .....	42
vi.	Fig 4.1.3: Column chart showing why respondents joined social networks.....	43
vii.	Fig 4.1.4: Pie chart showing the age range of the respondents (%).....	44
viii.	Fig 4.1.5: Bar chart showing how respondents access online social media .....	44
ix.	Fig 4.1.6: Column chart showing respondents' preferred source of info. (%)....	45
x.	Fig 4.1.7: Pie chart showing if respondents respond to online advertisement ...	46
xi.	Fig 4.1.8: Doughnut chart showing how respondents feeling about online ads..	46
xii.	Fig 4.1.9: Column chart showing if respondents respond to online ads. (%)....	47
xiii.	Fig 4.1.10: Column chart showing respondents' motive on social media pages..	48
xiv.	Fig 4.1.11: Doughnut chart showing respondents' attention to ads shared by... others (%)..	49
xv.	Fig 4.1.12: Bar chart showing if respondents are influenced by online info. to... buy products and services (%)	49
xvi.	Fig 4.1.13: Column chart showing which information platform influences..... their buying decision on brands (%)	50
xvii.	Fig 4.1.14: Doughnut chart showing respondents' action to social media ads....	51
xviii.	Fig 4.1.15: Bar chart showing respondents' actions based on social media ads..	52
xix.	Fig 4.1.16: Pie chart showing if respondents purchase a product/service based on social media ads (%)	52
xx.	Fig 4.2.a: Social media sales funnel adoption.....	59
xxi.	Fig 4.2.b. Finding of the Empirical framework based on Sale Funnel Adoption..	62

## **Abstract**

In this technologically advanced era, it is surprising to see that how international companies are taking advantage of the internet. Internet has a significant impact on companies marketing campaigns. Social media platforms such as Facebook, Twitter, LinkedIn, YouTube and Google+ have changed the way companies market their products and services. Social media has become an integral part of their promotion mix and has transformed the way companies interact with customers. It is a new field of research and a literature review reveals that not many studies have been undertaken specially in Ethiopian context. There are few studies which have been carried out without much scientific evidences, which have concluded that due to emergence of social media, the traditional advertising has diminished. Nevertheless the use of social media marketing in Ethiopia is at its infant stage. However, the current situation may not extend for long due to the fast growing usage of social media platforms, fast growth of internet penetration and the need for companies to participate in the globalized world in order to be competitive with international companies and to benefit out of this astounding technology.

The purpose of this research paper has been to look at how social media can create brand awareness and its use in Ethiopia. This study is of an exploratory and descriptive nature whose primary objective is to provide insight into a new marketing phenomenon. A combination of both quantitative and qualitative method was used. It has been possible to withdraw necessary primary and secondary data by conducting an online survey and expert interview and also by referring related literatures respectively. A combination of structured on line survey questionnaire and structured interview is conducted to collect the required information. Both primary and secondary methods were used to gather data to attain best possible outcome of the research's effort. The size of the population for this study is unknown as social media networking sites are dynamic and complex and they are impossible to count given that the number of members increases on a daily basis. Therefore, the researcher used the sample size recommended for unknown population by Corbetta (2003) which is 385. However, the researcher distributed online questionnaires to 500 respondents in order to increase the response rate.

Convenient and snow-ball non-probability sampling method were employed to conduct the online survey and expert non-probability sampling technique was used to interview experts. The data collected using the structured online survey questionnaire via a link <https://adobeformscentral.com/?f=x3MvHdh1gSo0fIJzC2L9ag> was analyzed descriptively using adobeformscentral.com and the results were presented in different forms of graphical and tabular representations

The finding of this research paper indicates that most consumers pay attention to advertisements recommended and shared by friends and contacts on social media networks rather than the direct information provided or advertisement campaign made by companies. Recommendation of others which is known as electronic word of mouth is considered as the most reliable source of information to influence consumers' perception about products and services and half of the consumers buy products based on the information they acquire from social media networks.

On the other hand, companies are using social media marketing specially to reach their international customers, to create awareness of their brand and to improve their brand image. Nevertheless, they are facing several challenges which hinder the smooth application of social media marketing campaign. However, most local companies use other traditional forms of promotional channels most such as TV and radio advertisements.

The use of social media marketing nowadays is becoming very popular worldwide and it has changed the relationship between customers and business and this effect will gradually continue to evolve in Ethiopia as new media infuses the culture and society. Therefore, the research suggested that local companies should use social media network to present their brands with enormous reach, endless communication possibilities and with a very limited promotion cost and grab the possible opportunities of exploiting the brand building potential through the richest and fastest communication form available. However, Social Media as a form of marketing will present a whole new phase challenges. Therefore, companies need to develop their marketing strategy with special care in order to minimize the risk and challenges of online branding.



# **CHAPTER ONE**

## **INTRODUCTION**

International companies nowadays are taking advantage of the internet which is significantly affecting the way companies communicate with their customers. Social media networks such as Facebook, Twitter, LinkedIn, YouTube and Google plus have a significant impact on how companies reach their target customers and the way they communicate their products and services with them. Therefore, most international companies have adopted the social media marketing and made it an integral part of their promotion mix.

For the last several decades our world has become globalized and in today's competitive business economy, using social media networks and the internet is crucial. But the gap between those who make use of this platform and those who don't is increasing considerably. Companies and businesses who actively promote their brands through social media can create brand awareness and with time and hard effort brand loyalty could be achieved and brand competitiveness can be improved globally.

Latest reports indicate that Ethiopia is one of the least developed and most expensive countries in information and communication technology in the world ranking 151<sup>st</sup> in ICT development, out of 157 countries, and 152<sup>nd</sup> out of 169 countries in the price of fixed broadband connection (ethioadmin, 2013). Due to this and other factors, Ethiopian businesses are lagging behind in using social media as a means of advertizing and communication channel which hinders their businesses to be part of the globalized business world as well as to reach potential customers internationally and benefit out of the global market. However, the report indicates that in terms of growth in internet coverage,- Ethiopia ranks second in Africa, next to the Democratic Republic of Congo (DRC), registering a 36.6 percent increase in coverage.

The opportunity now is vast for local business entities to use social media marketing to communicate about their products and services and make consumers aware of their brands and create huge sales given that, according to a current survey, 3 out of 5 consumers interact

with brands on social media. On the other hand companies that use only traditional form of marketing mix, such as most Ethiopian companies, could easily be surpassed and outdated in the modern business setting. Therefore, local companies should consider acceptance and adoption of marketing efforts through social media to promote their brands and create awareness and also to incorporate social media in their marketing mix, which they fail to notice, in order to overcome the stiff competition and to successfully operate in today's dynamic business environment.

The report further indicates that the top three international websites in Ethiopia are Facebook, You Tube and Google whereas the top three Ethiopian websites are Dire Tube, Ethio Tube and Ethio Jobs. However, the study focuses on non Ethiopian social networks such as Facebook, twitter, LinkedIn, YouTube and Google plus given that they are internationally used websites with hundreds of millions of members and followers and they are also greatly used media for marketing and promotion. For example, Facebook is the number one used social network in Ethiopia as well as in the world with more than 1.11 billion active members. ([www.uncp.edu/home/newmedia/social media history](http://www.uncp.edu/home/newmedia/social%20media%20history).)

## **1.1. Background of the Study**

According to the information gathered from the internet “Brief History of Social Media” ([www.uncp.edu/home/newmedia/social media history](http://www.uncp.edu/home/newmedia/social%20media%20history)) it is discussed that Social media are Internet sites where people interact freely, sharing and discussing information about each other and their lives, using a multimedia mix of personal words, pictures, videos and audio. At these Web sites, individuals and groups create and exchange content and engage in person-to-person conversations.

They appear in many forms including blogs and micro blogs, forums and message boards, social networks, wikis, virtual worlds, social bookmarking, tagging and news, writing communities, digital storytelling and scrapbooking, and data, content, image and video sharing, podcast portals, and collective intelligence.

There are lots of well-known sites such as Facebook, LinkedIn, MySpace, Twitter, YouTube, Flickr, WordPress, Blogger, Typepad, LiveJournal, Wikipedia, Wetpaint, Wikidot, Second Life, Del.icio.us, Digg, Reddit, Lulu and many others.

CompuServe, launched in 1969 was the first major commercial Internet service provider for the public in the United States. Using a technology known then as *dial-up*, it dominated the field through the 1980s and remained a major player until the mid-1990s and more than 1,500 Web servers were online in 1994 and people were referring to the Internet as the *Information Superhighway*. ([www.uncp.edu/home/newmedia/social media history](http://www.uncp.edu/home/newmedia/social%20media%20history))

The website, ([www.uncp.edu/home/newmedia/social media history](http://www.uncp.edu/home/newmedia/social%20media%20history)) further reported that in 1998 Google opens as a major Internet search engine and index. In 2003 LinkedIn was started as a business-oriented social networking site for professionals and in the same year more than 3 billion Web pages were created. In 2004 Facebook, another social networking website was started for students at Harvard College. But in 2005, Facebook launched a version for high school students in the same year YouTube began storing and retrieving videos, and also the number of Web pages reached more than 8 billion. In 2006 Facebook membership was expanded and opened to anyone over age 13. Twitter was launched as a social networking and micro blogging site enabling members to send and receive 140-character messages called tweets in the same year Google had indexed more than 25 billion web pages, 400 million queries per day.

In 2007 Microsoft bought a stake in Facebook. Facebook initiated Facebook Platform which let third-party developers create applications (apps) for the site. Facebook launched its Beacon advertising system, which exposed user purchasing activity. Beacon sent data from external websites to Facebook so targeted advertisements could be presented. The civic action group MoveOn.org and many others protested it as an invasion of privacy. Beacon was shut down in 2009. ([www.uncp.edu/home/newmedia/social media history](http://www.uncp.edu/home/newmedia/social%20media%20history))

In 2009 Facebook surpassed other social media sites in the total number of monthly unique visitors. Meanwhile, Facebook tried unsuccessfully to buy Twitter. A year later Facebook

ranked as the most-used social network worldwide with more than 200 million. Same year it's estimated that a quarter of Earth's population used the Internet. Google saw one trillion unique URLs – after eliminating duplicate entries. The Internet had at least 27 billion web pages and could have had as many as 58 billion web pages. They changed so many times a day it was nearly impossible to count.

In 2010 Facebook's rapid growth moved it above 400 million users and to compete with Facebook and Twitter, Google launched Buzz, a social networking site integrated with the company's Gmail. It was reported that in the first week, millions of Gmail users created 9 million posts. It was estimated the population of Internet users was 1.97 billion. That was almost 30 percent of the global population. The Internet had surpassed newspapers as a primary way for Americans to get news, according to the Pew Internet and American Life Project. The Internet was the third most popular news platform, with many users looking to social media and personalized feeds for news. National and local TV stations were strong, but the Internet was ahead of national and local newspapers.. ([www.uncp.edu/home/newmedia/socialmediahistory](http://www.uncp.edu/home/newmedia/socialmediahistory))

([www.uncp.edu/home/newmedia/socialmediahistory](http://www.uncp.edu/home/newmedia/socialmediahistory)) also reported that in 2011 Social media were accessible from virtually anywhere and had become an integral part of our daily lives with more than 550 million people on Facebook, 65 million tweets sent through Twitter each day, and 2 billion video views every day on YouTube. LinkedIn has 90 million professional users. Social media commerce was on the rise along with mobile social media via smart phones and tablet computers. It was estimated Internet users would double by 2015 to a Global total of some four billion users, or nearly 60 percent of Earth's population.

In 2012 ever more people are connecting to the Internet for longer periods of time. Some 2 billion people around the world use the Internet and social media, People also connect to the Internet via handheld music players, game consoles, Internet-enabled TVs and e-readers. More than half of adults 25-34 use social media at the office. Almost a third of young adults 18-24 use social media in the bathroom. All use social networks to stay connected with acquaintances, be informed and be amused. In the same year Facebook reached a billion

users YouTube has more than 800 million users each month with more than 1 trillion views per year or around 140 views for every person on Earth. Seventy percent of YouTube traffic comes from outside the U.S. YouTube is local in 43 countries and uses 60 languages. Some 72 hours of video are uploaded to YouTube every minute with more than 4 billion hours of video watched each month on YouTube. ([www.uncp.edu/home/newmedia/social media history](http://www.uncp.edu/home/newmedia/social%20media%20history))

In 2013 YouTube topped one billion monthly users with 4 billion views per day, and launched paid channels to provide content creators with a means of earning revenue. Facebook user total climbed to 1.11 billion. Twitter had 500 million registered users, with more than 200 million active. LinkedIn had 225 million users and Google+ had 343 million users. ([www.uncp.edu/home/newmedia/social media history](http://www.uncp.edu/home/newmedia/social%20media%20history))

An Australian survey found 34 percent of social network users logged on at work, 13 percent at school, and 18 percent in the car, while 44 percent used social networks in bed, 7 percent in the bathroom, and 6 percent in the toilet. Most amazingly, Astronauts aboard the International Space Station regularly tweeted live from space to a global audience. ([www.uncp.edu/home/newmedia/social media history](http://www.uncp.edu/home/newmedia/social%20media%20history))

According to the report of (ethioadmin, 2013) Dial-up internet, let alone broadband, was a luxury 10 years ago in Ethiopia. Only organizations like the Economic Commission for Africa (ECA), the then Organization for African Unity (OAU), and a few non-governmental organizations (NGOs) with their own satellites had access to the web.

It was in January 1997 that Ethiopia, through the state monopoly of the then Ethiopian Telecommunication Corporation (ETC), joined the digital world of the internet. Since then, a batch of customers, albeit slowly at first, have subscribed to the 56kbs dial-up connection, and gradually broadband. Even this was limited to people who had businesses and owned computers, which at the time was considered to be a luxury. (ethioadmin, 2013)

Eventually, in 2002, when the former ETC started allowing the establishment of internet cafés, there were only 10,000 internet users in the country and access to the Internet has been made available to the public from 10 cents per minute of use, depending on the establishment. After a decade, in 2012, the internet penetration rate in Ethiopia was a mere 1.1 percent or 960,331 users and out of this 902,440 are Facebook users. Neighboring Kenya, however, reached a 41 percent penetration rate, with 16.2 million users. However, currently Ethiopia is rated second in Africa in percentage increase in coverage. (ethioadmin, 2013)

The latest statistics of social networking show that Facebook penetration in Ethiopia is 0.56% compared to the country's population and 111.27% in relation to number of Internet users. The total number of Facebook users in Ethiopia is reaching 495580 and grew by more than 158720 in the last 6 months. This clearly indicates that Ethiopia is one of the least represented countries on the internet. (ethioadmin, 2013)

Based on the information gathered from different literatures, it can be concluded that Ethiopia is one of the least represented countries in digital world especially in its marketing concept. This could be one of the reasons that there are very few studies conducted in the area of social media marketing and no study was found, as to the researcher's knowledge, in relation to brand awareness in Ethiopian context. Therefore, the researcher conducted this study to narrow the empirical gap by providing information to local companies and offer an insight as to how social media marketing could affect brand awareness and to indicate the importance, the effectiveness and the challenges of its application by companies

## **1.2. Statement of the Problem**

It is clear that we are currently living in the midst of globalized world and in the boom of social media. The use of social media sites by international companies as part of their promotion strategy has increased significantly in the past few years. Regardless of its popularity, there is still very limited usage of social media platforms by local companies to promote their products and services to create brand awareness.

Ethiopia has the second lowest internet penetration rate next to Sierra Leone. ([en.wikipedia.org/internet in Ethiopia](http://en.wikipedia.org/internet%20in%20Ethiopia)). Internet and mobile phone services were introduced in Ethiopia in 1997 and 1999, respectively. The internet penetration until 2011 is only 1 percent (Freedomhouse, 2011). Nevertheless, The Ethiopian Government has realized the power of social media though the infrastructure for information technology in the country is still in poor condition. (Tadele Demissie, 2013). Ethiopia is currently attempting a broad expansion of internet access throughout the country. In 2005 EC, Ethiopia announced plans to spend hundreds of millions of dollars over the next three years to connect all of the country's schools, hospitals, and government offices, and most of its rural population, broadband internet via satellite or fiber-optic cables. Ethiopia had made several attempts to increase available broadband by laying 4,000 kilometers of fiber-optic cables along the country's major highways and also promised to lay 10,000 more kilometers of cables by 2010 EC ([en.wikipedia.org/internet in Ethiopia](http://en.wikipedia.org/internet%20in%20Ethiopia)). These efforts will facilitate companies to connect worldwide and pave the way in the progress of their business communication and marketing effort.

Poor infrastructure, a government monopoly over the telecommunications sector, lowest rate of internet and mobile telephone penetration, the government's strict system of controls and high cost of internet service have notably hindered the growth of information and communication technologies (ICTs) (Freedomhouse, 2011). These facts force local companies to lag behind the rapidly developing business environment and make it difficult for the companies to operate successfully in the international market and hinder them to leverage from using social media to create brand awareness locally as well as internationally. This fact may cause the local scholars fail to notice the need to investigate the impact and importance of social media marketing in the modern business setting.

Therefore, the researcher focused to fill the empirical gap, as there are few researches conducted in this particular study area as it is relatively a new business phenomenon. The impact of social media marketing and brand awareness has not been investigated in Ethiopian context until now. Therefore, the researcher tried to narrow down the empirical gap by answering the question of why local companies need to create brand awareness

through social media marketing and to increase the understanding of its role for the creation of brand awareness and also tries to identify the challenges faced by local companies in using social media marketing.

Generally scholars pinpointed the need for study in the area of social media marketing by indicating that few studies are conducted in this particular topic worldwide. Charity Pradiptarini (2011) mentioned in his study that social media marketing is relatively a new subject in the business and marketing field. Odhiambo (2012) confirmed that there are only few articles on this subject that have been published. Future studies might be able to find more information on social media marketing, since SMM has become more and more popular among marketers and scholars. The scarcity of literature regarding social media and its use by business in marketing is pointed out by Kärkkäinen et al. (2010 p.230) by commenting that “a total of 1357 articles were discovered of which 60 were chosen for further examination based on the title. Kärkkäinen et al. (2010) claim is supported from a conference Oct 2010 “due to the relative infancy of social networking technology, there are very few formal studies published in the traditional academic media.

Odhiambo, (2012) also added that “there is clearly a need for scholarly research on the impact of social networking technology on the way organizations communicate with their customers, formulate new strategies for building brands, and develop new products and services that the customer needs”. Continuing the argument on the paucity of research in this area Kärkkäinen et al. (2010p.230) said that “very few recent academic studies were found that studied the adoption of social media in organizations in general, or the adoption in different business functions” and also “most of the found empirical studies are not academically implemented and reported”.

In short it can be concluded from the above evidence and the researcher’s own quick literature scan, that not many studies exist. Though there has been limited study on application of social media in Ethiopian context, the researcher could not find any study related to the impact of social media on consumers’ brand awareness.

### **1.3. Research Questions**

The Internet and especially social media have changed how consumers and marketers communicate, such as how marketers intend to inform consumers about their brands and how consumers take the information and react towards the particular brand. The Interest of this study is to answer the questions.

- How do social media marketing affect consumers' brand awareness?
- What are the challenges local companies face in using social media marketing?
- Are social media networks the best tools for creating brand awareness?

### **1.4. Objective of the Study**

#### **General objective**

The general purpose of this research is to examine the role of social media and its impact on brand awareness in Ethiopian context on consumers' perspective.

#### **Specific objective**

The specific objective of the research is intended to investigate the effort of using social media marketing to create brand awareness on companies' perspective and support the general objective.

The specific objective is further broken down to:-

- Study whether local companies use social media marketing to create customers' brand awareness.
- Examine the challenges local companies face in using social media marketing for brand awareness.
- Inspect whether social media networks are the best tools for creating brand awareness.

## **1.5. Conceptual Definition of Terms**

Refers to the definition of concepts /terms or variables from the theoretical perspective.

### **1.5.1. Social media**

Form of electronic communication (as Web sites for social networking and micro blogging) through which users create online communities to share information, ideas, personal messages, and other content (as videos). (Merriam Webster- an encyclopedia Britannica Company.)

### **1.5.2. Social networking**

The use of internet based social media programs to make connections with friends, family, classmates, customers and clients. Social networking can be done for social purposes, business purposes or both. ([www.investopedia.com](http://www.investopedia.com))

### **1.5.3. Social media marketing**

Refers to the process of gaining website traffic or attention through social media sites. Social media marketing usually center on efforts to create content that attracts attention and encourages readers to share it with their social networks.

(<http://en.wikipedia.org/wiki/Social-media-marketing>.)

### **1.5.4. Brand**

Distinguishing name and/or symbol (such as logo, trademark or package design) intended to identify the goods or services of either one seller or group of sellers, or to differentiate those goods or services from those of competitors. (Aaker, 1991).

### **1.5.5. Brand awareness**

The extent to which a brand is recognized by potential customers, and is correctly associated with a particular product. Expressed usually as a percentage of target market, brand awareness is the primary goal of advertizing in the early months or years of product's introduction. ([www.businessdirectory.com](http://www.businessdirectory.com))

## **1.6. Significance of the Study**

Social media has attracted substantial interest by all groups of the societies. It seems that everybody with internet access is experimenting with some form of social media either by using social networks such as twitter and LinkedIn or uploading photos and videos using YouTube, Facebook, and Google plus or by participating in online blogs, or contributing knowledge through Wikipedia. A study in this direction would be highly beneficial since businesses have already started employing social media for exploring, experimenting and gaining short or long term competitive advantages from these social media technologies. Secondly the University in General and the marketing department in particular will benefit from the study. As the area matures, the department may be able to attract students interested to participate and enrich knowledge in this upcoming field of social media. Finally this research will have implications for the country as a whole, since local businesses in Ethiopia are able to interact effectively with existing customers through social commerce, gain customers through word of mouth and engage the customer that will enhance company images through positive comments and build the brand of companies.

The researcher believes that especially local companies benefit greatly out of this study as it is relatively a new business phenomenon especially in Ethiopia and many of the companies are at the early stage of understanding where social media is delivering value to their organization. There are relatively few studies conducted in Ethiopian context as to how social media are to be part of the branding process such as how these media to be used by local companies to create awareness in order to strengthen the brand, increase sales and find new customers through social media or digital word of mouth.

The rationale for this study was motivated by a personal interest in the social media and also the desire to investigate the impact and the relationship between social media and brand awareness from a business perspective and therefore, as there is little knowledge concerning the impact of social media on brand awareness from a business level in Ethiopian context, this study is intended to fill the empirical gap in the topic of “The Impact of Social Media Marketing on Consumer’s Brand Awareness” and its implementation challenges and importance and with the intention of investigating the new marketing phenomenon.

## **1.7. Delimitation of the Study**

The study is limited to consumers who are part of one or more international social media networks that are popular in Ethiopia such as Facebook, Twitter, LinkedIn, YouTube and Google Plus disregarding all other international and local social media networks such as Ethio Tube, Dire Tube and Ethiojobs that are gaining popularity in Ethiopia now a days.

On the effort of answering the specific objectives of the study, experts from service giving companies situated only in Addis Ababa were interviewed. Two experts (IT expert and marketing manager) from five star hotel, one marketing manager from Travel and Tour operator and one manager from Resort and Spa Lodge were considered among hospitality businesses as the researcher believes that service giving businesses use internet based promotion and communication such as social media marketing more in comparison to other businesses in order to facilitate online booking and to be able to easily reach their current and potential customers locally as well as internationally and also with the researcher's intention of getting focused and consistent result.

The cost required to gather the survey information is lower and easy because questionnaires are distributed online to many respondents at the same time in short period of time.

## **1.8. Limitation of the Study**

The study does not face a geographical limitation as subjects could be reached without any boundaries given that questionnaires are distributed through internet to investigate the general objective. The researcher also tried to include respondent from all major regions of Ethiopia where there is internet coverage in order to increase generalizability of the study to Ethiopian context. However, the response rate of online survey method is relatively low as compared to other data collection mechanisms. The data collection took long period of time regardless of the researchers continuous effort to contact the respondents online and sending a reminder messages repeatedly.

The study does not include local social media networks such as Dire Tube, Ethio Tube and Ethio Jobs and also other international social media networks such as Instagram and flickers. Consumers who use the internet for different objectives such as emailing and Googling are not included in the study.

Another limitation which must be mentioned in regard to the representation of research findings is that regardless of the researcher's effort to conduct as many interviews as possible, low number of interview was conducted due to lack of getting volunteers to carry out the interview. However, according to online information acquired from [www.unido.org](http://www.unido.org) (United Nations Industrial Development Organization) the list of hotels in Ethiopia shows that only four five-star hotels are available in the country which the interview with experts can be regarded as representative to subject under study. However, according to ([www.selamta.net](http://www.selamta.net)) there are 75 travel agents and 84 travel and tour operators ([www.ethiopianmission.ch](http://www.ethiopianmission.ch)) in Ethiopia therefore the interview with the mentioned industry experts cannot be considered as representative to the industry. Furthermore, the number of resorts and spa in Ethiopia could not be found. Nevertheless, further and more comprehensive study is needed to fully understand this area of research. Yet, this study might help companies to recognize the significance of social media marketing and the impact it has on consumers regarding brand awareness.

Finally, due to the social media marketing being quite new as a study object there are limited amount of research available especially in Ethiopian context.

## **1.9. Organization of the Research**

The research comprises five chapters. The first chapter which is the introduction part contains background of the study, statement of the problem, research questions, and objectives of the study which consists the general and specific objectives of the study, conceptual definition of terms which defines important terms and concepts in the study, significance of the study, delimitation of the research and finally limitation of the study is highlighted.

The second chapter includes a detailed literature review which the first section deals with the theoretical framework that explains theories and explanations related to social media, brand awareness, and related terms. The second section deals with the conceptual framework that discusses the model known as Social Media Sales Adoption Funnel by Nichol Kelly which the researcher used to investigate the study and some empirical reviews are mentioned.

The third chapter deals with the research design and methodology which the researcher chose to conduct the study. In this chapter several subtopics are discussed in detail. Such as the research design, the data collection tools, source of data, procedure of data collection, the population, sample size and sampling technique, methods of data analysis, and finally the ethical consideration.

The fourth chapter is consisted of two parts. In the first part, data which is acquired from online survey questionnaire is analyzed and presented with a support of different kinds of tabular and graphical presentations and interview with experts is discussed. In the second part, implication of the result is presented with respect to the conceptual framework or model selected to conduct the research.

Finally, the fifth chapter deals with summary of major findings drawn from the data collected through online questionnaire and expert interview is highlighted, suggestion of the researcher is given and lastly ideas for further investigation are cited.

## **CHAPTER TWO**

### **LITERATURE REVIEW**

The purpose of this chapter is to establish a theoretical outline. The literature deals with theories related to social media, brand awareness, and related terms. All the literature is described and explained in order to build a theoretical background for this study.

In this section there are two major divisions that focuses on the theoretical framework where a range of literature on key concepts that are essential for the study are reviewed and the conceptual frameworks which discusses the model known as Social Media Sales Adoption Funnel Model by Nichol Kelly which the researcher chose to implement for this study.

#### **2.1. Theoretical Framework**

##### **2.1.1. Social Media**

Refers to the interaction among people in which they create, share, and/or exchange information and ideas in virtual communities and networks. ([en.wikipedia.org/wiki/](http://en.wikipedia.org/wiki/)). In addition to the definition given above Wikipedia defines social media as: “media designed to be disseminated through social interaction, using highly accessible and scalable publishing techniques. Social media use web-based technologies to transform and broadcast media monologues into social media dialogues. They support the democratization of knowledge and information and transform people from content consumers to content producers” ([en.wikipedia.org/wiki/Social\\_media](http://en.wikipedia.org/wiki/Social_media)).

Kaplan & Haenlein, (2010a p.61) defined Social Media as “a group of Internet-based applications that build on the ideological and technological foundations of web 2.0 that allow the creation and exchange of User Generated Content (UGC)”. Web 2.0 is platform on which social media is based (Carlsson 2010). Kim et al., (2010 p.217) define “social websites as those websites that make it possible for people to form online communities, and share user-created contents (UCCs)”. Tredinnick (2006 p.231) defined “social networking sites as those sites driven by user-participation and user-generated content.” The common

theme running behind these definitions is user generated content which has been enabled by web 2.0 technologies. A business oriented definition has been provided by Mangold & Faulds, (2009 p.1) which states that, “social media is a hybrid element of the promotion mix because in a traditional sense it enables companies to talk to their customers, while in a non-traditional sense it enables customers to talk directly to one another. The content, timing, and frequency of the social media-based conversations occurring between consumers are outside managers' direct control.” “Social media, also referred to as consumer-generated media describes a variety of new sources of online information that are created, initiated, circulated and used by consumers’ intent on educating each other about products, brands, services, personalities, and issues (Blackshaw & Nazzaro, 2004, p. 2)”. (Mandal, 2011).

The underlying difference between the generic definitions and business definition of social media is that the users have been replaced with the customers/consumers, thereby unleashing a host of opportunities for businesses and shifting of power to the consumers. The term social media has been disintegrated in to various terminologies such as social media site, social networking sites so on. For the purpose of this study the researcher use the broadest sense of the term, social media, which shall encompass all other terms and definitions. (Mandal, 2011).

Weber uses the term “social web” instead of social media, and defines the social web as “the online places where people with a common interest can gather to share thoughts, comments and opinions. It includes social network such as Facebook, LinkedIn and hundreds more. It includes branded web destinations like Amazon, eBay and Netflix. It includes enterprise sites such as IBM, Best Buy, Cisco and Oracle. The social web is a new world of unpaid media created by individuals or enterprises on the web. (Johansson, 2010).

The benefits of social media are many and include company branding, improved brand awareness, and increased customer loyalty and trust. Recently Social Media has gained popularity in both business and social networking. The rise of social media in marketing and brand management forces the use of other traditional advertising media channels such as TV, newspapers and billboards to decline as well as to lose their popularity. Therefore, companies cut down their advertising budgets and are shifting to Social media channels

which are by far cheaper and easier to communicate to their target customer. The drastic growth of the use of Social media marketing and brand management by companies brings the researcher's attention to the study of social media marketing and its impact on brand awareness.

In the past few years several social media networking channels that connect people to each other have emerged. However, the most popular sites that are used widely in Ethiopia as well as other countries are Facebook, Twitter, LinkedIn, YouTube and Google Plus. For the purpose of this study, only these networking servicing sites are reviewed.

#### **2.1.1.1. Face book**

Facebook is a social networking service launched in February 2004, owned and operated by Facebook. It was founded by Mark Zuckerberg with his college roommates and fellow Harvard University students Eduardo Saverin, Andrew McCollum, Dustin Moskovitz and Chris Hughes. The website's membership was initially limited by the founders to Harvard students, but was expanded to other colleges in the Boston area, the Ivy League, and gradually most universities in Canada and the United States, corporations, and by September 2006, to everyone of age 13 and older to make a group with a valid email address. ([en.wikipedia.org/wiki/History\\_of\\_Facebook](http://en.wikipedia.org/wiki/History_of_Facebook))

Facebook was launched in 2004 and have over 1.1 billion active users, of which 350 million users access Facebook through mobile devices. An average Facebook user is estimated to have at least 130 friends and is connected to 80 community pages, groups and events. There are more than 70 languages available on the site. Its main use is to establish and maintain relationships in work related situations, in political affiliations or just among friends and families. Facebook has become the most powerful tool for marketing today. In April 2011, the company launched a new service for marketers and interested creative agencies which is a form of online platform (Portal) that allows marketers and creative design agencies to build brand promotions on Facebook. Facebook is now a direct competitor of Google in online advertising and this new service has made it possible for companies to create dynamic commercial graphics or advertisement. (<http://en.wikipedia.org/wiki/Facebook>, 2012)

### **2.1.1.2. Twitter**

Twitter was created in March 2006 by Jack Dorsey and launched that same year in July. Unlike Facebook where one can have friends to share different things, with twitter one has to get connected to the latest information on what they find interesting. One has to find the public stream that interests them and follow in the conversations. Each tweet is 140 characters in length. One can still follow the tweets regardless of whether they do not tweet at all, and also there is no limit as to how many tweets one can send within a given day. (<http://twitter.com/about>, 2011)

Through Twitter businesses now share their information or news faster to a large audience online following the company, and from a strategic stand point, this has helped companies that uses Twitter to position their brands and also gather business insight through feedback to boost their market intelligence in order to accurately target customers with relevant services and products or enhance business relationships. Twitter has helped lift brands, enhance customer relationship marketing and also improved direct sales by reaching out directly to the engaged audience on the platform. (<http://twitter.com/about>, 2012).

### **2.1.1.3. LinkedIn**

LinkedIn started in 2002, but was officially launched on May 5, 2003. Many professionals have joined LinkedIn in recent years to share knowledge and insight in more than one million LinkedIn groups. The company operates the world's largest professional network on the internet with more than 135 million members in over 200 countries and territories. It is estimated that more than 2 million companies have LinkedIn Company Pages .There are 14 languages currently available: French, Germany, Italian, Japanese, Korean, Portuguese, Romanian, Russian, Spanish, Swedish, English and Turkish. ([linkedin.com](http://linkedin.com), 2011)

In LinkedIn, companies have access to a wealth of information that are mostly user provided through their profile data i.e. company name, job title, size of the company and LinkedIn uses this information for advertising targeted to towards members. Companies pay some fees to advertise their products and services to particular LinkedIn members or affiliation groups on LinkedIn. The classic example is the success of Cathay Pacific Airway through

their LinkedIn company page sends messages to the people who are following their company on LinkedIn asking them to recommend the company. Through this, the company has been able to increase its brand awareness among target market segment. (marketing.linkedin.com, 2012).

#### **2.1.1.4. YouTube**

YouTube was created in February 2005 as a video sharing website on which users can upload, view and share videos as an informative and inspirational to others across the globe. The company uses Adobe Flash Video and HTML5 technology to display a wide variety of user generated video content. YouTube acts as a platform for distributing contents by creators and advertisers as well. Over 3 billion videos are viewed every day and there are more than 400 million views per day on mobile devices. It is estimated that more than 800 million people visit YouTube every month to watch and share contents. (youtube.com, 2011)

Just as the saying goes a picture is worth a thousand words, pictures have an impact in creating an image in the mind of a person. This has given YouTube a competitive advantage in online marketing; all in all more businesses are now using YouTube for their marketing advertising campaigns. Various companies with outstanding video campaigns have had their breakthroughs in this form of brand marketing, especially when the videos have gone viral. Most of these viral successes can be attributed to expertise and creativity of the brand marketer to entertain the audience hence making the public share the videos with others.

#### **2.1.1.5. Google Plus**

Google+ (pronounced and sometimes written as Google Plus is a social networking and identity service that is owned and operated by Google Inc. Google has described Google+ as a "social layer" that enhances many of its online properties, and that it is not simply a social networking website, but also an authorship tool that associates web-content directly with its owner/author. It is the second-largest social networking site in the world after Facebook. 540 million monthly active users are part of the Identity service side, by interacting socially with

Google+'s enhanced properties, like Gmail, +1 button, and YouTube comments. 300 million monthly active users are part of the Social Networking side by interacting with the Google+ social networking stream itself.

Google+ Mobile App was used by 30% of Smartphone users between April–June 2013, making it the fourth most used application. Google+ enhanced apps and mobile sites are used on 92% of USA Smartphone.

### **2.1.2. Social Media Networking**

Social media networking platforms serve as a tool for marketers (Qualman 2010: 28). This implies that Facebook, LinkedIn, twitter etc. are means of accomplishing marketing strategies through the internet. It is therefore imperative for marketers to find suitable platforms to suite their marketing objectives. A good marketing objective enables marketers to acquire new customers, while retaining the already existing ones through customer satisfaction.

Businesses are already coming to terms with the need to integrate their social media efforts with their content strategy, and are seeing the impact of social media in terms of reach, referral traffic, and revenue. Seeing these very real and measurable benefits, there would be a change from social media tasks being assigned to existing employees to companies hiring social media strategists or full-time social media managers. The benefits of social media are many and include company branding, improved brand awareness, and increased customer loyalty and trust. (AllAfrica.com, 2013)

Today, social networking is truly a global phenomenon. While word-of-mouth has always been important, its scope was previously limited to the people you knew and interacted with on a daily basis. Social media has removed that limitation. (Shruti & Anukrati, 2013)

### **2.1.3. Social Media Marketing**

The topic of the study is *The impact of social media marketing on consumers' brand awareness*, but first it is important to define the term “marketing” referred to in the title.

*Marketing is managing profitable customer relationships.* The twofold goal of marketing is to attract new customers by promising superior value and keep and grow current customers by delivering satisfaction. (Kotler & Armstrong 2012).

In the definition above, it is clear that first consumer brand awareness must be created to attract new customers and in order to keep and grow current customers. Therefore, in this study, the researcher focuses only on brand awareness as a process of communicating or delivering value to customers.

According to Weber, marketing to the social web means to adopt a completely new way of communicating with an audience in a digital environment. Instead of continuing as broadcasters, marketers should become aggregators of customer communities. It is not about broadcasting marketing messages to an increasingly indifferent audience. Instead, when marketing to the social web marketers should participate in, organize and encourage social networks to which people want to belong. Rather than talking at customers, marketers should talk with them (Weber 2009).

Online marketing has a plethora of strengths; the speed of accessing the information is very fast and extremely cost effective, besides that internet has no geographical boundaries. In addition to cost effectiveness, the marketer likewise has the opportunity to research new suppliers at a fraction of previous search costs. In other words all the marketing research conducted through internet is very cost effective (Gay et al. 2007, 129). On the other hand Gay et al. (2007) point out some major weakness that online marketing face. The first problem is that cultural and language differences may present difficulties in information gathering across national boundaries. Secondly, it can be difficult to guarantee that the person responding is the person the marketer thinks they are (Gay et al. 2007, 129).

Many marketers think of social media in the context of B2C companies: after all, 4 in 10 consumers buy products that they've favorited, liked, tweeted or pinned on various social networks. Yet, according to a recent study from Marketing Profs, 87% of B2B marketers use social media platforms in their content marketing efforts. In fact, of 13 tactics proposed from the content marketing arsenal, social media was the most popular. So the question stands: how can a B2B marketer ensure that his or her social media inbound campaigns are the most effective they can be? ([searchengineland.com/guide/what-is-social-media-marketing](http://searchengineland.com/guide/what-is-social-media-marketing))

#### **2.1.4. Brand awareness**

Brand Awareness is a decades-old marketing challenge. It started with big advertising agency campaigns for high-profile brands like coke, Pepsi, Johnson & Johnson and countless others in hundreds of different consumer product categories. Brand Awareness is still the impetus behind much of the advertising we still see on TV today. And while Brand Awareness was born out of the Business to Consumer marketing world, it is also a hugely successful initiative for Business to Business marketers. (Nichole Kelly, 2010)

Brand Awareness is one of the most commonly cited goals of marketers today in order to operate competitively in today's dynamic business environment. And because social media is recognized as a cost effective and high-speed solution for generating brand awareness, many marketers started using social media channels to reach their target markets.

According to the study of (Anupama Sundar and Jatin Pandey, 2012) a brand that has some level of brand awareness is far more likely to be considered, and therefore chosen, than brands which the consumer is unaware of. Wilson (1981) confirmed the importance of top-of-mind awareness in a study which found that the higher the position of the brand in the consumer's mind measured by unaided recall, the higher the purchase intention and the higher the relative purchase of the brand. Brand awareness can add value by:-

1. Placing the brand in the consumer's mind,
2. Acting as a barrier to entry to new un-established brands (Stokes 1985),
3. Reassuring the customer of the organization's commitment and product quality, and

4. Providing leverage in the distribution channels (intermediaries are customers too, and are just as suspicious as consumers are of unknown products. (Aaker 1992)
5. Learning Advantage (Keller)
6. Consideration Advantage Brand awareness can also affect decisions about brands within the consideration set (Hoyer & Brown 1990; Keller 1993).
7. Consumers may employ a heuristic (decision rule) to buy only familiar, well-established brands (Roselius 1971).

It is predicted by Aaker that with the multitude of new media that have developed and that are likely to develop in the future, it is constantly becoming more challenging to create this brand awareness, and that the winners in the battle of raising brand awareness will be those who are able to coordinate their branding messages through all medias (Aaker 1996).

There exists different degrees of brand awareness according to Aaker, and it is measured through analysis of how well the customer recalls the brand. The scale starts off from the weakest level:

- Recognition (the customer has been exposed to the brand)
- Recall (which brands within the product group that the customer can retain)
- Top of mind (the first brand the customer can recall)
- Dominant (the only brand the customer can recall) (Aaker 1996).

Maria Johansson 2010, suggested that to create brand awareness in a successful way considering that consumers everyday are bombarded by more and more marketing messages, two things are needed according to Aaker: First, it is necessary to have a broad sales base. This is because it is expensive and often impossible even to support brands with relatively small unit sales and short lifecycle. This is the reason why many firms reduce the number of their brands and focus only on a few brands. Second, firms need to acquire the knowledge of operating outside the traditional media channels (Aaker 1996)

### 2.1.5. Synthesis of Previous Works

The question of how companies create brand equity through brand awareness has been debated with the upsurge of social media. “Traditional” marketers such as Aaker, claim that brand awareness is about the strength the brand’s presence has in consumer’s minds (Aaker 1996). Social media guru Weber is of the opinion that brand awareness is to be measured not in brand recall but dynamic measure such as customer word-of-mouth (Weber 2009).

Literatures show some mixed result on the best practice to measure the effectiveness of Social Media Marketing (SMM). Vaynerchuk (2011) argues that there is no hard formula to calculate SMM Return on Investment (ROI), because SMM mostly involve human interactions (i.e. positive/negative reviews, Word of Mouth), which cannot be calculated using mathematical calculation (Vaynerchuk, 2011, pg. 53). Based on his study, Woessner (2011) combined Google analytics and on Amazon.com to track the effectiveness of his SMM campaign and how it affects the sales of his book. This combination allowed him to track the traffic sources as well as the top content of his campaign.

Blanchard (2011) and Owyang (2010) agree that the ROI cannot be calculated with the traditional ROI formula, because it should involve multiple layers of data analysis to connect both financial (i.e. 16% increase in online sales) and non-financial (i.e. increase in positive mentions) outcomes of the campaign. However, all sources agree that SMM measurement should include consumers’ interactions and reactions as one of the variables on the calculation, because after all SMM main focus is conversion, which means how well consumers’ involvements on the social media sites affect their buying decisions.

The Literature also agrees that SMM measurement is more complex than the traditional platforms due to the “human interactions” variable. Furthermore, it also agreed that number of fans, followers, and brand mentions are not the most important indicator of SMM effectiveness, because these numbers might only look good on the paper but not in the reality. Blanchard (2011) discusses that 200,000 thousand *followers* that the company has, might only as “ghost followers”, that he describes as the *followers* who have never been

involved in any conversations or have not been active for a long time (Blanchard 2011, pg. 195). In addition, the social media marketing survey shows that 31% of respondents said that their activities and membership on the social media sites did not affect on their buying decisions at all. Only 1% of the respondents said that their involvements on the social media would highly affect their buying decisions, and 20% of them responded that their buying decisions were somewhat affected by their social media activities. The bottom line of SMM measurement practice is its campaign/business objective(s) need to be very specific and measurable. (Pradiptarini, 2011)

The finding of a case study by Christine Adhiambo Odhiambo in 2012 under the title “Social Media as a Tool of Marketing and Creating Brand Awareness” suggested that over 90% of the sales are made offline and only between 5% and 10% of sales are through the company’s online shop. However, the company uses Facebook for marketing and according to the management; it is the most effective marketing platform for creating brand awareness. Even though the company uses other forms of advertising such as Newsletter and radio, online channel according to the company is more effective than followed by broadcast channel i.e. radio. In terms of cost, radio and print are costly compared to online advertising and therefore the return on investment is much more attractive.

According to Christine Adhiambo Odhiambo Social media can help a small business reach a target market in a very short time because through the network effect, the message gets to the target market segment almost instantly at a cheaper cost compared to other traditional advertising channels like print and radio. He also suggested that the management of customers’ comments online is a big challenge facing small businesses because some are very positive and some are “business damaging” meaning negative comments could potentially impact sales and brand image. Negative comments posted online could be from a competitor trying to pull down the brand name or turn away customers. The fact that online advertisers do not have control of these comments is a cause of concern to small business because they have less resource in terms of human resource and finances to invest in doing online damage control.

Shutri Arora & Anukrati Sharam in their study “Social Media: A Successful Tool of Brand awareness” in 2013 concluded that There is no escaping the social media these days, either for individuals or for businesses. Today, it is impossible to separate social media from the online world. Social media is a strong and potent communication tool. It presents brands with enormous reach and endless communication possibilities. It allows brands to emerge into a world of peer-to-peer dialogue and therefore the possibility of harnessing the brand building potential of the richest communication form available. However, it is important to do it right.

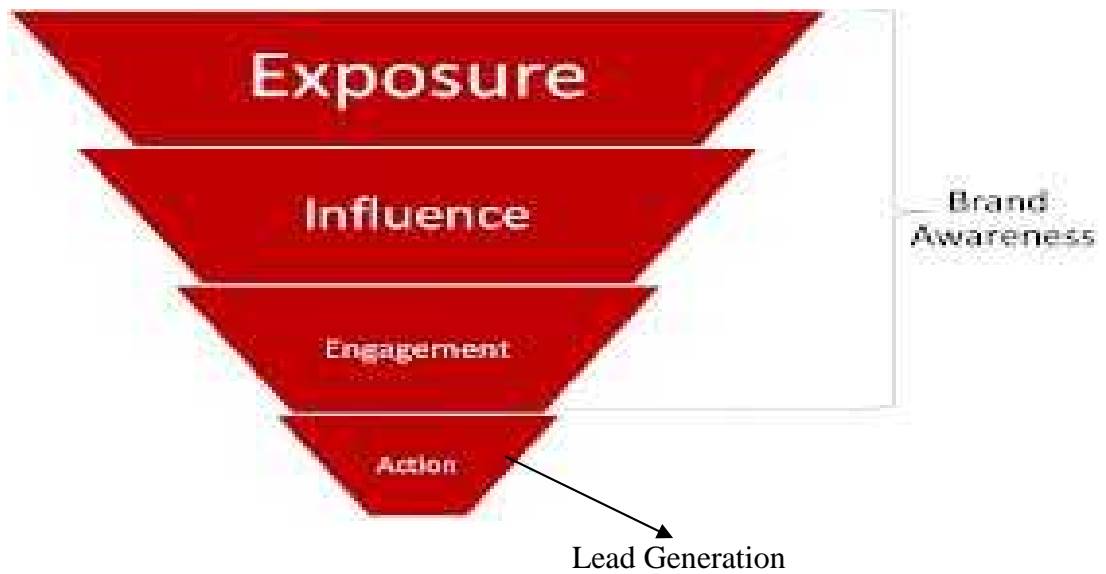
The study of Rashmi Belwal shows that how social media has become an important tool for marketing and creating brand awareness. In fact it is foreseen that in the near future there will be a paradigm shift from traditional advertising to social media platforms. However, Social media alone cannot be effective without augmenting it with other traditional media channels like radio, newspaper, or TV even though it is widely reported that the effectiveness of traditional media and their use is sharply falling.

## **2.2. Conceptual Framework**

In order to bring value to a business relationships between the brands (marketer) and the online networking community should be developed. A company must know which social media network best fit its objectives and where and when to contact so as to attract prospects and to maintain its customers. Therefore, a business must focus on choosing the right group of people and the right social media service. This process is similar to sales funnel.

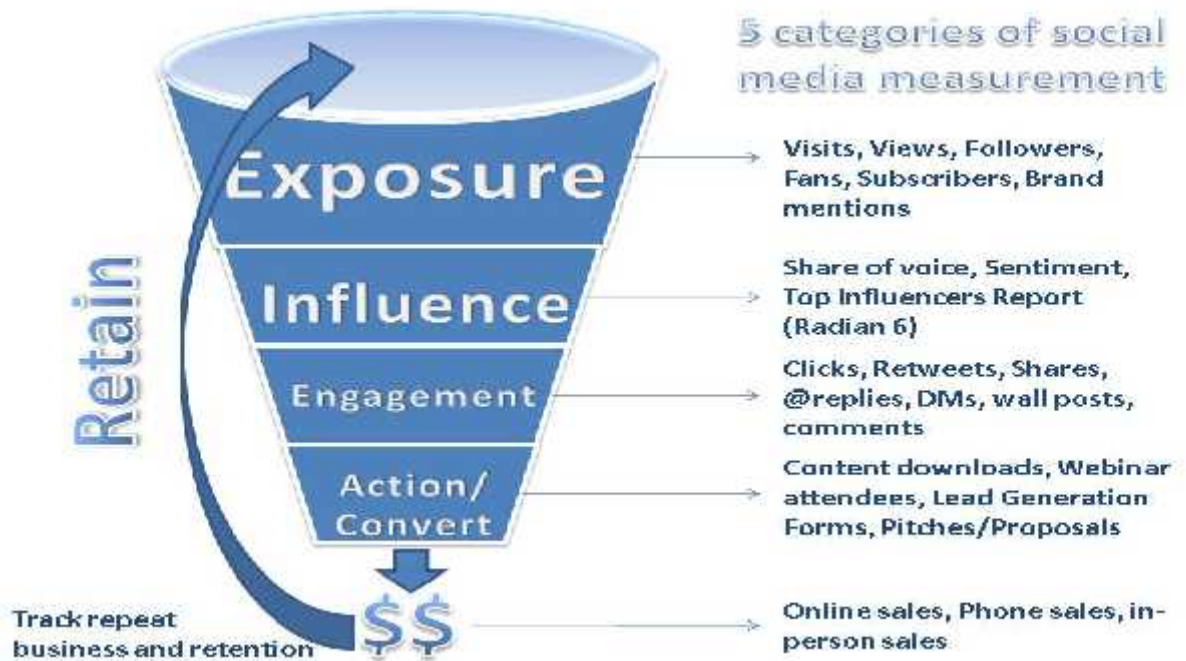
This study will use Social Media Sales Funnel Adoption by Nichole Kelly (2010) to increase understanding of how social media creates brand awareness and provides marketers with an opportunity to turn brand awareness into consumer engagement and ultimately sales.

The measurements for social media aren't all that different from that of the measurement of traditional media. To put brand awareness measurement into the context of the sales funnel, the key areas to evaluate fall into three categories: social media exposure, influence and engagement. (Nichole Kelly, 2010).



(Nichole Kelly, 2010)

Figure 2.2.1: Social Media Sales Funnel Adoption



(Nichole Kelly, 2010)

Figure 2.2.2: Social Media Sales Funnel Adoption by Nichole Kelly (2010)

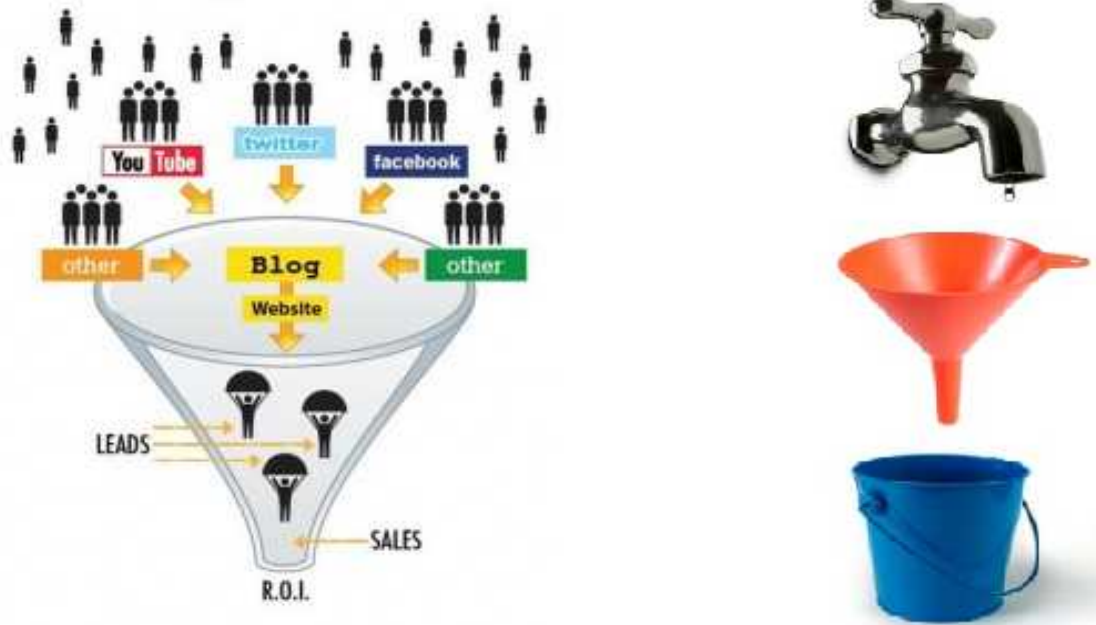


Figure 2.2.3: Populating the Top of the Sales Funnel through Social Media

(<http://socialmediatoday.com/SMC/176665>)

**Social Media exposure:** can be measured by investigating how many people could have been reached by the marketing message. Exposure is the top of the brand awareness funnel and represents the potential sales lead pool. The total social media exposure number are impressions, fans, followers, subscribers and any other mass “audience” that are generated through a social media channel. It is not guaranteed that all of these people saw the message, but there is a likelihood that they did. From a public relations and print advertising standpoints this would tie to the circulation of the publications that were mentioned in and for online advertising this is shown as a metric for impressions.

**Influence:** Why do we measure influence? Influence is not a direct measure, but it is an important metric in the sales funnel for understanding social media’s contribution to delivering sales. Why? Because people are influencers for a reason, they have an audience of loyal followers who trust their judgment. When an individual is exposed to messaging through an influencer, that person is more likely to buy or engage with messaging in some way than if they had seen the messaging as a result of general exposure. These people move down one level in the funnel.

Influence is a subjective metric that relies on the company's view for explanation since it depends how the company basically wants to look at whether it is positive, neutral or negative in attitude. In order to calculate the influencer metrics, how many influencers mentioned the brand and the reach of their audience must be observed.

**Engagement**, which is the last stage in the funnel related to brand awareness, can be measured by identifying how many people actually did something with the message. Engagement is one of the most important measurements because it shows how many people actually cared enough about the message that results in some kind of action.

Exposure, influence and engagement represent brand awareness in the measurement funnel and the lead generation funnel is where the brand awareness portion of the funnel ends and the traditional ROI-driven action begins.

**Action and Loyalty:** This can be substantiated by how often the audience keeps commenting on the marketer's messages. The kind of messages the audience post can help determine whether they are loyal or not. Customer loyalty can be determined with the kind of testimonials they give pertaining to the product/service. A loyal customer always makes repurchase of the marketer's products/services and is in most cases retained by the company. These loyal parties are likely to act as unpaid marketers, who eventually spread word of mouth on the benefit of the marketers' products/services.

Researches and studies are being performed by scholars and marketers these days in order to investigate the impact, the effectiveness, the challenges, the advantages and disadvantages of social media marketing and brand awareness as it is relatively a new phenomenon in the business world. To mention a few:-

- Christine Adhiambo Odhiambo had performed a case study in 2012 on Itronic Company of Vaasa,- which deals Apple products and accessories, under the title "SOCIAL MEDIA AS A TOOL OF MARKETING AND CREATING BRAND AWARENESS", by using Social Media Sales Funnel adoption method to measure social media marketing and brand

awareness. In his study he found out that using social media marketing particularly Facebook, which the company uses for promotion, is the most effective marketing platform for creating brand awareness even though the company uses other forms of advertising channels such as Newsletter, Ikkuna, and radio. Social media can help a small business reach a target market in a very short time through the network effect; the message gets to the target market segment almost instantly at a cheaper cost compared to other traditional advertising channels like print and radio. However, there is a need to use both online and traditional advertising channels to augment each other because no single channel is dominantly effective and for maximization purposes, these advertising channels should be integrated.

Based on his findings, Christine concluded that social media has become an important tool for marketing and creating brand awareness. However, Social media alone cannot be effective without augmenting it with other traditional media channels like radio, newspaper, or TV even though it is widely reported that the effectiveness of traditional media and their use is sharply falling. Finally, he suggested that it is worth having a social media strategy in place to manage the enormous challenges that social media brings.

- Shruti Arora & Anukrati Sharma conducted a study in 2013 entitled "SOCIAL MEDIA: A SUCCESSFUL TOOL OF BRAND AWARENESS" using Social Media Sales Funnel adoption method. Their finding indicates that Facebook is the most preferred social media channel for social and shopping purposes and also that internet and social networking sites are having a big impact on a person's life, especially on youth.

They conclude that Social media are strong and potent communication tools. It presents brands with enormous reach and endless communication possibilities. It allows brands to emerge into a world of peer-to-peer dialogue and therefore the possibility of harnessing the brand building potential of the richest communication form available. However, it is important to do it right.

- A thesis "SOCIAL MEDIA AND BRAND AWARENESS" a case study in fast moving consumer goods sector performed by Maria Johansson in 2010 by using a combination of the traditional view defined by Aaker concerning brand awareness and the new perspective of Weber's arguments that marketing in social media means to adopt a completely new way of communicating with an audience in a digital environment instead of traditional way. This assumption put brand awareness in different levels such as strongest (word of mouth), very strong (dominant), strong (top-of-mind), medium (recall) and weak (recognition).

Johansson (2010) found out that the most important advantage with social media is that it enables the company to talk to customers and to influence what is being said about the company and the products in social media and she underlined that the companies have a lot to gain from being present in social media and noted that it is important for companies to find the balance between what kind of information the company can go out without damaging its vital interest and the necessity of providing interesting contents for the readers.

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

The purpose of this chapter is to explain the procedures used to answer the research questions proposed in Chapter 1. Sections regarding research design, sampling, data collection and data analysis procedures are included. It begins by an introduction of research design the study followed. Section 3.1 discusses about the general methods of research; quantitative and qualitative research and clear explanations and illustrations about the reasons for selecting the research design are put as well. Section 3.2 explains the study instruments that are followed to secure data from study participants. Section 3.3 discusses about the sources of data. Section 3.4 explains the procedures the researcher used to collect valuable data to the study. Section 3.5 covers the population, sample size and sampling techniques chosen and explanation as to why certain techniques are chosen by the researcher. Section 3.6 includes methods and techniques of data analysis the study used to measure the construct. Finally Section 3.7 addresses ethical issues preserved in the study.

Saunders et al. (2007) define research as something that people undertake in order to find out things in a systematic way, thereby increasing their knowledge. That “something” is the reason why this research was undertaken so as to gain knowledge and provide insight on the area of social media and marketing.

#### **3.1. Research design**

##### **Exploratory study**

As empirical study, this paper is based on an exploratory research whose primary objective is to provide insights into a marketing phenomenon, namely consumers brand awareness created through social media marketing and social networking sites and particularly in relation to their reaction to marketing effort in a social network medium where consumers decide and choose the information they engage with.

The researcher has chosen exploratory research design given that little prior knowledge of social media marketing and its impact on brand awareness exists and it is relatively new phenomenon in Ethiopian context and little has been researched on the topic. In most literatures it is mentioned that explorative researches can be conducted by searching literatures, interviewing experts in the subject and conducting focus group interview. However, a study conducted by Maria Johansson in 2010 entitled “Social media and brand awareness” clearly indicates that survey questionnaire is used in descriptive and exploratory research and also Anol Bhattacharjee (2012) stated that survey method can be used for descriptive, exploratory, or explanatory research. Based on this information, the researcher therefore used both structured online survey questionnaire and expert interview to collect original data.

A combination of both quantitative and qualitative method was used by the researcher. A quantitative research method is employed to investigate the impact of social media marketing on consumers’ brand awareness by using an online survey technique. According to Saunders et al. 2009 a survey research strategy is the most popular and common strategy for social research and mainly used in descriptive and exploratory researches and it allows researchers to collect a large amount of data from a substantial population at a very low cost. Therefore, the researcher employed this method given that survey is usually a preferred research strategy to collect large amount of data and to easily compare and analyze using various statistical techniques.

A qualitative research method is also designed through structured interview to answer the specific objectives that are, the challenges faced by local companies while using social media marketing and its effectiveness. The reason for using qualitative research particularly for specific objectives is that it is intended to understand the concept from the view point of companies and to find out the question of why and how companies perform in certain way in regard to their effort of promoting their brands in social media networks in order to enhance their brands in particular and their company’s image in general.

### **3.2. Data collection tools/ instruments of data collection**

A combination of structured on line survey and structured interview is conducted to collect the required information. Through the help of an on line questionnaire designed using adobeformescentral.com, primary data is collected. Based on the online questionnaire different categories such as exposure, influence, engagement and action of consumers to the social media marketing to create brand awareness is measured.

The survey questionnaire is adopted from other prior research works and distributed online in English assuming that all respondents who use the internet in general and social media in particular are English literate. The questionnaire consists 20 items which 4 are demographic variables 4 are general information questions, 3 exposure items, 3 influence item, 3 engagement questions and finally 3 action item.

The survey instrument is designed to include close-ended questions which investigates the impact of social media marketing on consumers' brand awareness and is distributed online through social media network sites. The structured interview is conducted to identify the challenges faced by companies in Ethiopia and to measure its effectiveness in using social media to create awareness or online branding for their products and services.

The survey is available for review via

<https://formscentral.acrobat.com/app.html#d=HmUaTZpnZjAugqdqyFIZYw>

The copy of the survey instrument can also be found in Appendix A

Interview is the most widely used source of information for survey studies which often use structured interviews. The interview for this study facilitates to answer the specific objective of the research which focuses particularly on hospitality businesses in Ethiopia that use social media marketing as part of their promotional strategy to create brand awareness. The objective of the interview is to identify if local companies are using social media marketing and the challenges they are facing while using SMM and to assess if social media networks are the best tools for creating brand awareness.

### **3.3. Sources of data**

In this study both primary and secondary methods were used to collect data to attain best possible outcome of the research's effort. It was important to get information directly from the persons responsible for information such as online survey respondents and interviewees from the chosen companies to gather their views and opinions. But since it is very recent phenomenon, it has also been deemed necessary to build on secondary data.

- Primary sources of data are gathered from online respondents and interviewees.
- Secondary sources of data are collected from different books, journals, prior researches and mainly from the internet.

### **3.4. Procedure of data collection**

This study employed a primary data collection technique which involves getting original data by conducting survey. The survey is designed using an online survey platform, friends and contacts from different social networks such as, Facebook, LinkedIn, Google plus, Twitter and YouTube are asked to fill the online survey and broadcast the message

The researcher also used structured interview as a tool to gather primary data for the study. Prior to the interview the questionnaire is handed over to the interviewees a day before the interview to give the interviewees enough time to think and get prepared in order to give a precise and to the point answer.

In this case, the survey information is gathered directly from respondents via the internet where online qualitative analysis is applied and also structured interview is employed where qualitative method is applied to analyze the data.

There are many advantages associated with the use of information technology to support approaches to evaluation (Dommeyer et al., 2004; Salmon et al. 2004; Watt et al. 2002). As examples, Watt et al. (2002) note that 'using web-based evaluation questionnaires can bypass many of the bottlenecks in the evaluation system (e.g. data entry and administration)

and move to a more “just in time” evaluation model’ (327). In general, online surveys are much less likely to achieve response rates as high as surveys administered on paper—despite the use of various practices to lift them. According to Ahlberg Jaana, (2008) most of the online surveys achieved response rates that were much lower than the paper-based ones (on average, 33% compared with 56% = 23% lower). Thus, in general, these data show that online surveys do not achieve response rates that are even close to what is achieved with paper-based surveys. On the other hand based on the information acquired from [www.supersurvey.com](http://www.supersurvey.com) a study conducted by Michael Braun Hamilton an online survey analyst in 2009, it is stated that the acceptable response rate for online survey is 26.45%.

The distributed online survey, which is assumed to be more than 500 participants, was intended to increase the response rate. Respondents who are active at least in one of the social media networks whose age is above 18 years old, as it is assumed that they can make their own purchase decision, are represented by both gender groups. Among the distributed online survey forms, 150 usable forms were filled and submitted back to the researcher online that is 39% which is greater than the acceptable response rate for online survey according to the aforementioned scholars’ information which is 26.45% and 33%.

Missing values were totally avoided given that the online survey form was designed in such a way that submission of the forms could not be accepted if a question was left unresponded by inserting a ‘required’ option for each question. Therefore, all submitted forms were used for the analysis.

### **3.5. Population, sample size and Sampling techniques**

When the size of population is unknown and previous researches are unavailable to determine the variability of an estimate over all possible samples, thus the sample size is calculated for the list favorable case  $p = q = 0.5$  (Corbetta, 2003). Indeed, as the variability is measured by  $pq$ , it is easy to see that this index assumes its highest value when  $p = q = 0.50$  (Corbetta, 2003)

The total population for this study is unknown since it is very difficult to determine the total number of social media users as it is dynamic, complex and increases on a daily basis. With the study title in Ethiopian context, to determine the estimate of  $p$  and  $q$ , the researcher used the recommendation by Corbetta (2003) in determining the standard deviation, 95% confidence interval and 5% sampling error in calculating the sample size.

$$n = \frac{z^2 pq}{e^2}$$

Where:

$n$  = required sample size

$Z$  = Degree of confidence (i.e.  $1.96^2$ )

$P$  = Probability of positive response (0.5)

$Q$  = Probability of negative response (0.5)

$E$  = Tolerable error  $(0.05)^2$

$$n = \frac{(1.96)^2 \times 0.5 \times 0.5}{(0.05)^2}$$

$$n = \frac{3.8416 \times 0.5 \times 0.5}{0.0025}$$

$$n = 384.16 \approx 385 \text{ Respondents}$$

The research is conducted using an online survey which results in a non-probability sampling. A convenient sampling technique was applied by sending the online questionnaire to the researcher's contacts on different social media networks due to the ease of access to reach consumers to be questioned and based on the nature of the study and the research strategy. In addition, the sampling method is to explore rather than to predict.

In snowball sampling, you start by identifying a few respondents that match the criteria for inclusion in your study, and then ask them to recommend others they know who also meet your selection criteria. (Bhattacharjee, 2012:71). Snow-ball, non-probability sampling technique is also used for online survey by requesting researcher's online contacts to broadcast or pass the survey to their contacts. That is, take the survey, pass it along and ask other contacts and social network friends to complete it.

Expert, non-probability sampling method is employed to interview experts that represent different companies such as IT experts and marketing managers, whose identities are intentionally concealed for privacy purposes, in order to answer the specific objectives of the study.

### **3.6. Methods of data analysis**

The methodology used to analyze the study is mainly based on survey method which involves structured online questionnaire and structured interview.

The collected data is presented in a useful and organized manner suitable for descriptive analysis. The data collected using the structured online survey questionnaire via a link <https://adobeformscentral.com/?f=x3MvHdh1gSo0flJzC2L9ag> was analyzed descriptively using adobeformscentral.com. The analysis helps to determine frequencies and percentages of the responses and also helps evaluate the impact of social media marketing on brand awareness of Ethiopian consumers. The results are shown using tables and different kinds of graphs in order to convey the intended meaning and to be convenient for interpreting the finding of the research.

### **3.7. Ethical Consideration**

E-mails were sent to respondents and personal visits were made to interviewees to inform them the purpose and intention of this particular study and their consent to participate in filling the online questionnaire and to conduct the interview was requested. The respondents were not required to reveal their names in order to keep the confidentiality of the data given and also the interviewee's and the identity of the company they represent is concealed as per the request of the interviewee. Both the respondents and the interviewee are granted the full confidentiality of their responses.

## CHAPTER FOUR

### RESULTS AND DISCUSSIONS

#### 4.1. Results/Finding of the Study

The aim of this section is to illustrate the impact social media has on consumers brand awareness, and to describe how companies' brand advertisement on social media networks can influence consumers to buy products and services.

A total of 150 respondents were collected between April 20 and May 10, 2014. The results of the study was collected and represented in different kinds of charts using the same online platform.

Demographic characteristics of respondents:

Variables	Classification	Total N (%)
Age Distribution	18-24	17
	25-34	59
	35-44	20
	45-54	2
	55-64	2
	65 and older	0
Gender Distribution	Female	46
	Male	54
Employment Status	Self employed	24
	Private employee	38
	Government employee	12
	Unemployed	4
	Retired	2
	Student	8
	House wife	0
	Other	12

Educational level	High school (10+2)	10
	Certificate	2
	Diploma	12
	Degree	52
	Masters degree	24
	Doctorate	0
	Other	0

Table 4.1.1 Demographic characteristics of respondents

The survey revealed that the age bracket 25-34 accounts for about 59% of the respondents. This result shows that respondents in “adult” age group are the most active users of social media networks specially Facebook in Ethiopia. Secondly, young middle aged adults with age range of 35-44 holds 20%, the age bracket of 18-24 known as the young adults accounts for 17% of the total respondents in social media usage. Both middle aged adults and very young senior citizens with age group of 45-54 and 55-64 respectively, accounts for 2% of the total respondents. Finally, the survey shows that there are no respondents in that are 65 years and older.

46% of the respondents were Female and 54% are Male. There were slightly more male than female users among the respondents. This outcome agrees with a report from De Birhan (2011), which also conducted an analysis of all Ethiopians on Facebook and discloses that there are more males (70%) than females (30%) on Facebook, which is Ethiopia’s most widely used Social network site.

The survey also revealed that about 38% of the respondents are private employees, almost quarter or 24% are self employed, 12% are government employees, 8% are students 4% unemployed, 2% out of total respondents are retired and the remaining 12% chose “other” option that includes respondents who work in international organizations and non for profit organizations (NOGs). There are no respondents who are house wives.

This educational status of the respondents shows that more than half of the respondents that are 52% have a degree, almost quarter that accounts for 24% have master degree, 12% of respondents have a diploma, 10% are at high school or 10+2 level and 2% have a certificate of training.

Based on this result, the demographic profiles of the respondents indicate that majority of social media users in Ethiopia are adults whose age ranges from 25-34. There are slightly more male social media users than female. The majority of the users are private employees and in addition to that, half of the respondents acquired a degree.

The above information implies that companies especially those whose target customers coincide with this demographic profile, can benefit a great deal out of social media marketing which is the fastest and cheapest form of promotional tool to communicate with their target customers and which also enable them to reach large number of consumers easily and in short period of time.

Preference of Social Networking Sites of the respondents

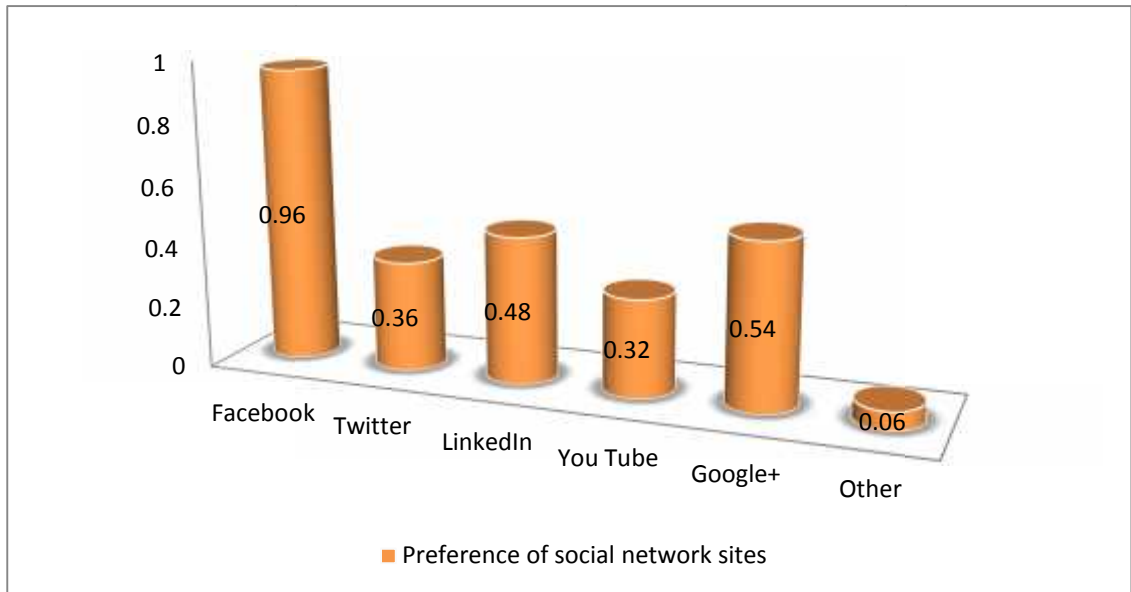


Figure 4.1.1: Column chart showing preference of Social Networking Sites of the respondents (%)

In this question all 150 respondents were allowed to choose multiple responses in order to identify all social media networks in which respondents are a member of.

Out of all the different social media platforms existing, almost all the respondents use Facebook. This affirms the popularity of the platform in Ethiopia and agrees with the report which confirms that 94% of Ethiopian social media users have Facebook accounts (ethioadmin, 2013). Google+ and LinkedIn (social network platform targeting business professionals) have got the second and third positions respectively followed by Twitter and You Tube. 6% of the respondents said that they use other social media networks such as Instagram.

The level of trust or confidence of respondents on social media network:

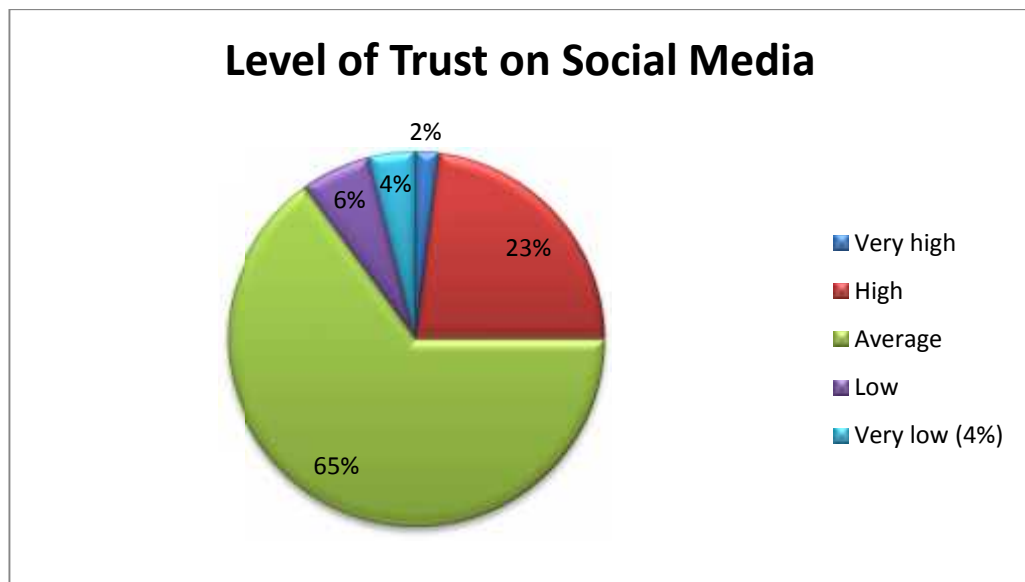


Figure 4.1.2: Pie chart showing respondents' level of trust on online social media networks (%)

The result conveys the level of trust or confidence of respondents on social media networks, the majority of the respondents which accounts to 65%, said it is average. 23% said that it is high. 6% of the respondent said it is low, 4% very low and on the contrary 2% of them said their confidence level on social media networks is very high.

Intention for joining online social network: (Select all answers that apply)

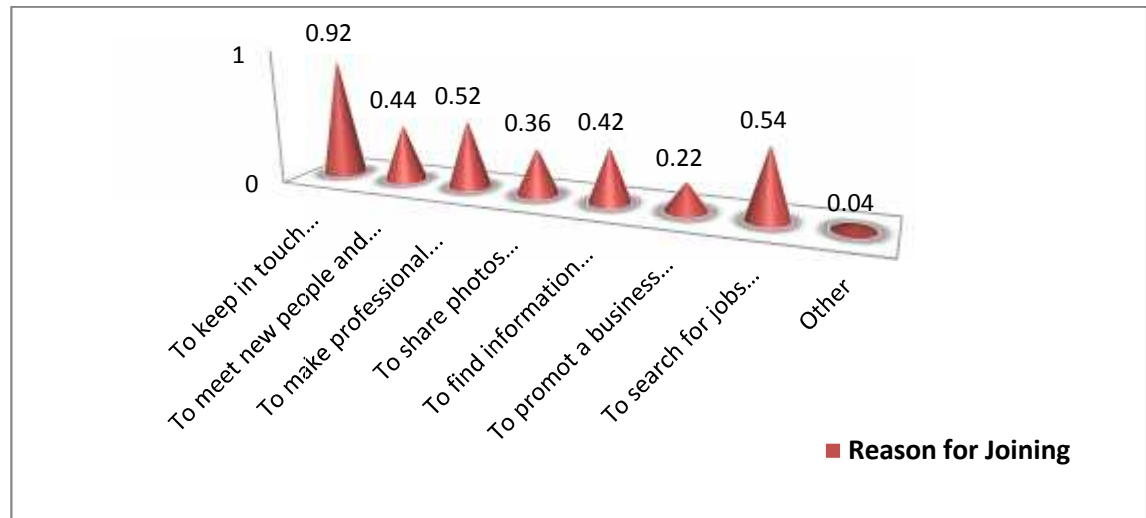


Figure 4.1.3: Column chart showing why respondents joined social networks (%)

In a question exploring why respondents use social media networks, respondents were allowed to reply all that apply. Therefore, 92% of the respondents responded that they use Social Media to keep in touch with family and friends. The other choices as to why respondents use social media are listed below in their respective order.

- To search for jobs and other available opportunities
- To make professional and business contact (gain leads, members, customers)
- To meet new people and share my experience about life
- To find information and share feedback about brands and product
- To share photos, videos, music and play games
- To promote a business or cause
- 4% for other reasons such as to read product expert reviews and business directories.

Therefore, here marketers have plenty of opportunity to communicate with their targets and offer them their products/service to persuade them to transact and become loyal customer for them. It is a fast growing platform for brands in all the sectors. It acts as an effective tool as it is the best way to reach out market segment without incurring huge cost.

Time spent on Social Media Networking sites by respondents per day:

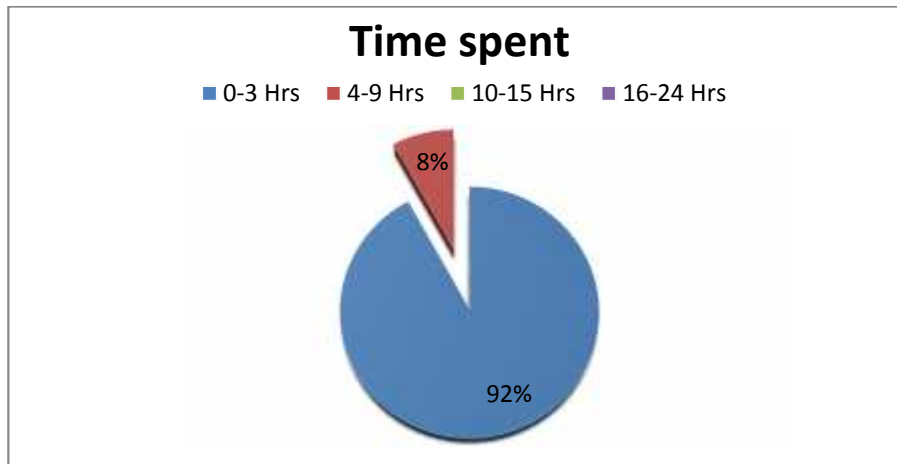


Figure 4.1.4: Pie chart showing daily hours spent online by respondents (%)

The above result shows that 92% of the respondents spend from 0-3 hours and 8% from spend 4-6 hours on social media networks per day. This result depicts very clearly that how much it is important for the marketers to exploit the situation by making workable marketing strategies.

Devices respondents use to access social networking platforms:

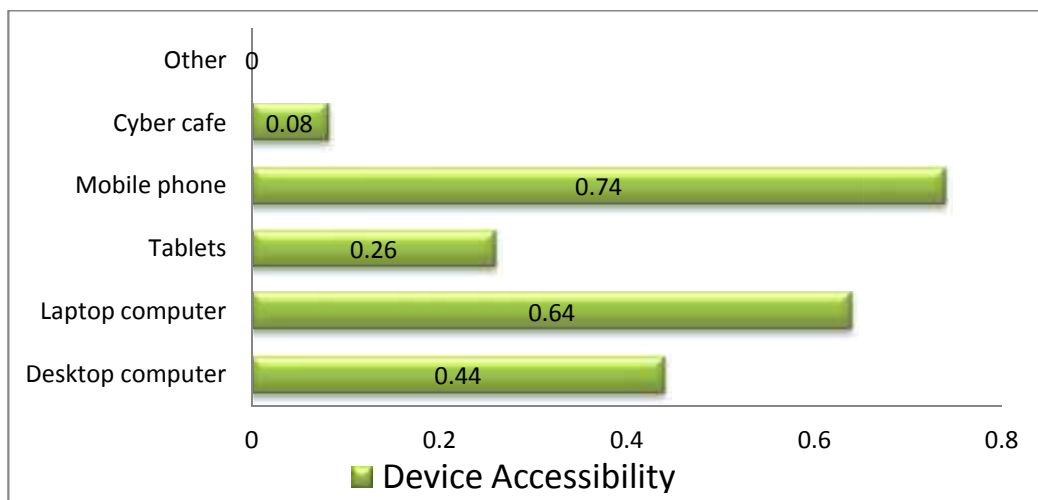


Figure 4.1.5: Bar chart showing how respondents access online social media (%)

Out of 150 respondents, 74% of the respondents replied that they access social networking platforms through their mobile phones. In addition to mobile phones, laptop computers and desktop computers take the second and thirds place to access social media networking sites followed by tablets such as ipads and Galaxis Tabs and others devices and few respondents said that they use different cyber cafés to access social media networks and internet.

Respondents’ preferred source for information about products/ services they want to buy:

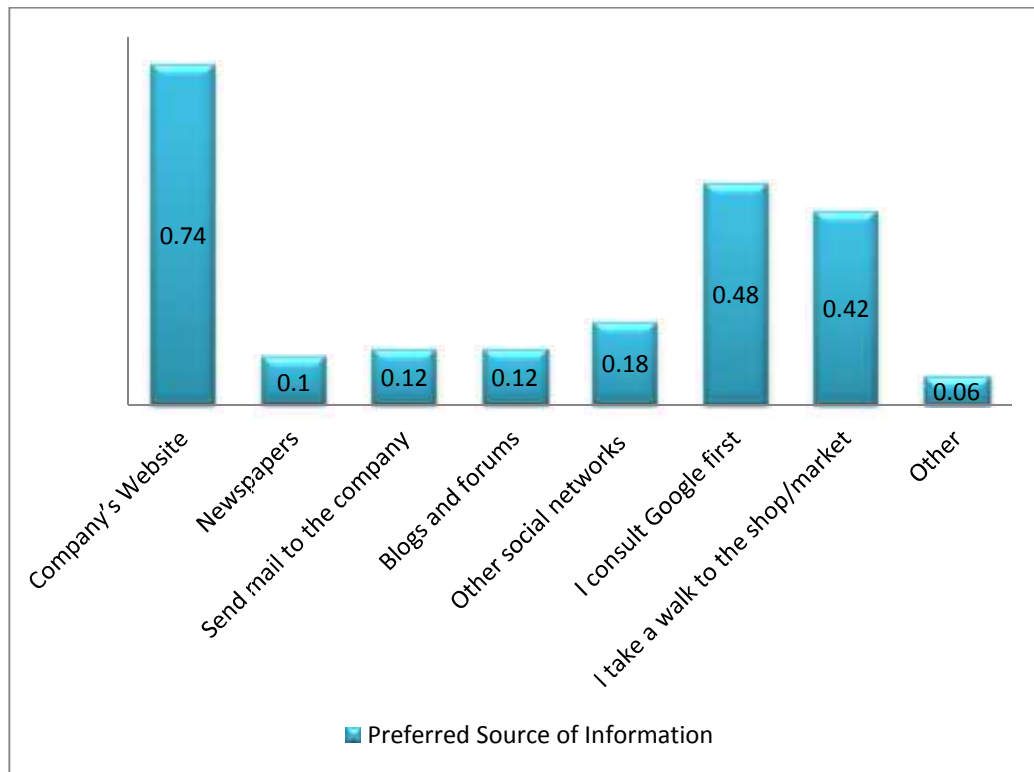


Figure 4.1.6: Column chart showing respondents’ preferred source of information (%)

This information reveals that 74% of respondents consider company’s websites as the best source of information to learn about products and services. Consulting Google first and taking personal visits to the shop are second and third preferred source of information for consumers respectively, checking social media such as Facebook, sending mail to companies and also checking blogs and forums follow in their respective order and only 1% of the respondents prefer referring newspapers as their preferred source of information.

Respondents' response to online advertisement displayed on social network site:

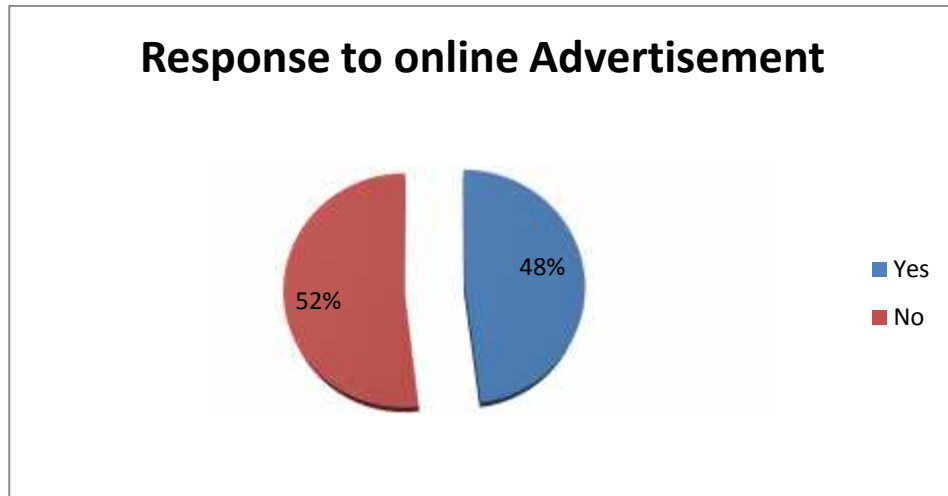


Figure 4.1.7: Pie chart showing if respondents response to online advertisement (%)

In the survey completed by Ethiopian consumers, almost half or 48% of the respondents say they have responded to online advertisement displayed by organizations or individuals about products and services.

Respondents' feeling about online advertisement:

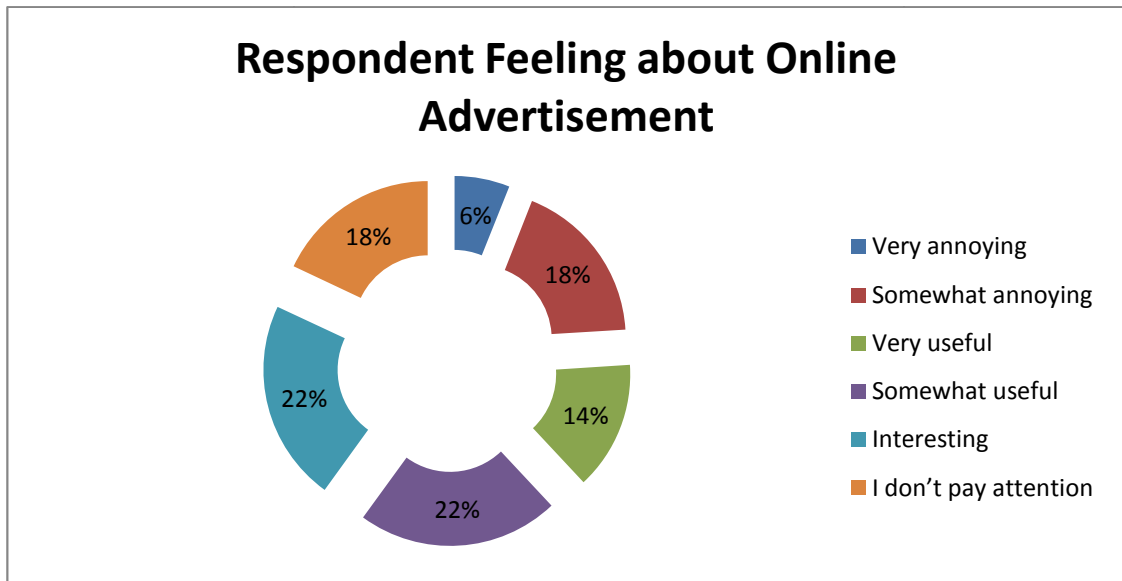


Figure 4.1.8: Doughnut Chart showing how respondents feel about online advertising (%)

22% of the respondents said they have found these advertisements displayed online or on social media networking sites are somewhat useful, another 22% said the advertisements are interesting, 18% of the respondents revealed that they don't really pay attention to them, 18% of the respondents found it to be somewhat annoying, 14% said the advertisements are very useful and the remaining 6% said the advertisement on social media platforms are very annoying.

Respondents' response to products advertised on social network sites: (comment, like, retweet, share, download or reply)

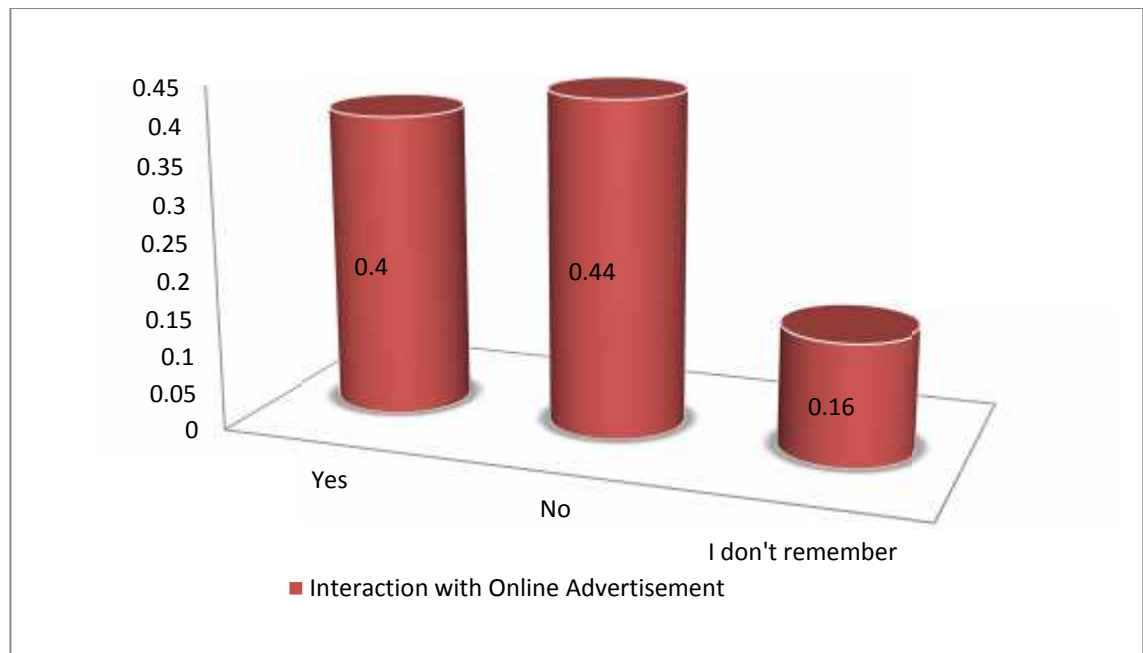


Figure 4.1.9: Column chart showing if respondents respond to online advertisement (%)

40% of the respondents said they have at one time responded to online advertisement. These kinds of responses may include following a link, clicking a 'like' button, such as in face book, making a purchase, phone calls, taking a part in a competition, attending an event etc. 44% of respondents revealed that they have not responded to online advertisements at any time and 16% said that they don't remember.

Respondents were requested to respond question 14 if only their answer to question 13 is “Yes”. Therefore, only 60 respondents which account to 40% of the total 150 respondents responded to this particular question as it is intended to identify the motive or intention of only those respondents whose answer to question 13 is ‘Yes’ or in other words those who only interact with advertisements on social media networking sites.

Reason why respondents interact with products advertised on Social Network (like, retweet, share, download or reply):

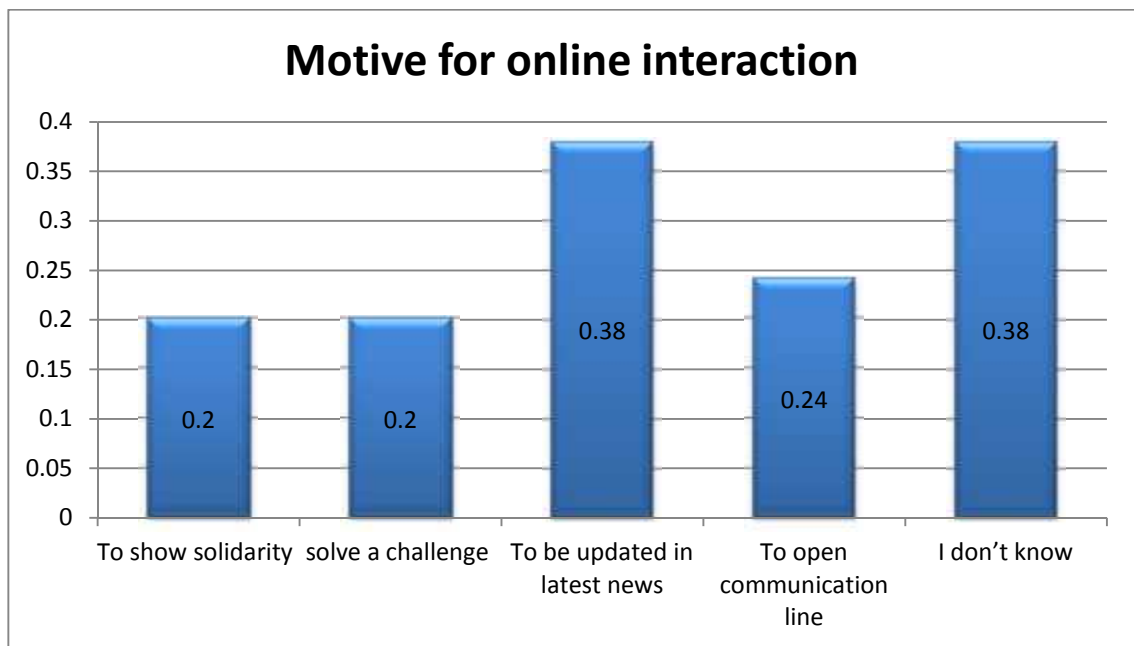


Figure 4.1.10: Column chart showing respondents’ responses to their motives on social media pages (%)

In a question proposed to examine the intention of respondents interaction with online advertisements, out of the 60 respondents who responded that they interact with the advertisements, 38% of the respondents said they are ‘fans’ because they want to be updated in latest news and also 38% responded they don’t know why they interact. Respondents who do it in order to open communication line, to show solidarity to the company and those who said that they want to try and see if companies can solve a challenge they have follow in their respective order.

Respondents' attention to advertisement that is twitted, shared or recommended by friends or members of the social network:

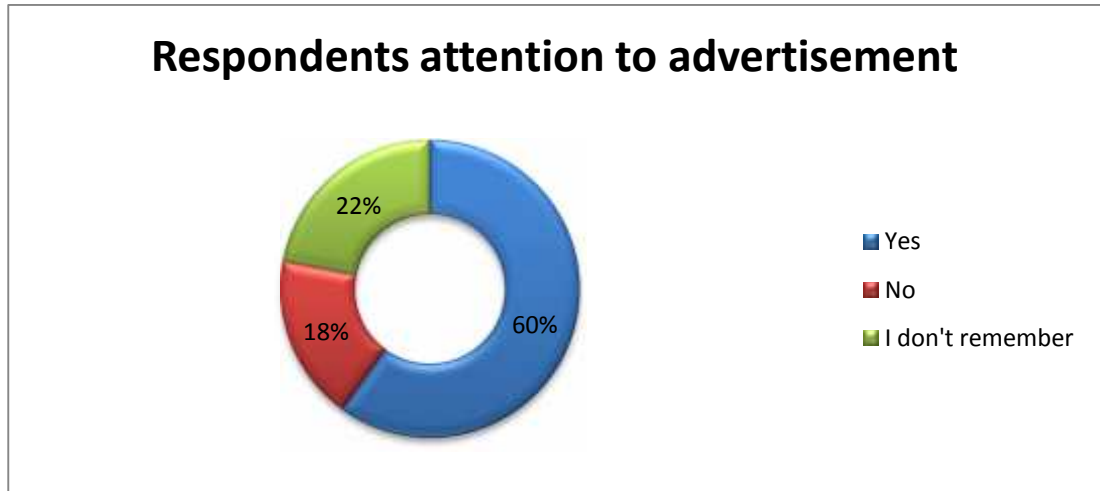


Figure 4.1.11: Doughnut chart showing respondents' attention to ads shared by others (%)

Out of 150 respondents the majority which accounts to 60% replied that they have at least ones paid attention to online advertisements, 18% said they never noticed the advertisements on social media networks and 22% revealed that they don't remember at all.

How often the information respondents' get from a friend about the product on various social networking sites influence them to buy the product:

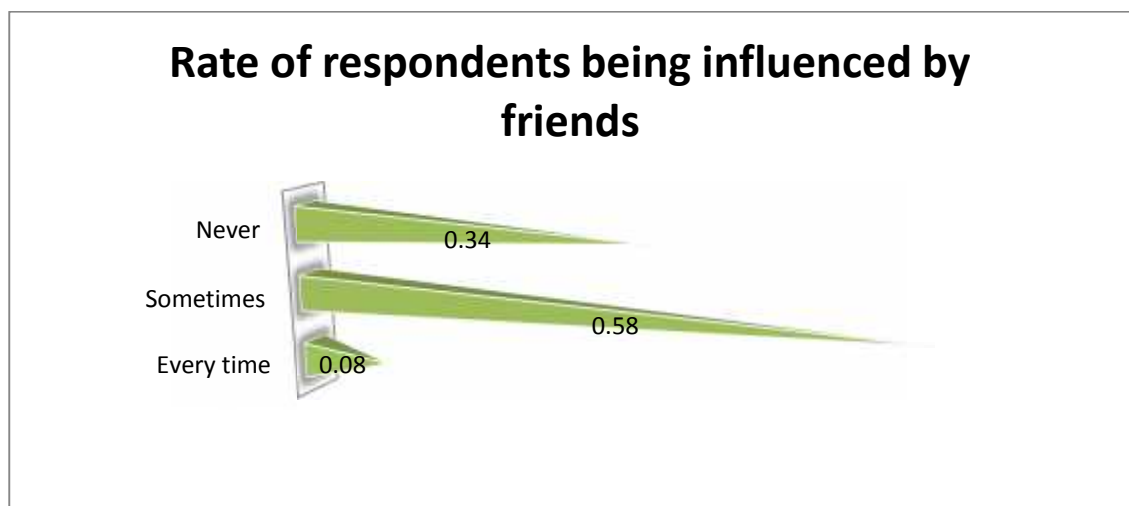


Figure 12: Bar chart showing if respondents are influenced by online information to buy products and services (%)

The above information indicates that more than half or (58%) of the respondents agree that they sometimes are influenced by online advertisement to buy the products or service advertized online. 34% of the respondents said that they are never influenced by the advertisements displayed online and 8% of the respondents are always influenced to buy products and services by advertisements .

What influence respondents' more on their perception of people, product and places online:

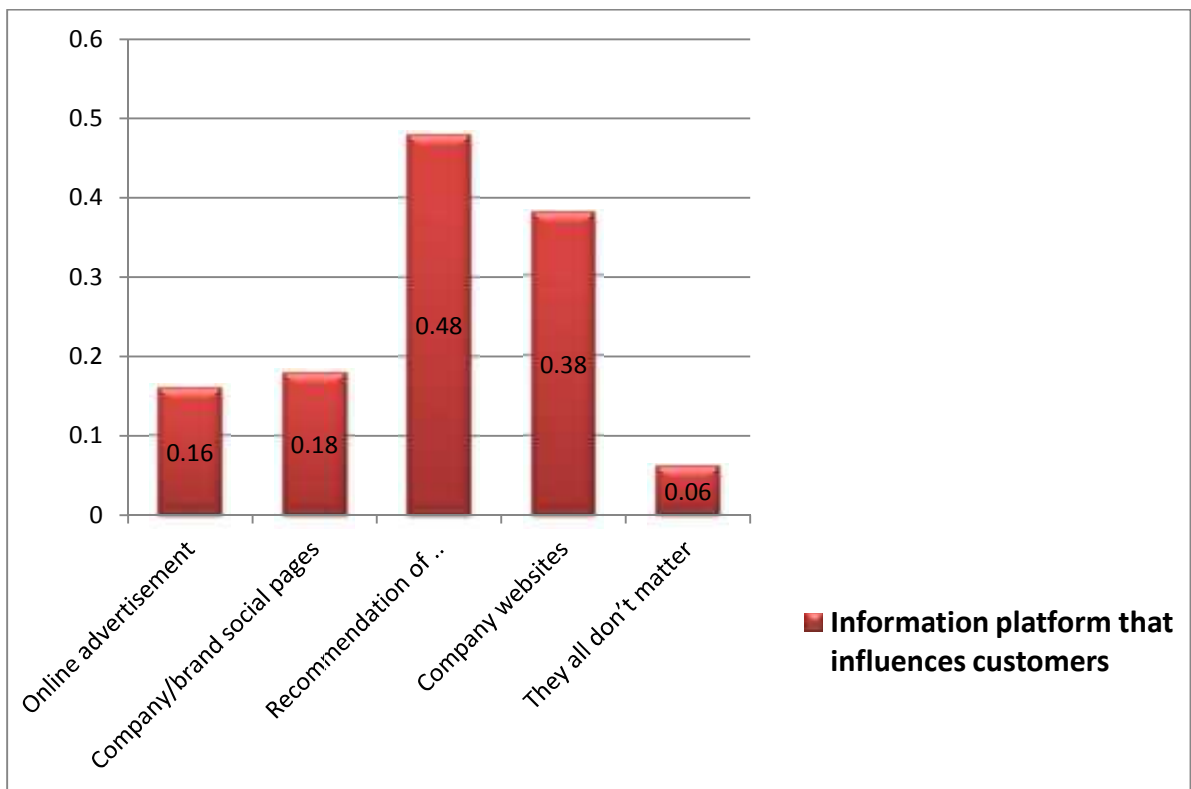


Fig 4.1.13: Column chart showing info. Platform that influences customers buying decision

48% or almost half of the respondents said they trust the recommendation of others through their comments on forums, status updates and tweets ahead of all other advertizing platforms followed by respondents who said they are influenced more by company websites, by company or brand social pages and by online advertisement. But 6% of the respondents replied that they all don't matter.

Have respondents taken any action based on an advertisement on social networks:

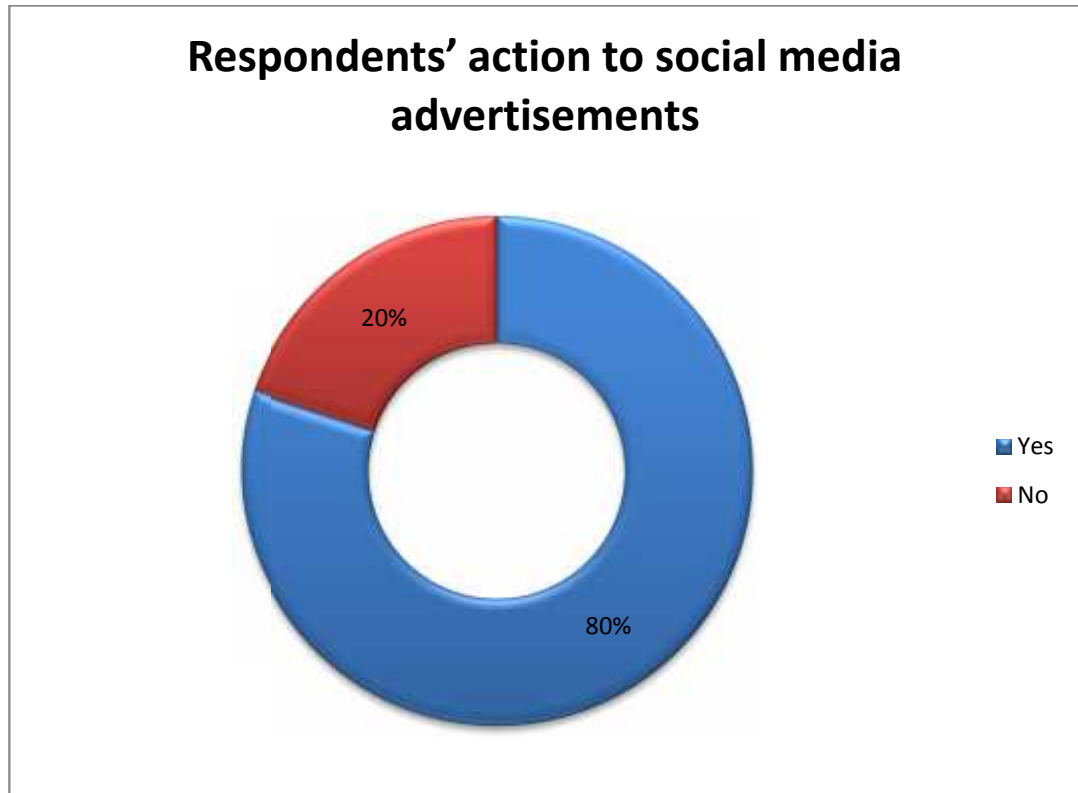


Figure 4.1.14: Doughnut chart showing respondent's action to social media ads. (%)

Respondents were requested to disregard question 19 if their answer to question 18 is "No". Therefore, out of 150 respondents, 80% of the respondents responded that they have taken action at least ones based on an advertisement on social network and 20% of them said they have never taken any action.

Please note that 30 respondents which account to 20% of the total 150 respondents answered that they never have taken any action based on an advertisement on social media networks which made the respondents ineligible to answer question 19.

Actions, if any, taken by respondents based on social media advertisements:

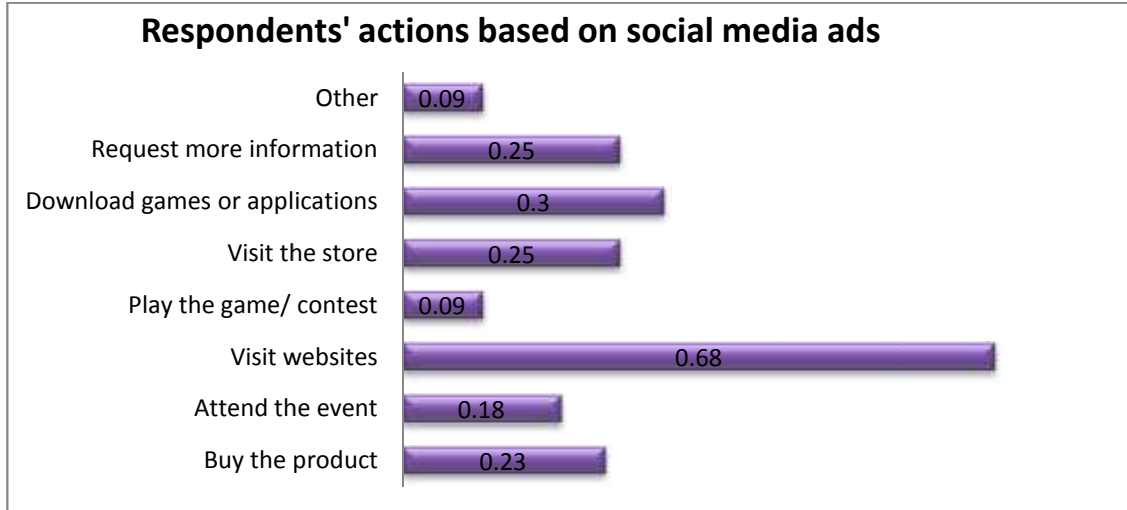


Figure 4.1.15: Bar chart showing respondents' actions based on social media advertisements (%)

Respondents who said they take action based on the online advertisement, has selected the actions which they usually take. The majority accounting 68% of the respondents agreed that they visit company website, those who download games or applications and those who prefer to visit the store take the second and third place. Respondents who request more information, those who agreed that the advertisement make them buy the product, those who said that they attend the event and who play the game or contest follow the list. And finally 9% of the respondents mentioned other actions they take.

How often do respondents purchase a product based on ads on social networking sites:

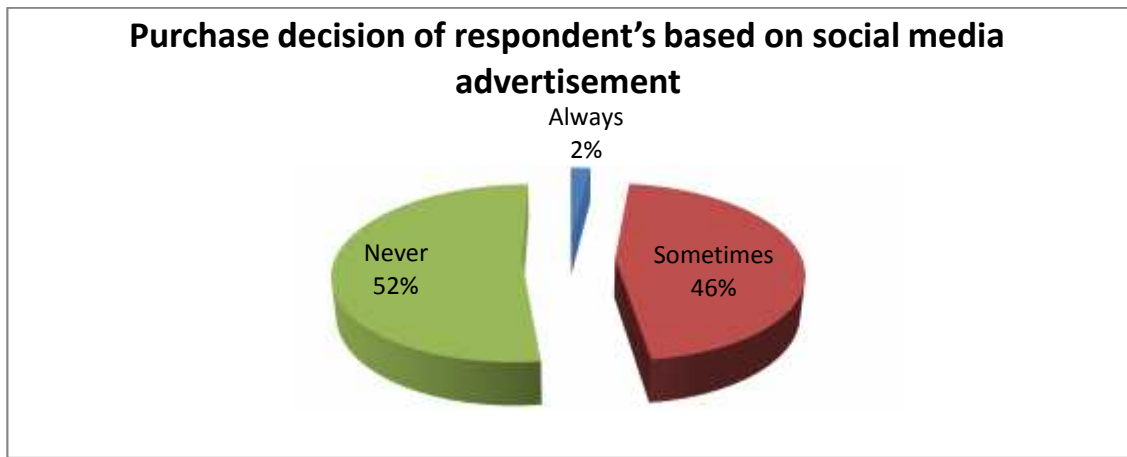


Figure 4.1.16: Pie chart showing if respondents purchase a product/service based on social media ads. (%)

For the last question posed to respondents to identify how often do they purchase products or services based on online advertisement, 52% of them responded that they never buy products and services based on social media advertisement. 46% said that they sometimes buy and 2% said they always buy products and services based on advertisements on social media.

It is evident from the above bar chart that most of the respondents are using social media networks are considering social media before starting of buying decision making process. More than two third of users are always considering social media networks at the time of getting into purchase decision. So, it is of enormous importance for the marketers to put information on the social sites where there is huge probability to come into the eyes of consumers and if successes into pursuing the customers' then positive word of mouths will automatically get started. This will eventually gives rise to multiple impacts and conversation will get started on the web.

### **Interview Questions**

The intention of this section is to provide insight on how local companies can use Social Media as a marketing and branding tool in consumer marketing in the Ethiopian market. More specifically to define what challenges the use of social media in marketing creates for companies and to inspect whether social media networks are the best tools for creating brand awareness for local companies

In this section interview with experts from a five star hotel, travel agency and resort and spa is conducted to find out how local companies use social media marketing to create brand awareness, what are the challenges they are facing in using social media marketing and also to analyze if social media networks are the best tools for creating brand awareness. The headings represent the research questions identified to answer the research problem. For the sake of simplicity the responses of the interviewees are summarized and highlighted.

Based on the request of the interviewees, the identities of the companies and the interviewees as well are kept hidden. For the sake of simplicity the hotel is coded and represented as (H) the travel agency as (T) and the resort and spa as (R). The interviewees are also coded after their respective companies.

The persons interviewed from (H) are an IT officer who has been working in the hotel for the past three years coded as (H1) and the marketing manager who has been working in the hotel for the past 5 years coded as (H2). From a travel agent, the owner who is the general manager coded as (T1) who has been managing the company for the past 16 years and (R1) who is the co-owner and also the marketing manager of the resort and spa for the past 7 years.

The interviewees described that their respective companies mostly sell services such as rooms, foods and beverages, spa services, business centers and meeting rooms, travel tickets, hotel reservations and tour operations mostly to their international customers. Interviewee (H1) and (H2) said (H) is using social media marketing through the companies Facebook page with 981 friends currently which is increasing on a regular basis. (T1) revealed that (T) is promoting its services through its Facebook pages with 1547 friends or fans and (R1) said that (R) is using social media marketing aggressively through its Facebook and Twitter pages with a current total number of 4351 friends and followers respectively which the company is striving to increase the number of fans in a regularly.

#### 1. Major forms of advertising or promotion the company is using.

According to (H1) and (H2), the company mostly uses mass media, news papers, magazines, in-house and door-to-door promotion techniques. Recently the company is trying to encompass social media marketing for promoting its brand. (T1) said that the promotion channel that the company uses most is Radio and newspaper advertisement and unlike the former companies (R1) said that they are taking advantage of the social media sites that is gaining popularity nowadays in coordination with other traditional marketing channels.

2. Since the company has a website, does it use social media marketing for brand awareness?

All interviewees said that their companies have a well designed and up to date website which most of international customers refer to locate the company, to learn about products and services the company offers, price of the services and also to make an online reservation. However, (H1) revealed that his company's social media page is not synchronized with the company's website which limits viewers to access the social media page. (H1) said that he is currently working to link the companies Facebook page with the website so as to get a better outcome and feedback since the media facilitates two way communication. (H1) also added that the company has started using social media as a marketing tool two years ago to introduce (H) in order to create brand awareness. According to (T1) realizing the importance and benefit of the media, (T) has synchronized the company's website with its Facebook page and it has began enjoying the benefit. (R1) suggested that the company has the best website which is synchronized with its social media pages which enables the company to increase its fans and customers.

3. Benefits the company gets by using social media for advertising company's brand and product.

The companies benefit from social media as it provides a platform to exchange information with customers and prospects and allows the companies to identify needs, wants and expectations of their customers and it is the fastest and cheapest means of communication and promotion channel.

4. The challenges the companies face in using social media marketing?

According to (H1) the biggest challenge (H) is facing is communication breakdown due to poor infrastructure and sometimes slow internet connection. The other challenge is that the company is encountering negative comments or negative electronic word of mouth and lower ratings by consumers which can distort the brand image and negatively affect the company. (T1) also suggested that his company is facing similar problems with slow internet connection and occasional breakdown. In addition to that, the company does not

have a marketing department in general or an expert who handles its social media marketing in particular which limits the company to nurture relationship with online communities on its Facebook page. He also admitted that it is not easy on the company as people are looking for prices and have found place to complain. On the other hand (R1) said that all the above mentioned problems are common challenges that most local companies face including (R).

5. If the company encounters negative comments, how does it deal with the problem?

According to the information provided by (H1) and (H2), the company encountered negative comments and poor reviews in the company's website several times. Based on customer ratings (H) is usually given lower ratings when compared to other hotels with similar standards. However, the company does not make any effort to remedy the problem or communicate with the customers to alleviate the problem. They further explained that the management does not give due attention to its social media promotion activity and the department is not well equipped with the necessary resource and experts to follow up the reviews and comments of customers and take proper and timely action to neutralize negative comments and restore the company's image. (T1) admitted that the company does not have an expert in this field who is assigned to handle the challenges and negative comments as the company is managed by the owner. On the contrary (R1) revealed that the company sometimes faces few negative comments and reviews. However, the company deals with negative comments by enabling consumers to collaborate and participate in the company's social media sites and by giving precise and timely reply to queries of consumers.

6. The company's effort to minimize the challenge.

Based on the information provided by (H1), with his own initiative, he is making an effort by taking the comments as an important input and devotes himself in working very hard to improve the perception of the company's customers with negative impressions to positive or at least neutral impression through positive electronic word of mouth. On the other hand (H2) explained that the management is considering giving proper attention to social media marketing is worthwhile in order to improve the company's image through its satisfied

customers and tries to change the complaints into positive energy. According to (T1) the company recently assigned a marketing expert to deal with the company's marketing effort especially social media marketing in order to minimize the challenges that the company is currently facing.

#### 7. Other forms of advertizing channels the company uses and their effectiveness.

Both interviewees from (H) confirmed that the company mostly uses other traditional forms of advertizing channels such as mass media, directory, newspaper, magazines, in-house and door-to-door advertizing channels. The company has allocated advertisement budget to these promotion channels and they are incorporated with the company's marketing strategy. As per the marketing manager's (H2) response, directory and magazines are the most effective marketing tools for the company. On the other hand (T1) said that his company mostly uses radio and newspaper ads which he thinks are effective mostly in reaching its local customers. (R1) said that the company mostly uses social media marketing and online advertizing on different websites such as [www.lonlyplanet.com](http://www.lonlyplanet.com) , [www.tripadvisor.com](http://www.tripadvisor.com) and [www.virtualtourist.com](http://www.virtualtourist.com) in addition to the company's own website. He also added that online advertisement is very effective in reaching customers worldwide in a very short period of time and with a minimum cost. In addition to online marketing the company also uses radio and print ads to address its local customers.

#### 8. Rate the effectiveness of other marketing channels in comparison to social media marketing?

According to the interviewees, the traditional marketing channels are more effective in Ethiopia as it has high reach and wide coverage and since the majority of the population does not have internet access. However, the access of traditional media channels such as radio and television is limited to Ethiopia. On the contrary marketing through social media and websites is more effective for international customers in view of the fact that the media is easily accessible to them.

9. How does the company incorporate the different kinds of marketing channels into company's marketing plan?

(H2) suggested that the company should embrace social media marketing in its marketing strategy and incorporate it with its marketing activity by mentioning the company's social media pages or website while using different types of promotional channels such as television and radio advertisements and print advertisement. In addition to that (H1) and (T1) suggested that the company should have a separate department or at least an expert to work on social media marketing channel as the trend shows that this particular promotion channel is becoming very significant and important to reach international customers as well as local customers and plays an important role in creating brand awareness and helps improve companies image if it is done right. (R1) said that based on his experience social media marketing is very effective in creating brand awareness with respect to time, reach and cost. He also added that it facilitates two way communication which enables companies to identify the needs and wants of their target and prospective customers.

#### **4.2. Discussion/Interpretation**

Nichole Kelly (2010) explained that to put brand awareness measurement into the context of the sales funnel, the key areas to evaluate fall into three categories: social media exposure, influence and engagement. Brand awareness is one of the most commonly cited goals of marketers nowadays. The end target of using social media as a tool for creating brand awareness as well as using any form of advertising channel is to boost up the sales ratio of the product and service of the company. Therefore, passing through the sales funnel process, which includes action/convert as the funnel's fourth variable, leads to the end result which is sales (online sales, phone sales, in-person sales).

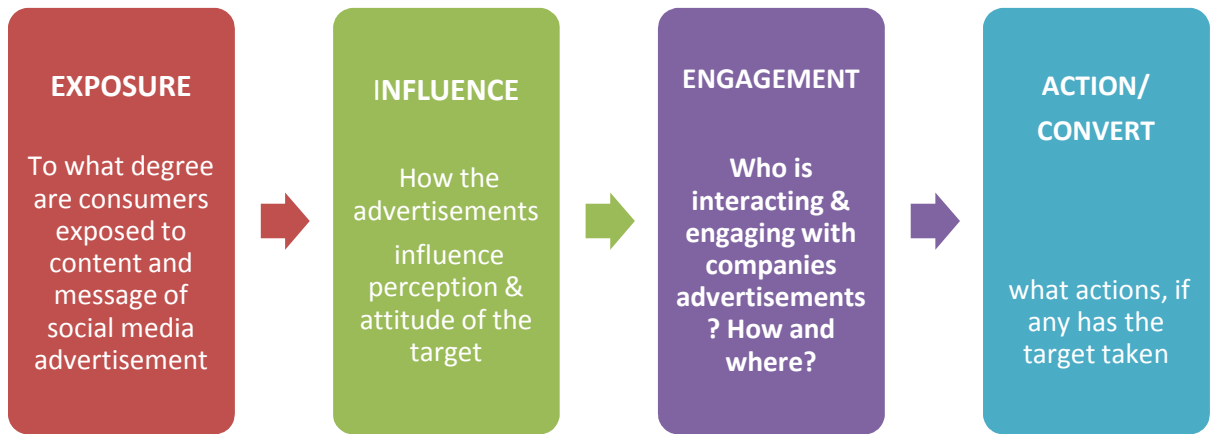


Fig 4.2.a: Social media sales funnel adoption

Based on the above information the survey questionnaire was prepared in such a way that all the above variables are included and the results are tied to the sales funnel in order to demonstrate the value of social media marketing.

The general information gathered from respondents conveys that most of the respondents' level of trust of the social media is high and average which implies that consumers may consider or pay attention to the advertisements on their social media networks. Most of the consumers access social media through their mobile phones and laptop computers which gives them easy and timely access to view online advertisements and allow companies to reach their target customers easily with a very less cost at any time. Most of the respondents convey that they favor internet based information search as their preferred source of information and also majority of them believe that the advertisement they view on social media are useful and interesting. This fact could encourage local companies to use social media marketing to introduce their brands and make themselves available in the digital arena so that they can reach their target customers and they could be reached by consumers as well.

The first variable or the top of the brand awareness funnel is Social Media exposure which can be measured by investigating how many people could have been reached by the marketing message. Based on this study which targets only social media users such as Facebook, Twitter and LinkedIn, all respondents or 100% are exposed to social media

advertisements as long as they are social media users. People may use social media for different reasons such as to keep in touch with family and friend, to share experiences about life, to find information and share feedback about brands and products and many other reasons. Every one of social media users, based on the information acquired from the survey, are exposed to social media advertisements up to 3 hours a day. This fact makes social media marketing the best tool for promoting company's products and services as large number of target customers can be easily reached and communicated in short period of time and less advertising cost.

Exposure defines the reach that the company has achieved with its advertising effort. It may not be true that all the exposed people saw the message, but there is a possibility that they did. In a traditional advertisement concept this is similar to the circulation of the publication in which the company is mentioned. This fact indicates that the company's messages on social media networks could be viewed by all of those who are exposed to it.

Influence, which is the second stage in the awareness funnel, cannot be directly measured but it is an important variable for understanding social media's contribution to deliver sales. When people are exposed to messages or advertisements through influencers rather than general exposure, they are more likely to buy the product/service or engage with the message to which they are exposed. People trust the judgment of other consumers more rather than companies' information. These people move down one level in the funnel. The survey data provides the information that almost two third of the respondents have paid attention for an advertisement that is twitted, shared or recommended by a friend or contact from social media and they sometimes are influenced to buy the product/service. In addition to this, the respondents also revealed that recommendation of others has more influence on their perception of people, product and places.

This result gives companies a clear indication that word of mouth or peer recommendation has higher acceptance when compared to companies' communication effort. Therefore, companies using social media marketing should strive to do the job right and avoid negative comments as the complaint of a single customer could make a whole lot of damage to the company's image.

The last variable to be measured in the funnel that relates to brand awareness is engagement. It can be determined by identifying how many people cared enough about the message that is conveyed and actually did something with it such as clicking, commenting, retweeting, sharing, wall posting the message that is advertised by the company. The finding of this study shows that almost half of the respondents respond to online advertisements displayed on social media networks by commenting, liking, retweeting, sharing, downloading or replying to products advertised on social networking sites. Respondents provided different reasons which accounts for their interaction with online advertisements.

This result clearly shows that consumers interact with social media messages but the company should pay a great deal of attention in creating a site that is simple, interesting and useful content that is share-worthy and relevant to the audience that the company wants to reach. The more the company's content gets shared on any social network, the more eyes see it. The more people share it with each other the more it has the tendency to influence consumers in buying the product/service. This effect makes consumer that has reached to engagement stage one step closer to action stage

Action/converts is known as the lead generation stage which deals with the actions, if any, that the target has taken that leads to sales. Such actions include content downloads, lead generation forms, pitches, proposals and so on. The survey result shows that majority of respondents has at least ones taken action based on the information advertised on social media. However, slightly less than half of the respondents revealed that they sometimes buy products and services based on the information they get from advertisements on social media.

The final result of the sales funnel shows that consumers' buying decision could be influenced by the effect of the brand awareness that is created through social media promotion. If the social media promotion activity is done right, a significant amount of advantage can be realized from this advanced and dynamic business phenomenon.

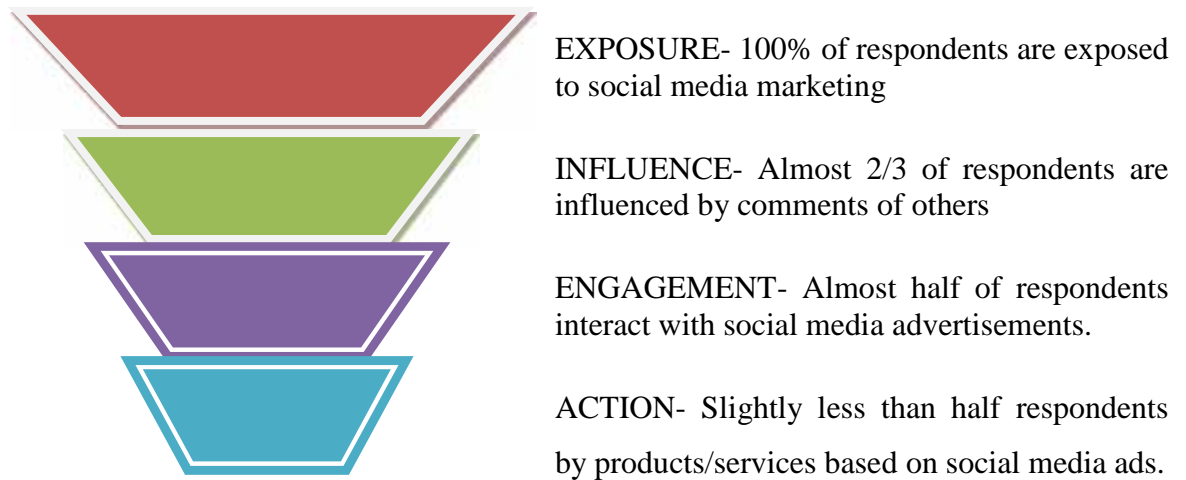


Fig 4.2.b. Finding of the Empirical framework based on Sale Funnel Adoption

From the above interpretation we can clearly see that the findings of the empirical framework coincide with the theoretical framework based on the research problems.

## CHAPTER FIVE

### SUMMARY, CONCLUSION AND RECOMMENDATION

On the preceding chapter, various data are presented and discussed. These data reflects what is available on the floor and based on those facts and the sound literatures presented in Chapter 2, the possible conclusions and recommendations are drawn in the next chapter.

#### 5.1. Summary of major Findings

The findings of the empirical framework coincided with the theoretical framework based on the research problems. The study shows how social media has become an important tool for marketing and creating brand awareness. In fact it is anticipated that in the near future there will be a shift from traditional advertising to social media platforms. The study also identified some challenges companies have faced in using social media,

The findings are summarized in to two different angles that are in consumers' point of view and company's point of view.

#### Consumers' perspective

- ✓ The demographic information of consumers revealed that the majority of online social media users are adults with age bracket of 25-34 which is represented by both gender groups.
- ✓ Almost all of social media users in Ethiopia have a Facebook account which is the most popular social media network worldwide. Most of them use social media to keep in touch with family and friends, to make professional and business contacts and several other reasons, all of whom spend up to three hours on social media per day by accessing it mainly through mobile phones and lap tops which makes them easily reachable to marketers' promotion effort.
- ✓ Most consumers prefer company websites, consulting Google search engine, and taking a walk to the shop for information about products and services. In addition to that, most feel that online advertisement is useful and interesting. Therefore, most of them interact with social media advertisement so as to be updated in latest news, to open communication line and so on.

- ✓ Most consumers pay attention to advertisements recommended and shared by friends and contacts on social media and they sometimes are influenced to buy products and services based on the shared information. Recommendation of others which is known as electronic word of mouth is considered as the most reliable source of information to influence consumers' perception about products, places and person. Finally almost half of the consumers agree that they buy products based on advertisements on social media networks. This result clearly shows the importance of social media marketing.

### **Company's perspective**

- ✓ Companies are using social media marketing specially to reach their international customers, to create awareness of their brands and to improve their brand image. However, they are facing challenges such as communication breakdowns, negative comments and low ratings.
- ✓ Companies are striving to overcome their challenges and using the feedback of consumers as an input to improve company's products and services, generally company image.
- ✓ Local companies are using other traditional forms of promotion channels most and they recently started using social media marketing in order to upgrade themselves, be competitive in global markets and make benefit out of this remarkable technology.

## **5.2. Suggestion**

The research commenced by giving the background of the study and what motivated the researcher to conduct the study on the topic of social media and brand awareness. It is clear that how social media is slowly becoming an important marketing tool worldwide which offers companies' opportunity to engage with their markets and to learn about customers' needs, important segments and profile. It has also created a new communication platform for consumers to share their brand experiences, to comment and review products/services, to search for the best options available and so on.

Social media advanced information access and empowered consumers to take control of how they shop, refer products and services, and ultimately make decisions. The relationship between customers and business is changing and this effect will gradually continue to evolve in Ethiopia as new media infuses the culture and society. Therefore, with the rate it is growing in Ethiopia there will be no escaping the social media after few years, either for individuals or for businesses.

The social media space also presents an arena for customer opinions, perceptions and customer feedback. Local businesses can reap a lot of user opinions for their products/services in order to find suggestions, core values and propositions that can satisfy the customers' needs. If local businesses do not integrate social media marketing as part of their marketing strategy, they might be overlooking a tremendous opportunity to connect with consumers locally as well as internationally. Therefore, local companies should consider using social media network to present their brands with enormous reach, endless communication possibilities and with a very limited promotion cost, to allow their products and services emerge into a world of peer--to--peer dialogue and therefore to grab the possible opportunities of exploiting the brand building potential through the richest and fastest communication form available.

Social media can be likend to a “double aged sword” which can cut both ways, that is, it can build and destroy brand reputation at the same time also. (Christine Adhiambo Odhiambo, 2012). Even though Social Media are becoming popular and effective marketing tools, Social network sites can pose a threat as well as an opportunity to companies. Therefore, Social Media as a form of marketing will present a whole new phase challenges. It will require businesses to develop their marketing strategy with special care and a mechanism to minimize the challenges and to deal with negative comments the company may encounter. In addition to this, marketers should take advantage of social media platform by turning a prospective consumer into a volunteer marketing advocate or promoter through satisfied customers since the peer group online social network effect can potentially influence purchase decisions more than companies' effort to communicate its target customer because of its viral nature. Therefore, businesses will need to stay at the top of their game by

listening to their potential and current customers' heart beat, by properly doing the marketing effort, by clearly identifying target customer, formulating interesting and useful advertising content and by appearing in a suitable and appropriate social media based on the company's objective. If this is not properly done consumers will fight back because the tools to complain and damage the brand image are there and the world is waiting to listen.

Even though, it is widely reported that the effectiveness of traditional media and their use is sharply falling worldwide, social media alone cannot be effective in Ethiopia without augmenting it with other traditional media channels like radio, newspaper, and Television due to the lack of infrastructure and internet coverage, lack of knowledge on the subject matter, lack of device to access the media and other several factors. Therefore, local companies could achieve the best result by integrating social media marketing with its traditional marketing effort.

### **5.3. Further Area of Investigation**

Since this is a very important and new phenomenon it is recommended that a further research to study this phenomenon would be appropriate.

This research studied social media utilized in business-to-consumer marketing. It would be also interesting to study how social media can be used in business-to-business marketing and if there are any similarities or differences in comparison with business-to-consumer marketing. The relationship between social media use and consumer brand engagement could be an area for further studies. Also social media marketing and its effect on consumers buying behavior could be another topic for further research. In addition, the impact of social media on entrepreneurial networks could also be studied. Finally, further research could find answers to the question if there are cultural differences that should be taken into consideration when engaging or interacting with customers through social media.

## **REFERENCES**

- Aaker, A. (1991), *Brand Equity Mode*, at: [www.eurib.org/user\\_Brand\\_equity\\_model\\_by\\_Aaker](http://www.eurib.org/user_Brand_equity_model_by_Aaker).
- Akinwumi, R. (2014). Top social media networks that may dominate, *AllAfrica.com*, (Accessed 08/11/2013)
- American Marketing Association. Resource library*, [http://www.marketingpower.com layouts/ Dictionary.aspx](http://www.marketingpower.com/layouts/Dictionary.aspx). (Access date 13/01/2014)
- Arora, A. and Sharma, A. (2013). Social Media: A Successful Tool of Brand Awareness. *International Journal of Business and General Management (IJBGM)*. ISSN 2319-2267. Volume 2, Issue 3, (Accessed 28/10/2013)
- Belwal, R. Social Media as a Tool of Marketing and Creating Brand Awareness. *MGM'IMSR. Kamothe, Navi Mumbai*. (Accessed 28/10/2013)
- Bhattacharjee, A. (2012). *Social Science Research, Principles, Methods, and Practices*. Switzerland: The creative Common Attribution.
- De Birhan, 2011, Ethiopia's latest Facebook Statistics, <http://www.debirhan.com>, (Accessed 01 May 2014)
- Demissie, T. (2013). Social Media Channels Used by Government in Ethiopia. *Amhara, Ethiopia*. (Accessed 03/11/2013)
- Ethiopia: Googling, Facebooking, Tweeting, Surfing ethioadmin, 2013, <http://allafrica.com/stories/>. Posted in: English News. (Accessed 20/01/2014),
- Facebook facts*. <http://www.facebook.com/press/info.php?statistics>. (Accessed: 18/12/2013),
- Facebook*, (2011), <http://en.wikipedia.org/wiki/Facebook>. (Accessed: 11/11/2013)
- Google +*, <http://plus.google.com>. (Access date: 11/11/2013)
- Heding, T. Knudtzen, C.F. and Berre, M. (2009). *Brand Management Research, theory and Practices*. Routledge 2 Park Square, Milton Park, Abingdon, Oxon OX14 4RN

- Henning-Thurau, T., Qwinner, K.P., Walsh, G., Gremler, D.D. (2004). The Influence of Communication Sources on a Student's Evaluation of University Selection: *Ashleigh Bible, James Cook University*, ashleigh.bible@jcu.edu.au. (Accessed 09/11/2013)
- Johansson, M. (2013). Social Media and Brand Awareness. *Lulea University of Technology*, IASET 1-14, Volume 2, Issue 3. (Accessed 14/12/2013)
- Kelly, N. (2011). *Measuring Social Media for Brand Awareness*, blog.hootsuite.com/social-Media-roi-brand-awareness-white-paper (Accessed 14/12/2013)
- Keller K.L (1993). *Conceptualizing, measuring, and managing customer-based brand equity*; *Journal of Marketing*, 57, 1-22.
- Keller K.L (2003). *Strategic Brand Management*. New Delhi: Prentice-Hall of India -110 001 (Accessed 8/11/2013)
- Kotler, P. (2003). *Marketing Management*. (11th Ed). Upper Saddle River, NJ: Prentice-Hall. *leaners-submission-social-media-channels*, unpanelearning.wordpress.com (Accessed 8/11/2013)
- LinkedIn: World's Largest Professional network*, <https://www.linkedin.com/> what is LinkedIn. (Accessed: 18/12/2013).
- Mandal, D. (2011), The Impact of Social Media on Entrepreneurial Networks. *Waikato Management School*. (Accessed 8/11/2013)
- Nicolino, P.F. (2000). *341 Marketing Branding The Complete Idiot's Guide to Brand Management*. Indianapolis, IN, USA: Alpha Books.
- Nulty, D.D. (2008). Assessment & Evaluation in Higher Education. *Routledge Taylor & Francis Group*, Vol.33, No.3, 301-314
- Odhiambo, C.A. (2012). Social Media as a Tool of Marketing and Creating Brand Awareness. *Vaasan Ammattikorkeakoulu University of Applied Sciences*. (Accessed 03/12/2013).
- Pradiptarini, C. (2011). Social Media Marketing Measuring it Effectiveness and Identifying the Target Market. *UW-L Journal of Undergraduate Research XIV* , 10

- Olakunle, K.A. (2012). The Impact of Social Media Marketing Communications on Consumers' Perception of Brand. *Advertising Practitioners Council of Nigeria (APCON)*. (Accessed 15/01/2014).
- Pradiptarini, P. (2011), Social Media Marketing: Measuring Its Effectiveness and Identifying the Target Market, *UW-LJournal of Undergraduate Research XIV*. (Accessed 13/01/2014)
- Schivinski, B. and Dabrowski, D. (2013). The Effect of Social Media Communication on Consumer Perceptions of Brands. *GTU Faculty of Management and Economics Working Paper Series A (Economics, Management, Statistics) No.12*. (Accessed 16/02/2014)
- Social-media-marketing*, <http://en.wikipedia.org/wiki/Social-media-marketing>. (Accessed 01/11/2013)
- Srivastava, V. (2011). A Study of Brand awareness and customer perception of Maharaja Whiteline products. *VSRS International Journal of Business and Management Research*. VSRD-1JBMR, Volume 1(1), 7-20. (Accessed 16/02/2014)
- Sundar, A. and Pandey, J. (2012). A conceptual Model for Brand Awareness. *A Journal of Radix International Educational and Research Consortium*, ISSN: 2250-3986. (Accessed 16/02/2014)
- The Brief History of Social Media*, [www.uncp.edu/home/newmedia/social media history](http://www.uncp.edu/home/newmedia/social%20media%20history) (Accessed 01/11/2013)
- Twitter the fastest simplest way to stay close to everything you care about*, <http://twitter.com/about> Twitter. (Accessed 03/12/2013)
- YouTube*, [http://www.youtube.com/static?hl=en-GB&template=about\\_youtube](http://www.youtube.com/static?hl=en-GB&template=about_youtube). (Accessed 03/12/2013)
- Webster, M. Definition of Social Media. [www.merriam-ebster.com/dictionary/social media](http://www.merriam-ebster.com/dictionary/social%20media). (Accesses 18/11/2013).
- [www.businessdirectory.com](http://www.businessdirectory.com) (Accessed 22/02/2014)
- [www.ethiopianmission.ch/assets/pdf/List\\_of\\_Tour\\_Operators.pdf](http://www.ethiopianmission.ch/assets/pdf/List_of_Tour_Operators.pdf). (Accessed 18/05/2014)
- [www.investopedia.com/terms/s/social-networking.asp](http://www.investopedia.com/terms/s/social-networking.asp). (Accessed 18/11/2013)
- [www.selamta.net/Travel%20Agencies.htm](http://www.selamta.net/Travel%20Agencies.htm). (Accessed 18/05/2014)
- [www.unido.org/List of hotels in Addis Ababa and its vicinity](http://www.unido.org/List%20of%20hotels%20in%20Addis%20Ababa%20and%20its%20vicinity). (Accessed 12/05/2014)



## **APPENDIX A:**

### **Interview questions**

#### **Section 1**

1. What is your position or title in the business and how long you have been working here?
2. What type of products and services does your company sell?
3. Does your company have social media account to promote its business?
4. How many people are connected to your company on Social media?
5. What is your customer's profile, i.e. demographics, geographical location etc.

#### **Section 2**

1. What are the major forms of advertising or promotion tools that your company use?
2. Since you have a website, do you use social media for marketing brand awareness?
3. How long have you been using social media to create brand awareness?
4. What are the benefits you get by using social media for advertising your company's brand and products?
5. What challenges does your company face in using social media?
6. Have you ever encountered a negative comment(s) online about your company or products? If so, how did you deal with the situation?
7. What other ways have you used to minimize the impact of these challenges?
8. Do you use any other forms of advertising apart from online advertising such as TV, Brochure etc?
9. Do you find these advertising channels to be effective? If yes, please explain how?
10. If you are asked to rate the effectiveness of other marketing channels that you use in comparison to social media networks, would you say that they are more effective or less effective?
11. How do you incorporate the different kinds of marketing channels into your marketing plan?

## APPENDIX B:

### Online Survey Questions

Hello Sir/Madam

I, Nejat Mohammed, with the guidance and support of my advisor, am here to conduct a research survey on the topics “The Impact of Social Media Marketing on Consumers’ Brand Awareness”. Please give your honest opinion and understand that the information collected will be purely confidential and will not be shared for any purpose other than this research.

I hope to receive your support for performing an effective research.

Thanks and regards

**1. Which category below includes your age? \***

18-24                      25-34                      35-44                      45-54  
55- 64                      65 and older.

**2. Please specify your gender. \***

Female                      Male

**3. Which of the following best describe your current employment status? \***

Self employed                      Private employee                      Government employee  
Unemployed                      Retires                      Student  
House wife                      Other \_\_\_\_\_

**4. What is the highest level of education you have completed? \***

High school (10+2)                      Certificate                      Diploma                      Degree  
Masters degree                      Doctorate                      Other \_\_\_\_\_

**5. Which of the following social networking sites do you currently have an account with? (Check all that apply)\***

Face book                      Twitter                      LinkedIn                      You Tube  
Google+                      Other \_\_\_\_\_.

**6. What is the level of trust or confidence you have on the selected social media network? \***

Very high                      High                      Average                      Low                      Very low

**7. Why do you use an online social network? Select all answers that apply. \***

To Keep in touch with family and friends.

To meet new people and share my experiences about life.

To make professional and business contacts (gaining leads, members, customers)

To share photos, videos, music and play games.

To find information and share feedback about brands and products.

To promote a business or cause

To search for jobs and other available opportunities

Others \_\_\_\_\_

**8. How much time do you spend on Social Media networking sites (Per Day)? \***

**(I.e. Facebook, Twitter, Linked In, YouTube, Google Plus etc.)**

0-3 Hrs.

4-9 Hrs.

10-15 Hrs.

16-24 Hrs.

**9. Through what devices do you access social networking platforms?(Check all that apply)\***

Desktop computer

Laptop computer

Tablets (ipad, Galaxi tab ..)

Mobile phones

Cyber café

Other \_\_\_\_\_

**10. Where do you go to as a preferred source for information about products/ services you want to buy? (Please select all that apply) \***

Company's Website

Newspapers

Send a mail to the Company

Blogs and Forums

Other Social Networks (Facebook, Twitter etc.)

I consult Google first

I take a walk to the shop/market

Other \_\_\_\_\_

**11. While you are online, have you ever responded to online advertisements displayed on social network site?\***

Yes

No

**12. How do you feel about online advertisements? \***

Very annoying                      Somewhat annoying                      Very useful  
Somewhat useful                      Interesting                      I Don't really pay attention to them.

**13. Do you comment, like, retweet, share, download or replay to product advertised on social network sites? (Please respond Q14 if only your answer is 'Yes') \***

Yes                                      No                                      I don't remember

**14. Why do you like, retweet, share, download or replay to products advertised on Social networks? (Please select all that apply)**

To show solidarity (unity)  
To try and see if they can solve a challenge you have (customer satisfaction)  
To be updated in latest news  
To open communication line  
I Don't Know

**15. Have you ever paid attention for an advertisement that is twitted, shared or recommended to you by a friend or member of the social network? \***

Yes                                      No                                      I don't remember

**16. How often does the information you get from a friend about the product on various social-networking sites influence you to buy the product? \***

Every time                              Sometimes                              Never

**17. Which has more influence on your perception of people, product and places online?\***

Online advertisements                      Company/brand social pages  
Recommendation of others (forums, status updates, tweets)  
Company websites                      They all don't matter

**18. Have you ever taken any action based on an online advertisement on a social network? (If your response is 'No' please disregard question 19) \***

Yes

No

**19. What actions, if any, have you taken? (Please select all that apply)**

Buy the product

Attend the event

Visit websites

Play the game/contest

Visit the store

Download games or applications

Request more information

Other \_\_\_\_\_

**20. How often do you purchased a product or service based on an advertisement on a social networking sites? \***

Always

Sometimes

Never

**NOTE**

\* Represents questions that are mandatory to reply.

- ✓ The online survey form does not allow respondents to submit the form if questions with \* are not responded. This is intentionally done to avoid missing values.
- ✓ In some questions, multiple responses are allowed.