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EFFECT OF DIGITAL MARKETING ON CUSTOMERS BRAND LOYALTY: CASE OF BANK OF ABYSSINIA

Thesis proposal submitted to Addis Ababa University, School of Commerce in
Partial Fulfillment of the Requirements for the Degree of Master in Marketing
Management



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ADDIS ABABA UNIVERSITY

SCHOOL OF COMMERCE

DEPARTMENT OF MARKETING MANAGEMENT

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DECLARATION

I, Endale Lemma, hereby declare that this thesis entitled, ‘effect of digital marketing on customers brand loyalty: case of Bank of Abyssinia’ is my original work and has not been presented in Addis Ababa University or any other university. I have carried out the study independently with the guidance and support of the research advisor Dr. Getie Andualem. Any other research or academic sources used in this study have been duly acknowledged.

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Acronyms

SPSS Statistical Package for Social Science

BOA Bank of Abyssinia

SEO Search engine optimization

PPC Pay per click

ABSTRACT

The study had examined the effect of digital marketing on customers brand loyalty in the case of Bank of Abyssinia. The sample populations of the study were customers of Bank of Abyssinia in east Addis Ababa district. Quantitative research approach been adopted in selecting a sample size of 384. Primary data were collected using questionnaires from the customers of the product and then collected 348 responses, the data collected were carefully edited, coded, encoded using spread sheet and analyzed by using SPSS, Descriptive and explanatory research design was used to analyze the result. The results of the analysis revealed that email marketing, social media marketing, content marketing and SEO were identified by the customers of BOA as factors determining their loyalty, In accordance with existing empirical literature the results of the present study have supported the established relationship between brand loyalty and Digital marketing, The result of the study indicated that the identified factors (SEO, Social Media, email marketing and content marketing) have significant Effect on customer brand loyalty, according to their respective extent social media have the strongest positive effect and followed by SEO and content marketing. With these findings the study provides many implications to increase the brand loyalty of BOA by recommending that the company must strengthen the use of Digital marketing. As the world moving towards digital era, the digital channels play vital role in increase of sales of any firm's products. So, the present study made an attempt to reveal the impact of digital marketing on customer brand loyalty.

Keywords: Digital marketing, Customer brand loyalty, SEO, social media, email marketing, contentmarketing

CHAPTER ONE

1. INTRODUCTION

1.1 Background of the study

Customers are central to all marketing activities all over the world. Success and in turn profit is not unthinkable without customers. Keller and Kotler explained that "It is clear that the customer is the only source of the companies' present profit and future growth. And also creating loyal customers is at the heart of every business (Keller and Kotler, 2012). Having a loyal customer is the ultimate goal of all business. According to Keller (1993) in Bhat and Firdous (2017) loyalty is "a favorable attitude for a brand manifested in repeat buying behavior". Customer loyalty has an important role in a company, maintaining those means improving financial performance and maintaining the viability of the company. This is in line with Conze's opinion, et al. (2010) is "retaining a customer is less expensive than to attract a new one, due to less sales and marketing costs". It becomes the main field for a company to attract and retain them. Keeping customers loyal to the company is more difficult than finding new customers. The company strives to establish relationships with customers through the provision of good service to its customers. "Loyal customers usually establish a stable relationship with an organization compared to non-loyal customers." It is clear that the customer is the only source of the companies' present profit and future growth. And also creating loyal customers is at the heart of every business.

Building and maintaining brand loyalty are one of the central themes of research for marketers for a very long time. Brand loyalty can be conceptualized as the final dimension of consumer brand resonance symbolizing the consumer's ultimate relationship and level of identification

with a brand (Keller, 2008). As brands gain exclusive, positive, and prominent meaning in the minds of a large number of consumers, they become irresistible and irreplaceable, and win the loyalty of the consumers. Brand loyalty, in return, brings sales revenues, market share, profitability to the firms, and help them grow or at least maintain themselves in the marketplace

Marketers have utilized various means to maintain the brand loyalty of their customers, including brand elements, classical marketing mix variables, and new methods of marketing such as events, sponsorships, one-to-one marketing activities, Digital marketing (Keller, 2008; Kotler and Keller, 2007). The aim of this paper is to focus on the latter mean of building brand loyalty, digital marketing, refers to marketing campaigns that appear on a computer, phone, tablet, or other device. It can take many forms, including online video, display ads, search engine marketing, paid social ads and social media posts. More specifically, the paper tries to identify the effect of digital marketing on brand loyalty of the consumers, given that the concept is receiving increasing attention from banks and customers.

With the intense competition and increasing globalization of the financial markets, building customer loyalty has become a critical strategy for most financial institutions. The banking industry must develop strong relationships with their customers in order to compete successfully in the competitive retail banking environment. The development of communication and information technology is an important factor in influencing the development of the times. Digital marketing for banks is about more than advertising. It's about customer service through chat and social media, offering personalization, ease of use, and online application or account management. A good user experience will market itself and it creates loyal customers for the brand.

Currently, in Ethiopia there are thirty banks operating in the country consisting of 8,250 branches, serving the country's population of nearly 115 million. The National Bank of Ethiopia's (NBE) quarterly bulletin published in October 2022 reports deposits equivalent to over \$30 billion, and loans equivalent to over \$25 billion. The total capital of the banking system is estimated to stand at \$3.2 billion. For decades, Ethiopia's banking and finance sector has been almost entirely closed to foreigners. But that is soon expected to change as the Government of Ethiopia is aiming to introduce a suite of reforms that will open the sector to international competition with the goal of attracting foreign capital to improve the country's competitiveness and contribute to its economic growth. Although the sector operated for the last almost 85 years the application of digital marketing on the business is still at its infant stage compared with other countries because it looks that the companies on the sector didn't realize its high impact on creating brand loyalty on their customers.

With reference to the information mentioned in the above, digital marketing is one of the modern trends in today's banking sector that have proved to be effective and efficient in sending out valuable messages to targeted audience. Besides, in our country, some researchers tried to address the traditional way of promoting the banking industry by giving very little attention to the digital marketing. That is why this research aims at analyzing the practices of the adoption of digital marketing and its effect on brand loyalty of customers being utilized by bank of Abyssinia (BOA). This one of the pioneers' private banks is selected for this research based on its current active engagement on digital marketing.

1.2 Background of the organization

In an era where commercial banking services were in an inchoate stage and striding towards transforming different sectors of the economy, Bank of Abyssinia's founders believed in the need for a bank that gives comprehensive commercial banking services. Thus, the Bank of Abyssinia (BoA) was open for business in 1996 with enthused initiation and determination.

The name Abyssinia resembles bravery and characters which are the core attributes of BoA. Its identity is demarcated with a sense of hope, optimism, and belief as it is perfectly displayed in its logo, the Adey Abeba. Adey Abeba brings the promise of a new beginning. BoA brings that very sense to all the customers it engages with. Working with and through BoA brings sustained success with the help of a bank that is a symbol of determination and hard work.

Bank of Abyssinia is a share company of private individuals who amass experience and success in different areas including business, entertainment and education. Such diverse ownership not only reflects the company's determination and willingness to succeed in the sector it operates in, but also signifies its ability to work together towards building a successful business venture and commercial bank service.

BoA's commitment to deliver quality commercial products along with first class customer service makes BoA the most suitable bank for all. Adopting its tagline in such manner reflects BoA's deep association with the society. With more financial products and services BoA has demonstrated through the years that is a Bank for all and any kind of customer.

Currently through its 779 branches in the country, BoA serves over 7.5 million customers. BoA's well-structured financial service system is connected through the T-24 core

banking system. This coupled with the 1271 ATM machines, 16 virtual banking centers, more than 1256 POS placed in different locations and more than 9,700 well trained employees to afford customers to access their accounts from anywhere at any time. This also allowed BoA to increase its capital a hundred-fold from ETB50 million to ETB 5.5 billion.

Vision

To become the leading commercial bank in East Africa by the year 2030.

Mission

Provide excellent financial services through competent, motivated employees and digital technology in order to maximize value to all stakeholders.

Values

Customer Satisfaction: The quality of our work is always measured by the level of satisfaction our customers get. To attain the maximum value, our financial services are always of the highest.

Integrity: The services we deliver throughout the country keep their uniformity and standard to display our integrity.

Team work and Collaboration: As we stride towards the same goal, which is delivering unparalleled banking service, our collaborative effort holds the utmost significance.

Caring for our community: As a bank that bears the former name of our country, our commitment lies beyond delivering financial services. It goes without saying that we are deeply concerned and involved in helping the community we operate in. Our corporate social

responsibility shows our care as it is a platform to which allows us to give back to our community.

Corporate Social Responsibility: As one of our core values, the Bank of Abyssinia promotes corporate social responsibility. It believes the well-being and improved living conditions of our community will benefit us all. As such, BoA participates in various national projects and other social and economic initiatives. These include the construction of the Ethiopian Grand Renaissance Dam, the establishment of the Ethiopian Cardiac Center, Ethiopia Rotary Club, and the establishment of Ethiopian Women Traders' Associations.

1.3 Statement of the problem

In the era of digital transformation, businesses are increasingly adopting digital marketing strategies to engage with their customers and foster brand loyalty. Despite the growing importance of digital marketing, there is a conceptual gap in understanding its true impact on customer brand loyalty, particularly in the banking industry. Methodologically, existing research has primarily focused on quantitative approaches, overlooking the potential insights that qualitative methods could provide. Empirically, there is a lack of comprehensive data on the effectiveness of digital marketing strategies in the context of customer brand loyalty, especially in the Ethiopian banking sector. The Bank of Abyssinia, a leading financial institution, has embraced digital marketing to enhance its customer experience and strengthen its brand presence. However, the practical implications of these efforts on customer brand loyalty remain unclear, and the contextual factors that may influence the effectiveness of digital marketing strategies in the Ethiopian market have not been thoroughly explored. This research aims to bridge these gaps by examining the effect of digital marketing on customer brand loyalty at the

Bank of Abyssinia, employing a mixed-methods approach to provide a more holistic understanding of the phenomenon, and offering valuable insights for the bank and the broader industry to optimize their digital marketing strategies and foster long-lasting customer relationships.

1.4 Research Questions

- What is the effect of digital marketing activities on customer's brand loyalty towards products and services of bank of Abyssinia?

1.4.1 Sub research questions

- What is the relationship between social media marketing and customer brand loyalty?
- What types of e-mail campaigns are most effective in building customer brand loyalty, and how can these campaigns be optimized for maximum impact?
- What is the impact of content marketing on customer brand loyalty, and how does this impact vary across different types of content?
- How do customers perceive and respond to a company's search engine ranking, and how can this perception be leveraged to build brand loyalty?
- What are the most effective pay-per-click strategies for building brand loyalty, and how can these strategies be optimized for maximum impact?

1.5 Objectives of the study

1.5.1 General objective

The importance of Digital marketing is growing rapidly in competitive markets, it is crucial for marketers to explore Digital marketing impact in details, to gain a better understanding of how Digital marketing influence Brand loyalty. The main objective of this study is to examine the nature and relationship between the dimensions of digital marketing and customer brand loyalty in the Bank of Abyssinia.

1.5.2 Specific objectives

However, the specific objectives are as follows:

- To determine the effect of social media marketing on customer brand loyalty at the Bank of Abyssinia.
- To assess the effect of e-mail marketing on customer brand loyalty at the Bank of Abyssinia.
- To evaluate the effect of content marketing on customer brand loyalty at the Bank of Abyssinia.
- To assess the effect of SEO on customer brand loyalty at the Bank of Abyssinia.
- To evaluate the effect of online advertising/pay-per-click advertising on customer brand loyalty at the Bank of Abyssinia.

1.6 Hypothesis of the study

The study basically studies the effect of digital marketing on customers Brand loyalty. Given that Digital marketing has different types, the paper study the main digital marketing platforms which are e-mail marketing, social media marketing, search engine optimization, content marketing and pay per click and their effect on customers brand loyalty in the case of bank of Abyssinia.

Hypotheses are what have been put below:

- H1. There is significant effect of social media marketing activities on customers brand Loyalty.
- H2. There is positive effect of e-mail marketing on customers brand loyalty.
- H3. There is significant effect of search engine optimization marketing activities on customers brand Loyalty.
- H4. There is significant effect of content marketing activities on customers brand Loyalty.
- H5. There is significant effect of online advertising/pay per click activities on customers brand Loyalty.

1.7 significance of the study

The study will be helpful to the Bank of Abyssinia managements for decision-making. The realization of the industry is becoming one of the highly competitive businesses and calls for respective marketing department to adopt properly formulated marketing strategies for identification of purchase intension of consumers and to increase number of loyal customers for the success of the bank. In addition, the study finding may have a great importance because through marketing expertise, the companies will be better position to gauge their performance and make improvements where to boost their market performance and overall ranking in the industry, and it helps them to know how to develop their digital marketing in order to grow with this growing market.

To those of who are interested in the industry and overall sector, this study may provide a source of reference, literature review and basis upon which further studies may be developed.

1.8 Definition of terms

Bank: is a financial institution that accepts deposits from the public and creates a demand deposit while simultaneously making loans. Wikipedia

Brand: is a distinguishing name and/or symbol, intended to identify a product or producer. Aaker, (1991).

Brand loyalty: is where customers will choose your brand time and time again, even if they experience the occasional poor service or if another product comes along that seems to be better suited to their needs. Aaker. (1991.)

Digital marketing: is online marketing through the internet and other means of digital communication in order to engage with potential clients. Kotler, (2006).

Online advertising: is the process of advertising using technological developments in communication and advertising of products and services through use of the internet.

1.9 Scope of the study

The purpose of this research is to examine the impact of digital marketing practices on customer's loyalty to the brand at bank of Abyssinia. The scope of this study delimited to bank of Abyssinia's digital marketing strategy. Geographically, this study will be conducted in Addis Ababa.

1.10 Organization of the Study

The paper is organized in five chapters.

The first chapter discuss the introduction part of the study that include Background of the Study, Statement of the Problem, Research Questions, Objectives of the Study, Hypothesis of the Study, Significance of the Study, Delimitation of the study and Organization of the Study.

The second chapter discusses the review of related literatures that are appropriate and relevant to the current study.

The third chapter presents the steps followed and methodology used for the collection, analysis and interpretation of the data that are used to achieve the study objectives. The fourth chapter presents the step-by-step data analysis, interpretation and discussion part of the study.

The fifth chapter presents the conclusion and recommendation of the study that is reached based on the result obtained from the research process.

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

In this part of the thesis, the most important literature that is concerned with digital marketing is investigated. Digital marketing is defined and explained in detail. The author writes about the history of digital marketing, since its early beginnings to the present day, and the comparison between traditional marketing and digital marketing is made. After that, most important digital marketing channels are presented and explained in detail and some interesting examples of each of the channels are showcased.

2.1 The overview of digital marketing

In this part of the thesis, the author introduces the reader to the concept of digital marketing. Digital marketing is defined and explained in detail. Next, the author writes about the history of digital marketing, since its early beginnings to the present day, and the comparison between traditional marketing and digital marketing is made. Finally, benefits of digital marketing and its advantages and disadvantages with respect to traditional marketing are presented and explained.

2.1.1 Definition of digital marketing

In this day and age, where more than 4.5B people use the internet on a daily basis (according to Statista), the majority of the people should be familiar with the basics of digital marketing since digital marketing gives people a range of opportunities to boost and grow their businesses. 'Digital marketing encompasses all marketing efforts that use an electronic device or the internet. Businesses leverage digital channels such as search engines, social media, email, and other

websites to connect with current and prospective customers.’ (Alexandar, 2020) In simpler words, digital marketing helps companies in product or brand promotion through a range of digital marketing channels which can easily reach company's target customers. Nowadays, digital marketing is crucial for business and brand awareness, and companies that struggle to adopt digital marketing strategies and implement them in their everyday operations are likely to fall behind their competition and eventually stop doing business.

2.1.2 The emergence of digital marketing

Monnappa (2020) claims that the digital revolution began in the 1990s with the emergence of the Internet and the Web 1.0 platform. This platform had very limited capabilities compared to the ones we use today, as it did not allow users to share any information or interact with each other. The only thing that Web 1.0 enabled was the reading of requested information. Also, in that same year, the first internet search engine, called “Archie”, was created. It was designed as a tool for mass discovery. The developers populated the engine’s servers with anonymous FTP host directories. It was used to find specific file names as the list was linked to a searchable FTP sites database (Li, 2002). Today, people usually ignore ad banners, and many of them even use ad blockers as those banners are often unappealing and intrusive. However, in 1993 the first clickable banner was made and bought by AT&T on Hotwired.com, and 44% of the people who saw that banner clicked on it (Lafrance, 2017). In the next year, new technologies such as e-commerce were developed. In 1994, the first ecommerce transaction occurred. That transaction was done by Dan Kohn who was 21 at the time and ran a website called Net Market. He sold a CD to his friend who used a credit card to pay 12\$ plus shipping cost for the CD (Grothaus, 2015). In that same year, Yahoo was launched and it became an instant success - it received 1

million hits in the first year of existence. This event changed the attitude that companies had towards digital marketing as they saw the number of people online, and endless opportunities to increase their sales, companies started optimizing their websites in order to rank as high as possible on the search engine. In the following years, other search engines such as HotBot, LookSmart, and Alexa were created. In 1998, one of the most important moments for digital marketing happened- Google was launched and became the most popular search engine, and it played a key role in optimizing digital marketing campaigns and search marketing (Tiwari, 2018) soon enough, marketers started implementing SEO strategies to boost their site ranking on Google. Also, Google learned to analyze data that was searched for, and developed algorithms, with aim to show target people with advertisements relevant to their interest. In 2004, Web 2.0 came into being. Users were no longer passive readers of information; they were now able to interact with other users and businesses. Because of this web evolution, various networks, and social media platforms such as LinkedIn, Facebook, MySpace, YouTube and Twitter were developed, which enabled users to communicate and interact with each other. Many companies saw these new websites as opportunities to market their products and services, and by the end of 2004, in the United States alone, Internet advertising brought nearly \$3 billion. In figure 2, it can be seen how amazing the increase in Google's online advertising revenue has been from 2001 to present day. Figure 2: Advertising revenue of Google from 2001 to 2019 Source: Statista (2020)

At the same time, websites started using cookies. 'Cookies are small data files that are stored on an Internet user's computer. These files track purchases loaded into online shopping carts, record how many times a user has seen a certain banner advertisement.' (Singleton, 2000). They were initially developed with the goal of analysis of user's browsing habits, but they have since evolved into an important part of the e-commerce sector as they allow for literal data collection.

Also, after the dot com bubble had collapsed, prominent 'Software as a service companies' (SaaS companies) such as Oracle, PeopleSoft, Siebel, and SAP adopted the digital transformation model and started using the internet as a main feature of their services. In 2009, Google launched Google AdWords, which are 3-line words that appear in the corner of search engine results, and Google AdSense, which works on a cost-per-click basis. Also, at that time, Google started with target advertising and distinguished themselves as leader of the digital business world. In 2010, mobile marketing had its own boom and success. According to Badenhorst (2010), in the period between 2008 and 2010 there was a 25% increase in the use of the internet via mobile phones (mostly by young audiences). This was caused by the introduction of the smartphones such as iPhone and HTC in the mobile market and since they became more affordable and user friendly, marketing campaigns were created to persuade people to use their smartphone for web browsing. As an effort to remain the industry leader, Google started buying numerous mobile and social based companies and spent \$750 million on AdMob alone. Moreover, in 2014, the number of smartphone and mobile phone users surpassed the number of PC users, which motivated companies to put even more emphasis on mobile marketing (Vivek, 2017). Another search engine called Bing developed an app that allows them to be the default search engine from the first time the app is used on a mobile phone. By doing research, Bing realized that half of the mobile searches have local intent, which helped them to give users relevant information and remain users' preferred search engine and by doing so, pose great threat to industry leader Google. As can be seen from this chapter, digital marketing experienced tremendous growth over the last 30 years, it has gone through significant change and will continue to change and grow exponentially in the years to come.

2.2 Digital marketing vs traditional marketing

Before digital transformation occurred, traditional marketing, as we call it today, was the only form of marketing. Traditional marketing is a very broad term that covers various forms of marketing and advertising. According to Durmaz & Efendioglu (2016), the main goal of traditional marketing is to provide time, place, and possession utility, to create value for customers and persuade them to buy what the company is offering. Traditional marketing is composed of all the channels that had existed before digital marketing entered the scene. It is usually split into two groups: ATL (above the line marketing) which reaches more users than just target audience using high-reach channels such as TV ads, conferences, billboards, radio ads, and BTL (below the line marketing) which has a goal to reach only target audience using guerilla campaigns, mail, telephones, sponsorships (Sloan, 2020). In the last few decades, traditional marketing might have changed and improved, however, selling techniques used today, rely heavily on well-known four Ps of marketing: price, product, placement, and promotion. Apparently, digital marketing may seem different to traditional marketing, but it does not disregard any of traditional market's four P's. It rather uses each of them in a different way, often in a better way than traditional marketing. Running a successful business is not only about choosing the right market or having great products, it also has something to do with choosing the right marketing strategies, which help companies reach their target audiences and convert them into their customers. Traditional marketing plays important role in attracting the local audiences and it is valued and respected more by older audiences as they struggle to keep up with constant progress in technological trends. In today's world, spending on digital and traditional marketing is represented equally, however it is expected that digital media expenditure will exceed traditional media expenditure. In this part of the thesis, main

advantages, and disadvantages, as well as the biggest differences of digital and traditional marketing will be explained.

2.2.1 Advantages and disadvantages of digital marketing

As it was stated before, digital marketing is in essence, the use of internet platforms to promote brands, products, and services. The advantages of digital marketing are becoming more and more widespread every day. According to Forbes, 82% of retail store customers conduct their research online (Forbes Press Release, 2016), which basically means that even before customers realize what product or service they want, they go online to look for the solutions for their problems and to better understand the issue at hand. Data like this encourages even small businesses to implement some of the digital marketing strategies to expand their reach. First advantage of digital marketing is the fact that marketers can analyze traffic information which helps them understand user's habits and preferences and enables them to build their strategies accordingly. One of the crucial advantages of digital marketing is that it is much more cost effective with respect to traditional marketing channels. This gives opportunities to small businesses and startups to reach their audiences without spending a fortune of traditional marketing channels e.g., TV commercials. As can be concluded from the current scenario, there is a tremendous difference in price to reach the same number of people, for example, it is more than 20 times cheaper to use advertising through social media than direct mail, which makes it much more appealing to use, especially for small businesses. Another important advantage of digital marketing is that it allows companies to pinpoint their ideal customers. By looking at social media analytic tools, companies are able to identify different types of personas to define each segment of a company's customer base. In order to develop the image of a persona, companies acquire additional details such as customer's age, gender, hobbies, lifestyle, salary, worldview

etc. (Owen, 2020). The aim is to put themselves in ‘customer’s shoes’ to recognize the problem that their product or service helps solve. If this is done in the right way, it will help a company optimize their marketing budget and that their content will reach their target customers. In some traditional form of marketing such as handing out brochures, purchasing a billboard space or sending direct mail marketers cannot be sure if people have actually bothered to read the content. On the other hand, digital marketing allows marketers to measure the exact number of people that have read their content, generate qualifying leads and as a result, grow their customer base and build better brand awareness. The real time data analysis enables companies to understand if their marketing strategy is successful, and consequently, companies can act on that feedback by either shutting down a campaign or making improvements, and use this experience and knowledge to make future campaigns better. Possibly one of the most beneficial digital marketing advantages is the improvement of the company's conversion rate, which is a direct consequence of specific lead targeting (Storm, 2020). Higher conversion rates lead to higher revenue which helps companies grow their businesses and expand their operations. Although digital marketing has many advantages, there are also some downsides. First disadvantage that is worth mentioning is that digital marketing is time-consuming. Digital marketing tasks such as writing blogs and optimizing websites to rank higher in search engines, creating online campaigns, take a lot of time of a working day to be completed. According to Cyber Planet (2019), 60% of digital marketing workers report spending at least 6 hours per day on digital marketing. Also, search engine optimization requires time and patience before seeing concrete evidence of it actually working. Many digital marketing companies state that it takes four to six months of SEO to start seeing progress in the ranking of a website. Another disadvantage is that digital marketing strategies are often subject to piracy. Many have copied content from other

marketers who worked very hard to create their content and used them as their own. Furthermore, some use photos and images that are misleading and do not represent their businesses for what they are, which is unfair towards their competitors (Vengadesh, 2019). While on the subject of competition, it is noteworthy to point out that since every company in the world has some sort of online presence, the competition in digital marketing is fierce. In order to stand out from the others, it is crucial to devote a good amount of time, money, and effort to digital marketing. Also, marketers have to keep up with Google's altering of the SEO rules. Google constantly adjusts their algorithms, which can be really frustrating for the business owners as they may be investing in marketing strategies today that could be less effective in the near future (Weber, 2018). Finally, there is a security issue. There are a lot of hackers on the internet who can hack social media accounts, breach through security and access valuable private data. Additional problem could be if the company does not present whole information about their goods or services online, customers may use this against that company and sue them.

2.2.2 Advantages and disadvantages of traditional marketing

While digital marketing can increase brand exposure, there are some advantages that traditional marketing has over digital marketing. To start with, traditional marketing is great for the local audiences. For example, radio ads, local newspapers and flyers are one of the most successful methods of traditional marketing when targeting the local audiences. Elderly are more inclined to methods of traditional marketing as they struggle to keep up with technological advancements that happen every day. This is another benefit of traditional marketing because in developed countries, the percentage of elderly people is around 15% (almost 20% in Europe), and those people would rather receive a flyer to read than an email that, in most cases, do not even have.

According to Todor (2016), if the ads are placed appropriately and if they are suitable for the company's targeted audience, traditional marketing methods deliver faster and more effective results than digital marketing channels that, in some cases, can take more than a year to accomplish their objectives (SEO). It can be observed that tangibility is an advantage that traditional marketing has in this digital age. In one study, it was proven that people are more likely to remember what they read in printed advertisement than digital advertisement (Widjaya, 2017). People sometimes save flyers and read them in their own leisure time e.g. if they received pizza flyers in their mailbox, rather than searching for the pizza place's offer online, they will read the flyer to see what the pizza place offers. Tangible marketing channels are useful because, instead of waiting for the potential customers to find you online (and possibly in the process, stumble upon company's competitors), companies are able to bring their brand to the customers. Traditional promotional strategies, such as sending Christmas cards with promotional offers through direct mail, enables companies to establish a personal connection that may attract target customers to buy their products and services. Finally, traditional marketing is a much more tested and reliable form of marketing, and even though it does not reach as many people as digital marketing, it has a higher success rate than digital marketing. With the rise of digital marketing, disadvantages of traditional marketing became more apparent. Many traditional marketing methods are expensive and cost prohibitive (Lilyquist, 2019). For example, buying television commercials may be too expensive for many small businesses that often resort to methods of digital marketing. Average time of a TV commercial is around 15 seconds which further proves that companies are trying hard to squeeze their messages to pay less for their commercials. Another issue is that, in traditional marketing, marketers have a lack of time to update their advertisements. They have to plan the content of the commercial days or weeks in advance, and

it is hard to adjust once the commercial is out. On the other hand, digital marketers can update their content quickly, whenever they wish to do so. In addition, according to Ashe-Edmunds (2017), traditional ads provide less information as the print and broadcast media do not offer enough space or time for a company to present and explain all of its different products and product information. On the other hand, customers can easily find all of the information they want on a company's website. While digital technologies use customers' personal information that is available on websites that allow marketers to target potential customers more accurately, traditional methods provide media kits with audience demographics. However, once the ad is delivered (print or broadcast), there are no means for determining if potential customers actually read or saw the ad. Lastly, it is important to note that we live in an era of digital revolution, where shift from traditional to digital is more than obvious. This means that some forms of traditional marketing are rapidly becoming obsolete, and that more and more businesses and customers prefer digital marketing channels to traditional marketing methods.

2.3 Defining and explaining crucial digital marketing channels

The internet opened a whole new area of opportunities for marketers. Digital marketing channels became much more common as they are affordable and easy to explore, especially for small businesses with less money and workforce. In this part of the thesis, the most important digital marketing channels will be defined, analyzed, and exemplified.

2.3.1 Email marketing

According to Stokes (2011), email marketing is one of the oldest and most influential forms of direct marketing, which uses electronic ways in order to deliver commercial and promotional

messages to potential and existing customers. Research shows that there are almost 4 billion email users in the world, and that in 3 years' time, there will be 500 million additional email users (Vujasin, 2020). Researches shows that every year the number of emails sent/received is increasing and projections show that in the period from 2017 to 2023 there will be 30% more emails sent/received. Therefore, email marketing is mostly valued by companies, as the fact that every other person in the world has an email address enables them to reach a wide target audience. There are two main types of commercial emails: promotional emails and retention-based emails. Promotional emails are more direct and aim to attract users to take immediate action. On the other hand, retention-based emails (also known as newsletters) are more focused on providing valuable information, with the goal of building long-term relationships with users. Aside from promotional and retention-based emails, there are also: transactional emails, catalogues, alerts, invitations, and communicational messages. There are many advantages to using email marketing as a part of a company's digital marketing strategies. First of all, companies can segment their customers into different groups and send personalized content and messages, based on customers' preferences. By adjusting content for different audiences, companies make certain that their emails appeal to every segmented customer group. One of the great advantages of email marketing is the possibility of completely automating it, by creating specific triggers. The company decides when to send personalized messages to potential customers. That trigger can be based on particular time of the day or particular action that potential customer had with previous content. For example, a customer is browsing through a company's ecommerce website, and decides to put an item in the cart. However, something happens, and they decide to abandon the cart in the middle of the purchasing process, which is a common issue in the e commerce business. Numerous companies send an email a day or two

later, to remind customers of the abandoned cart, and sometimes offer special discounted offers for that particular item to give the customers additional push to buy the product. Also, email marketing methods are easy to measure, and this is important for companies to understand if their email marketing strategy is working or if it needs improvements. Metrics and reports are available to show: click through rates (CTR), which reveal how many customers actually went through email content (the average click-through rate across all industries is around 7% (Bhujwala, 2019)), open rates, which show how many customers have opened the email, and finally conversion rates, which reveal how many customers followed through on the action that email asked them to. If there are relevant links to the company's website or blog included, email can be a good way to direct customers to other content that can be explored by customers. For example, language schools can send emails to customers to inform them about new language courses created, or that particular language courses are almost full or starting soon. By doing this, language school calls customers to action, and all of the seats will probably be filled. Finally, email marketing is extremely cost effective due to a low cost per contact, and has a high return on investment- in 2020, on average, for every dollar spent on email marketing, the company made 38\$ (Serrano, 2020).

2.3.2 Content marketing

According to Content Marketing Institute, 'Content marketing is a strategic marketing approach focused on creating and distributing valuable, relevant, and consistent content to attract and retain a clearly defined audience — and, ultimately, to drive profitable customer action.' In other words, content marketing is a type of digital marketing channel that companies use with the aim to build strong relationships with their target customers by providing high quality and relevant

content. Statistics retrieved from neilpatel.com reveals that 60% of marketers create at least one piece of content on a daily basis, 57% marketers report custom content as their top priority in 2014, content marketing cost 62% less than traditional marketing and generates 3 times as many leads. Great example of content marketing done right is hubspot.com. They write in-depth blog posts about particular problems that users are looking to solve, add eBooks to their blog posts and create Facebook videos and use LinkedIn to send traffic to those videos. Regardless of what type of digital marketing strategy company employs, content is the key ingredient for that strategy to be successful. For example, because Google strives to provide their users with great experience, in a sense that they want to deliver the most accurate information users are looking for, Google's algorithms are written in a way that rewards websites that create great content. Without great content, SEO, social media PPC campaigns will come to nothing. Also, good content marketing strategy leads to increase in sales. Most of the company's first-time customers go through the decision buying process before actually purchasing a product or a service. This especially applies to more expensive purchases such as smartphones, computers, cars etc. Before making a purchase, many customers do extensive research by browsing through the company's website. If content is well written, transparent, and engaging, customers are more likely to make a purchase, as they feel reassured by that content. This way, content marketing helps companies in bringing potential customers one step closer to making a purchase, and it helps building a relationship with customers. Sometimes customers are not able to find desired information online, which can lead to repetitive questions that customer service teams have to deal with. If that is the case, content marketing can be used to relieve the workload of the customer service team. If customer service answers the same question every day, marketers can solve this problem by writing a blog to answer all questions and inquiries in demand. By investing in content

marketing, companies are able to amplify their brand awareness and credibility (Ahern, 2020) For example, if an accounting company writes an useful and informative article about how to apply for and get money from EU funds and article ranks in top 3 results of google search, thousands of people search for that information on a daily basis, which exhibits the company's name and services to hundreds and thousands of people per year. If the article was really helpful, people will start to perceive that company as a credible source and many of them will become company's customers.

2.3.3 Social media marketing

In today's modern world, social media is highly interactive and allows everyone to share their thoughts, ideas, and beliefs, which consequently influenced the way that companies started interacting with their customers and market their products and services. Neil Patel defined social media marketing as a process of creating tailored content for each individual social media platform in order to increase user engagement and sharing. In the last decade, social media experienced explosive growth as is evident in the increase of the number of social network users in the last ten years. It is observed that the number of social network users almost tripled in the period 2010-2020. Yet another indicator of this boom is that 97% of marketers are using social media marketing. Social media marketing enables companies to directly connect with their customers which increases customer loyalty, improves sales, helps in building brand equity and brand awareness. Well thought social media strategy involves developing content that individuals will share with their friends, family, and colleagues, and relying on word of mouth strategy. By doing this companies increase the reach of their messages, and their messages carry implicit endorsement when shared by people close to the recipient (Kenton, 2018). Social media

marketing increases exposure which leads to the increase in traffic and more revenue. Also, because most small businesses have a limited marketing budget and they are cautious when investing in marketing strategies, the majority of them use social marketing media to increase sales and reach target customers, as social media marketing is one of the most flexible and cost effective marketing channels. The most important social media platforms that impact digital marketing the most are: Facebook, YouTube, Twitter, WhatsApp, WeChat, Instagram and most recently TikTok. Facebook is the most used social media platform in the world, and because of this, Facebook is used by 94% of the social media marketers to promote their businesses (Guttman, 2018). Even though there are a lot of advantages of social media marketing, there are also some problems that may arise. For example, if a customer is disappointed in a company's product or a service, they are able to voice their opinion on any social media platform, and by doing that, harm brand image and affect purchasing decisions of other potential or even existing customers, especially the ones that are close to that unhappy customer.

2.3.4 Search engine optimization

Search engine optimization, better known as SEO, refers to all the techniques applied to search engines that improve website's visibility by making it rank higher in search engine results such as Google, Yahoo and Bing. It is one of the most powerful forms of digital marketing. Organic search is the dominant source of trackable web traffic with 53% of all trackable searches being sourced from organic search. BrightEdge (2019) Alongside PPC advertising, SEO is a part of social engine marketing, but unlike PPC, SEO improves website's ranking in the non-paid (organic) section of the search results. SEO's objective is to optimize website pages, conduct keyword research and get backlinks. As mentioned before, Google (and other search engines) is

focused on providing quality content to their users. They are able to do that by writing real time algorithms to bring, what they consider to be, the best results. Search engines have crawlers that go from page to page to gather information about all the content that can be found on the internet. After all the data is gathered, search engines build an index (library of internet pages), which is fed through an algorithm that attempts to match all the data with the requested query. In order to show best results, search engines based their ranking on various factors. First and most important factor is relevancy, which means that it is crucial that Search engines look primarily for closely related pages to search keywords, which means that it is crucial for a website to offer the information that user is looking for (Google considers over 200 factors when determining the relevance of the content). However, due to the fact that there are thousands of relevant pages for every search term, search engines do not simply rank the most relevant pages at the top. It is important to rank as high as possible because top five search engine organic results almost 70% of all the clicks. In order to put the best content on top of the search results they rely on other elements of the algorithm. For instance, authority. This means that search engines look for content that is accurate and trustworthy. The best way to influence a page's authority is to increase the number of links that link to that webpage, especially by getting external links from existing high authority pages. Another important element is usefulness. Even though a website is authoritative and relevant, if it is not useful, search engines will not position that site at the top of the search results. According to Backlinko (2020), this means that when a user clicks on a website, the information they are looking for has to be easily found. If that is not the case, users will click back and look for an answer on a different website. Other factors that search engine algorithms take into consideration when determining the rank of the website are geographical location of the user, clicks, bounce rates, keywords, meta tags, pictures, HTML of webpage and

link types. There are two SEO practices: on-page SEO and off-page SEO. On-page SEO refers to all the elements that can be optimized directly within the website with the goal of positioning higher in the search engine rankings. It includes content optimization (text, structural text elements, image, and video optimization), meta description and title tag refinement, internal linking, use of search engine friendly URL structure and mobile optimization. Apart from the fact that on-page SEO helps in achieving higher SERP (search engine result page) rank and in earning more relevant traffic, it also helps searchers in a way that allows them to quickly and clearly understand page content and if it answers their problems. Off-page SEO refers to all the activities that are done away from the website in order to increase the webpage rank in search engines. The main off-page SEO activity is link building. Links are extremely important for search engines and they are not able to determine the value of the webpage if there are no links directed at it. There are two main types of SEO which are determined by how close SEO tactics follow Google guidelines. White hat SEO are all the tactics in line with terms and conditions of search engines. On the other hand, black hat SEO opposes search engine guidelines and manipulates them in order to get a higher SERP rank. This type of SEO is generally unethical, and it is risky as it may lead to the webpage being completely removed from search results. Some of numerous techniques involved in black hat SEO involve: keyword stuffing (filling content with irrelevant keywords to rank higher), cloaking (present different content presented to users is different to the content shown to search engines), sneaky redirects (using them for different purposes than intended), poor quality content (copied content), paid links. To sum up, SEO is the main source of leads, brings higher close rates and conversion rates, lowers advertising cost (as it is organic), and builds brand awareness and credibility.

2.3.5 Online advertising/Pay-per-click marketing

As opposed to organic search methods, PPC marketing is a method of using search engine advertising to generate clicks on the website. According to Sentance (2018), PPC marketing allows businesses advertising opportunities in the sponsored listing section of a SERP, by paying a fee every time the ad is clicked on. Although organic search is more cost effective than PPC, there are certain circumstances when it is more useful to choose PPC over SEO. For example, if a company is in need of immediate results, they will choose PPC as their ads will be displayed instantaneously for thousands of people to see (e.g. launching a new product or a service, or if SEO campaign fails and the offer expires soon) (Kim, 2020). Additionally, PPC ads are customizable which allows for many small adjustments to improve their performance and they are easy to measure and track return on investment. Also, PPC allows companies to focus on candidates based on their demographic characteristics. They can show their ads and target customers based on their age, gender, education, relationship status or even hobbies, which is a convenient way to lead the right people to a company's business to their website. Another advantage that PPC has over SEO is the position on the SERP. PPC results are positioned above the organic search results, and many people will click on the first thing they see in SERP. Google Ads is the most popular PPC advertising system in the world. Users create Google campaigns; each campaign has a group of ads that contain different keywords that users are trying to rank. Each of those keywords has its own price depending on the frequency that that keyword is being searched for. The cost of keywords may vary from 50 cents to 50 dollars. Cost is determined by the competition level and the industry that the company is in. keyword “agent marketing” is labeled as having low competition and cost less, while keyword “website marketing company” is labeled as having high competition and cost much more. According to Revenue River (2019),

technology industries and legal, financial and insurance industries have the highest keyword cost on the search network. Finally, it is important to mention that traffic generated from PPC ads 50% more conversion than organic search, and paid advertising, on average, has a 200% ROI rate (Milenkovic, 2019)

2.4 Empirical Review

Recent studies have found positive relationships between digital marketing and brand loyalty across industries, including banking. For example, Merisavo et al. (2007) found that email and SMS marketing increased brand loyalty in telecommunications, mediated by satisfaction and trust. Anber et al. (2022) showed that social media marketing boosted loyalty, especially for younger customers, in the hotel industry.

In banking, digital marketing is also linked to loyalty. Negi and Ketema (2013) found that electronic word-of-mouth and social media engagement positively influenced brand advocacy and loyalty for bank customers. They recommended that banks encourage online customer reviews and increase social media sharing and participation.

With the rise of mobile banking, studies have also explored the impact of bank-customer communication via mobile apps on loyalty. Shaari et al. (2020) found that SMS alerts and push notifications in banking apps significantly increased customer loyalty by fostering perceived value and trust in the bank. They suggested banks utilize mobile messaging to provide personalized services and offers to customers.

While research has established relationships between digital marketing strategies and bank loyalty, the specific effects depend on factors like customer demographics. For example, Negi and Ketema (2013) found the strongest link between social media marketing and loyalty for

millennial customers. Shaari et al. (2020) also suggested that mobile messaging may be more effective for younger, tech-savvy customers.

To build on this research, future studies could explore the differential impacts of digital marketing on loyalty across diverse bank customer segments. Research could also examine how emerging strategies like personalized video marketing, chatbots or robo-advisors in banking apps influence loyalty, especially for younger target groups.

Additionally, little research has explored how loyalty programs integrate with digital marketing in banking. Studies could analyze how loyalty programs interact with social media, mobile messaging or other digital strategies to foster long-term customer loyalty and advocacy.

Overall, existing research provides good evidence that digital marketing activities like social media marketing, email marketing and electronic word-of-mouth can have a positive influence on brand loyalty, especially when they increase customer satisfaction, trust and engagement. However, more work is still needed to develop a comprehensive understanding of how the digital marketing landscape shapes customer loyalty.

2.5 conceptual frameworks

The benefits of loyal customers are well documented in the marketing literature. Loyal customers tend to make a greater volume of purchases on a more frequent basis, are less prone to defecting to a competitor, and through word-of-mouth communication will recruit more customers for the organization (Yoo and Bai 2013). While no formal definition for customer loyalty has been established, it appears that most scholars agree that the construct of customer loyalty includes both a behavioral and an attitude dimension. Behavioral loyalty relates to consumers' repurchasing behavior or intent regarding a specific brand, while attitudinal loyalty relates

consumers' perception of specific products or services.

Focusing on these two perspectives, brand loyalty is defined in this study as the deeply held commitment toward rebuying the brand in the future, regardless of situational factors (Chaudhuri and Holbrook 2001). Based upon this definition, behavioral loyalty tends to lead to a high market share, while attitudinal loyalty leads to higher relative brand value (Taylor et al. 2004). In online research, several antecedents of customer loyalty have already been identified (Ariffin et al. 2021; Nguyen and Khoa 2019; Yee and Faziharudean 2010).

Due to the characteristics of the online environment, companies need to focus on factors allied with the online setting, such as interactivity, convenience, relevance, perceived value and customization (Zhu and Chang 2016; Jahn and Kunz 2012). Previous studies have confirmed the relationship between the positive influence of social media marketing activities and brand loyalty (Ibrahim 2021; Ebrahim 2019). Such online activities are brand stimuli which affect the experiences of consumers and strengthen their relationship with the service providers, which as a result improve their behavioral responses, which can be represented by loyalty and satisfaction (Laroche et al. 2012). This pertains to the swiftness of communication and information that is exchanged via social media. Social networks are an attractive marketing tool for companies to provide a new landscape for increasing relationships with customers (Ebrahim 2019).

Here there are major elements that are used in the literature to explain the detail of digital marketing and its impact on brand loyalty. Therefore the conceptual frame work for this study includes digital marketing elements. Thus this study tries to assess these digital marketing elements and directly or indirectly focuses on related aspects. Our Dependent variable is Brand Loyalty while the independent is Digital marketing (see fig.1 below).

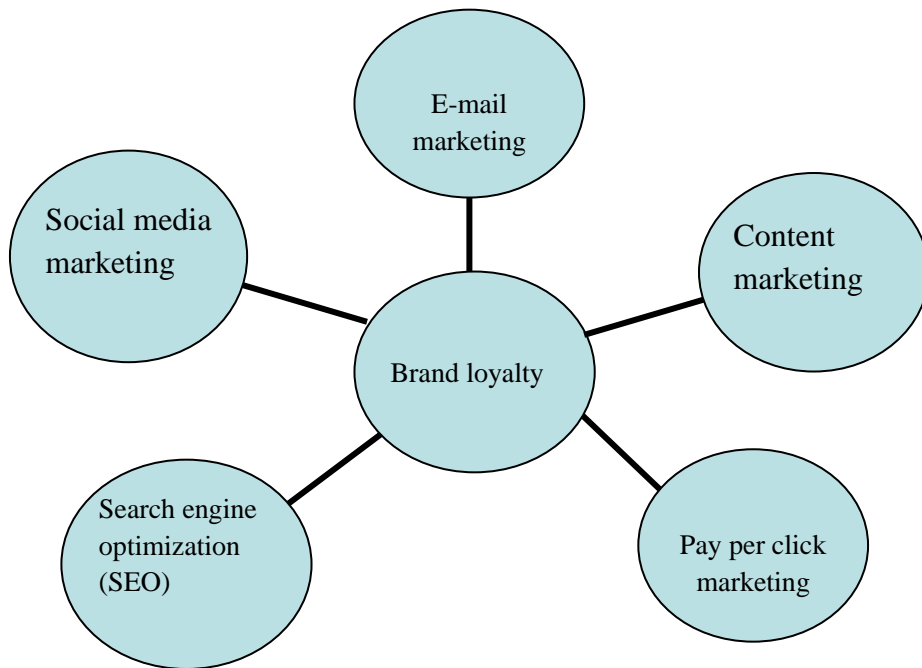


Figure 2-1: Conceptual framework (Source: Aydin and Ozer (2005))

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Background of the study area

The Ethiopian banking sector was comprised of a central bank (the national bank of Ethiopia or NBE), one state owned development bank, and a government owned commercial bank and more than 25 private banks until 2020. The government of Ethiopia allowed the establishment of private banks and insurance companies in 1994.

For decades, Ethiopia's banking and finance sector has been almost entirely closed to foreigners. But that is soon expected to change as the Government of Ethiopia is aiming to introduce a suite of reforms that will open the sector to international competition with the goal of attracting foreign capital to improve the country's competitiveness and contribute to its economic growth. Opportunities will be significant. Currently, there are thirty banks operating in the country consisting of 8,250 branches, serving the country's population of nearly 115 million. The National Bank of Ethiopia's (NBE) quarterly bulletin published in October 2022 reports deposits equivalent to over \$30 billion, and loans equivalent to over \$25 billion. The total capital of the banking system is estimated to stand at \$3.2 billion.

Digital marketing for banks is about more than advertising. It's about customer service through chat and social media, offering personalization, ease of use, and online application or account management. A good user experience will market itself.

The study will be conducted on customers of bank of Abyssinia S.C to explore whether Digital marketing tools affects the Brand loyalty

3.2 Research Approach

The study utilizes quantitative research method. Quantitative research method places greater emphasis on the numerical data and statistical test to achieve conclusion that can be generalized (Saunders, 2012). Therefore, quantitative research method used because the questionnaire contains structured and closed ended items using Likert scale that can be analyzed based on quantitative research.

3.3 Research Design

Research design is a logical and systematic plan prepared for directing research study. It deals with issues as techniques for data collocation, sampling technique as well as time and cost constrain (Kothari, 2001).

In this study explanatory research design was used and it finally explained the relationship between variables that there was positive and significant relationship between them. The effect of digital marketing practices on the BOA customers brand loyalty to the brand. Consequently, relevant data were collected through questionnaires. Besides, significant number of literatures works was reviewed and used for the study.

3.4. Population and Sampling

3.4.1 Target population of the study

The population in the case of this research is defined as customers of Bank of Abyssinia in Addis Ababa specifically east district. According to the bank's annual report for the year ended June 30, 2022; Bank of Abyssinia has a total of 615,396 customers in east Addis Ababa district

branches. The monthly report for the month ended January 31, 2014 revealed that the bank has a total of 122 branches throughout east district of which 73 branches are found in Addis Ababa.

3.4.2 Sample Size and Sampling Procedure

Given a population of 615,396 customers of east Addis Ababa district branches, a sample of 384 customers was chosen for the study. The researcher followed the strategies of using published tables. Using published tables save time for the researcher because calculating a number of sample sizes for different given set of criteria was made available. According to sample size table taken from the website, <http://research-advisors.com> , at 95% confidence interval with 5% error margin, the sample size for the total population of between 100,001 and 300,000,000 is 384. The sampled respondents selected using non-probability technique called convenience sampling method. The method involves selection of sample members who can provide required information and are more available to participate in the study. Nonetheless, because of the Bank's policy on confidentiality of customers' information and the presumed challenges associated with executing the data collection using probability approaches, convenience sampling was chosen on the ground of practicability. The survey was administered at four branches of Bank of Abyssinia in the selected district (east Addis) selected randomly using lottery method. The data collection instrument was administered to individual customers of each four branches (Bole corporate, Yeka, Megenagna, and Balderas) of BOA considered for the survey, giving a total sample size of 384 customers. Among the distributed questionnaire 348 accurate questionnaires were collected and employed for the analysis purpose.

3.5 Data type and Source

Throughout the study, the researcher used both primary and secondary data sources. Primary data, directly related to the purpose, collected through an empirical study. The empirical study made through conducting a questionnaire regarding digital marketing. Secondary data, indirectly relating to the purpose, collected through a theoretical study comprised of books, research thesis, articles, internet, manuals and annual reports.

3.6 Data Collection Procedure

The data in this report was collected from both primary and secondary data collection procedure to be able to compare empirical findings of primary research with existing knowledge in the form of a theoretical framework built on secondary research. Questionnaire, a structured form, consists of a formalized set of questions designed to collect information on some subject or subjects from one or more respondents. In other words, a data collection technique was asked to give answers to the series of questions about a pertinent topic. Secondary data was collected from relevant books, articles, journals, and other relevant materials which was help to assist the research.

3.7 Ethical Consideration

This section considers ethical issued that needs Special attention while conducting the research.

- Voluntary participation of respondents in the research was guaranteed.
- Respondents participate based on informed consent.

- The use of offensive, discriminatory, or other unacceptable language were avoided in the formulation of Questionnaire.
- Privacy and anonymity of respondents were a paramount importance.
- Adequate level of confidentiality of the research data ensured.
- The research was independent and impartial.

3.8 Methods of data processing and Analysis

The data collected from the respondent will be analyzed using quantitative data analysis techniques. Quantitative analysis is used for the data which collected from the bank customers through structured questionnaire. In line with this, data collected from respondents will fill to computer software called statistical package for social science (SPSS) version 20 for analysis. After insertion of data, data that should be described were explained in descriptive form. Besides as the main objective of the research was to examine the nature and relationship between the dimensions of digital marketing and customer brand loyalty in the Bank of Abyssinia., Pierson Correlation and Regression analysis were done. Then the intended relation was drawn following rules of statistical analysis.

3.9 Validity and Reliability

3.9.1 Validity

The validity of an instrument refers to its accuracy in collecting the intended data and measuring what it is supposed to measure (Mugenda, 2003). Researchers strive to maintain validity by avoiding double negative questions, ensuring clarity about causal direction, and informing

respondents about the study's purpose (Cresswell, 2009). Internal validity assesses whether the findings are genuine and not due to chance, with this study's results being strongly supported by the context and general theory in the field. External validity examines whether the observed association can be generalized from the sample to the population. This study addresses external validity by using a representative sample that can be generalized to all respondents.

Before the full study, a pilot study was conducted to gather feedback and make improvements to the instrument. The responses indicated that the questionnaire was generally easy to complete. Additionally, to ensure precision, relevance, and content validity, the questionnaires underwent critical evaluation by the supervisor.

3.9.2 Reliability

According to Polit and Hungler (1993) reliability is the degree of consistency with which an instrument measures the attribute it is designed to measure. To assess the internal consistency of the instrument, a pilot study was conducted on respondents; the factors were subjected to a reliability test. Thus, the Cronbach's alpha was used to measure internal reliability by unit weighting items with salient loadings in a factor where a value of 0.7 or higher was considered acceptable according to Moss et. al 1998

CHAPTER FOUR

RESULTS AND DISCUSSION

In this chapter, analysis and interpretation of quantitative data collected from respondents is summarized and presented. It includes demographic information of respondents, the descriptive and inferential statistics used to test the hypotheses, and to investigate the influence of independent variables on dependent variable. 384 questionnaires as per the determined sample size were prepared and distributed to customers of BOA in the selected four branches. However, just 348 of them were found to be valid which gives us a response rate of 90.6 percent.

4.1. Demography of respondents

Gender of respondents

Out of the total 348 respondents, 160 (46%) were male and 188 (54%) were female. Hence, dominance of female customer over male customer of BOA was observed. Beyond this, based on the data provided, it appears that Bank of Abyssinia has been more successful in maintaining the loyalty of male customers, as they have a higher mean score compared to female customers. this is illustrated in table 1 below.

Table 1: Gender of respondents

Gender					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	160	46.0	46.0	46.0

	Female	188	54.0	54.0	100.0
	Total	348	100.0	100.0	

Source: survey data (2023)

Age of respondents

Concerning the age of respondents, 115 (33%) were in the age group of 18-24, 117 (33.6%) were in the age group of 25-34, 80 (23%) were in the age group of 35-44, 24 (6.9%) were in the age group of 45-54, and 12 (3.4%) were 54 & above. In addition to the frequency based on the data provided, it appears that Bank of Abyssinia has been more successful in maintaining the loyalty of younger customers, particularly those in the 18-24 age range, as they have a higher mean score compared to other age groups. However, it is important to note that the overall mean score for all respondents is 3.25, which suggests that there is room for improvement in maintaining customer loyalty through digital marketing efforts. This is illustrated in table 2 below.

Table 2: Age of respondents

Age Range					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18-24	115	33.0	33.0	33.0
	25-34	117	33.6	33.6	66.7
	35-44	80	23.0	23.0	89.7
	45-54	24	6.9	6.9	96.6
	>54	12	3.4	3.4	100.0

	Total	348	100.0	100.0	
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Source: survey data (2023)

Education level of respondents

Concerning the education level of respondents, 84 (24.1%) were in high school or below, 196 (56.3%) were in college/university level, 68 (19.5) were in postgraduate education level. This implies that all the respondents can understand interpret and conceptualize the different digital marketing activities BOA that releases via different medium. In addition, based on the data provided, it appears that Bank of Abyssinia has been more successful in maintaining the loyalty of customers with higher levels of education, particularly those with a college/university degree, as they have a higher mean score compared to those with a high school education or below. This is illustrated in table 3 below.

Table 3: Education level of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	High school or below	84	24.1	24.1	24.1
	College/University	196	56.3	56.3	80.5
	Postgraduate	68	19.5	19.5	100.0
	Total	348	100.0	100.0	

Source: survey data (2023)

Occupation of respondents

Concerning the occupation of respondents, 28 (8%) were students, 173 (49.7%) were employed, 98 (28.2%) were self-employed and 49 (14.1) were unemployed. Based on the data provided, it appears that Bank of Abyssinia has been more successful in maintaining the loyalty of students and self-employed individuals through their digital marketing efforts, as they have higher mean scores compared to employed and unemployed individuals. However, it is important to note that the overall mean score for all respondents is 3.25, which suggests that there is room for improvement in maintaining customer loyalty through digital marketing efforts. This is illustrated in table 4 below.

Table 4: Occupation of respondents

Occupation		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Student	28	8.0	8.0	8.0
	Employed	173	49.7	49.7	57.8
	Self-employed	98	28.2	28.2	85.9
	Unemployed	49	14.1	14.1	100.0
	Total	348	100.0	100.0	

Source: survey data (2023)

4.2. Descriptive statistics

To present quantitative descriptions in a manageable form data was analyzed using descriptive statistics that shows mean and standard deviation. The mean value shows the average of all customers' response on a certain dimension. While, standard deviation shows that how diverse are the responses of customers for a given construct. For instance, high Standard Deviation means that the data are wide spread, which means that customers give variety of opinion and the low standard deviation means that customers express close opinion. Table 10 below illustrates the mean and standard deviation of each dimension.

Table 5: Descriptive statistics

Descriptive Statistics			
	Mean	Std. Deviation	N
SEO	3.0690	1.20320	348
social media marketing	3.1523	.94049	348
email marketing	3.0144	1.24160	348
content marketing	2.9684	1.31786	348
online advertising	2.9167	1.27556	348

Source: survey result (2023)

Social media marketing scored the highest with mean value of 3.15 meaning customers of BOA are highly influenced by social media marketing for being loyal to the bank. SEO also scored well with mean values of 3.07. Email marketing scored mean value of 3.01 as perceived by the

respondents. Content marketing follows with a mean value of 2.97 and finally Online advertising by a mean value of 2.91.

4.3. Inferential statistics

4.3.1. Correlation analysis

The Pearson correlation coefficient (r) is used to test if a linear relationship exists between two variables. The correlation coefficient is a statistical measure of the association between two numerical variables (Zikmund, 2003). General rules are correlation of .10 to .30 are viewed as little or low relationship, correlation of .30 to .70 are considered strong relationships, correlation of .70 to .90 are viewed as very strong relationship, and correlation of .90 to 1.00 are viewed as exceptionally huge relationship. Based on the questionnaire the following correlation analysis was done using SPSS version 20.

Table 6: Correlation analysis

Correlations							
Customers brand loyalty	Pearson Correlation	1.000	.775	.363	.098	.368	.301
	Sig.(1-tailed)	.	.000	.000	.034	.000	.000
	N	348	348	348	348	348	348
SEO	Pearson Correlation	.775	1.000	.044	.200	.349	.295
	Sig.(1-tailed)	.000	.	.206	.000	.000	.000
	N	348	348	348	348	348	348
Social media marketing	Pearson Correlation	.363	.044	1.000	.114	.176	.145
	Sig.(1-tailed)	.000	.206	.	.017	.000	.003
	N	348	348	348	348	348	348
Email marketing	Pearson Correlation	.098	.200	.114	1.000	.111	.046
	Sig.(1-tailed)	.034	.000	.017	.	.019	.195
	N	348	348	348	348	348	348
Content marketing	Pearson Correlation	.368	.349	.176	.111	1.000	.861
	Sig.(1-tailed)	.000	.000	.000	.019	.	.000
	N	348	348	348	348	348	348
Online advertising	Pearson Correlation	.301	.295	.145	.046	.861	1.000
	Sig.(1-tailed)	.000	.000	.003	.195	.000	.
	N	348	348	348	348	348	348

Source: survey data (2023)

Correlation between SEO and customer brand loyalty

The result of the Pearson correlation test conducted between the independent variable SEO and the dependent variable customer brand loyalty as indicated in the table 11 shows there is a strong

relationship between the variables ($r=0.775$). This is to mean if the bank have a good SEO activities, customers are likely to be loyal.

Correlation between social media marketing and customer loyalty

The result of the Pearson correlation test conducted between the independent variable social media and the dependent variable customer loyalty as indicated in table 11 shows there is a favorable relationship between the variables ($r=0.363$). This is to mean if the bank has better social media marketing activities, they are more likely to be loyal.

Correlation between email marketing and customer brand loyalty

The result of the Pearson correlation test conducted between the independent variable email marketing and the dependent variable customer brand loyalty as indicated in table 11 shows there is a little or low relationship between the variables ($r=0.098$). This is to mean even if the bank has better email marketing activities, customers are not likely to be loyal.

Correlation between content marketing and customer brand loyalty

The result of the Pearson correlation test conducted between the independent variable content marketing and the dependent variable customer brand loyalty as indicated in table 11 shows there is a strong relationship between the variables ($r=0.368$). This is to mean if bank has better content marketing activities, they are more likely to be loyal.

Correlation between online advertising and customer brand loyalty

The result of the Pearson correlation test conducted between the independent variable online advertising and the dependent variable customer brand loyalty as indicated in table 11 shows

there is a strong relationship between the variables ($r=0.301$). This is to mean if the bank has better online advertising activities, then customers are more likely to be loyal.

As indicated in the above regression analysis, standardized coefficient entails how intensely the independent variables impact the dependent variable. It shows the degree of change in the dependent variable for every unit of change in the independent variable. The regression standardized coefficient (β) for the five independent variables; SEO, social media marketing, email marketing, content marketing, and online advertising are 0.757, 0.226, -0.090, 0.123, and -0.057 respectively while their significance level (p) are less than or equal to 0.05 (except online advertising), which indicates that there is a significant relationship with the dependent variable. The hypothesis test is summarized in the table below

4.3.2. Testing for assumptions of regression analysis

4.3.2.1 Linearity Relationship Test

Linearity assumes whether correlation between variable is linear to determine, the structure or form of the relationship. Normal P-P plot shows that data were linear. Linear relationship of each independent variable (SEO, social media marketing, email marketing, content marketing, and pay per click/online advertising. with the dependent assumed to be influenced with changes in independent variables.

4.3.2.2. Test of normality

The normality of the population distribution is the basis for making statistical inferences about the sample drawn from the population (Kothari, 2004). Most studies, which involve statistical procedure, work under the assumption that observations have normal distribution. Normality test

is used to determine whether sample data has been drawn from a normally distributed population or the population from which the data came is normally distributed. Normality was checked by two terms i.e., kurtosis and skewness using SPSS so there exist normal values for kurtosis as well as skewness. For kurtosis the normal value is less than 3 whereas for skewness the normal value is supposed to be less than 6 (Asghar and Saleh 2012).

Table 7: Test of normality

	SEO	Social media marketing	email marketing	content marketing	online advertising
N	348	348	348	348	348
Skewness	.076	-.350	-.036	.066	.090
Std. Error of Skewness	.131	.131	.131	.131	.131
Kurtosis	-.764	.202	-1.018	-1.049	-.992
Std. Error of Kurtosis	.261	.261	.261	.261	.261

Source: survey data (2023)

4.3.2.3. Multicollinearity test

Collinearity diagnostics was performed on the variables as part of the multiple regression procedure. This can pick up on problems with multicollinearity that may not be evident in the correlation matrix. The results are presented in the above table of Collinearity Statistics. Two

values are given: Tolerance and VIF. Tolerance is an indicator of how much of the variability of the specified independent variable is not explained by the other independent variables in the model and is calculated using the formula $1-R^2$ for each variable. If this value is very small (less than 0.10), it indicates that the multiple correlation with other variables is high, suggesting the possibility of multicollinearity. The other value given is the VIF (Variance inflation factor), which is just the inverse of the Tolerance value (1 divided by Tolerance). VIF values above 10 would be a concern here, indicating multicollinearity (Julie Pallant, 2005). As it was quoted above, the commonly used cut-off points for determining the presence of multicollinearity is tolerance value of less than 0.10, or a VIF value of above 10. In this model the tolerance value for all of the independent variables are greater than 0.10; therefore, multicollinearity assumption have not violated. This is also supported by the VIF values which are well below the cut-off point of 10.

Table 8: Multicollinearity test

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	SEO	.851	1.175
	social media	.959	1.043
	email marketing	.939	1.065
	content marketing	.244	4.093

	online	.257	3.897
	advertising		

Source: survey data (2023)

4.3.2.4 Homoscedasticity

scores must have approximately equal variability. The residuals can be plotted against the anticipated values and the independent variables. When standardized anticipated values are plotted against observed values, the data will form a straight line from the lower-left corner to the upper-right corner, if the model fits the data strictly George and Mallery (2010); as showed up in figure 3 underneath, P-P plot used to test the homoscedasticity suspicion for the model, For this situation, P-P plot the specks are moved nearer to the slanting line, demonstrating that presumption of homoscedasticity is met.

Normal P-P Plot of Regression Standardized Residual

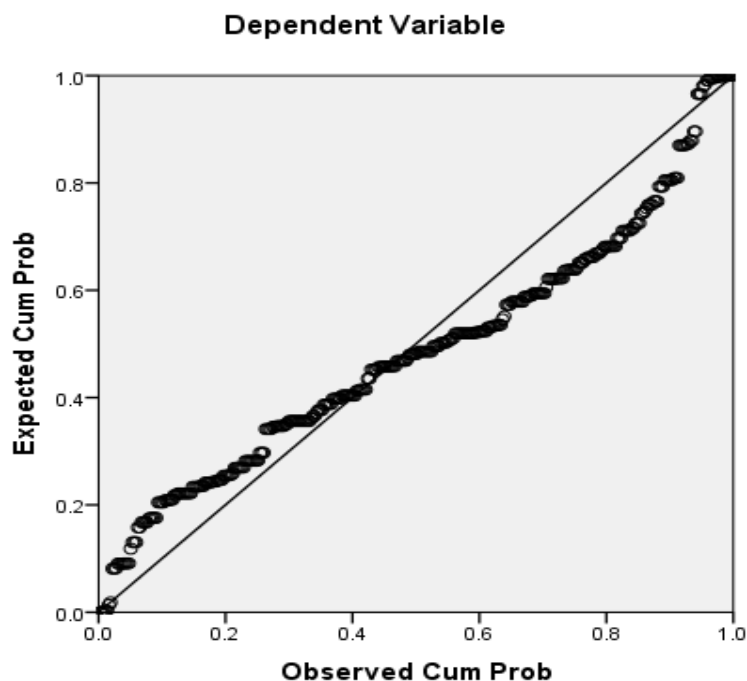


Figure 2 Normal P-P plot

Source: Survey Result, (2023)

4.3.2.5. Autocorrelation

Regarding the calculation of autocorrelation, the analysis has coordinated the Durbin-Watson test. The Durbin-Watson measurement amplifies between the values of 0 to 4. A value near 2 denotes no autocorrelation; a value near 0 denotes positive autocorrelation; and a value near 4 denotes negative autocorrelation (Field, 2005). The number 1.5d >2.5 shows that there is no automatic connection in multiple linear regression data, according to the rule of thumb. Likewise, the assessment tracked down that the Durbin-Watson test result is 1.641. In the event that the test measurement esteem (d) is close 2 the test is indisputable and we don't dismiss the invalid speculation that expresses no autocorrelation, positive or negative Subsequently, the result for Durbin-Watson satisfies this condition and it is reasoned that there is no adequate condition that states there is an issue of autocorrelation.

Table 9: Multicollinearity test

Model Summary					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.816 ^a	.666	.661	.65663	1.641

a. Predictors: (Constant), SEO, email marketing, social media, Pay per click/online ads, content marketing

b. Dependent Variable: customer brand loyalty

Source: survey data (2023)

4.3.3 Multiple regression analysis

Regression analysis is conducted to be acquainted with how much the independent variable explains the dependent variable. Multiple linear regressions were conducted to know how

independent variables influence the dependent variable as correlation alone does not imply that one variable causes the other. SEO, social media, email marketing, content marketing, and online ads were used as the independent variables while customers brand loyalty was used as the dependent variable. An independent variable is an input or assumption that is changed to assess the impact on a dependent variable.

Table 10: Model summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.816 ^a	.666	.661	.65663

a. Predictors: (Constant), SEO, social media, Email marketing, Content marketing, Online ads:

Source: survey data (2023)

As indicated by the model summary, the predictors namely SEO, social media, Email marketing, Content marketing and Online ads account for 66.6% with estimated standard error of 0.65663 as R square shows the proportion of variance in the dependent variable which can be predicted from the independent variables.

Table 11: ANOVA

ANOVA ^a						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	293.792	5	58.758	136.279	.000 ^b
	Residual	147.458	342	.431		
	Total	441.250	347			

a. Dependent Variable: customer brand loyalty

b. Predictors: (Constant), SEO, social media, Email marketing, Content marketing, Online ads:

Source: survey data (2023)

The above ANOVA tests table shows the acceptability of the model from statistical perspective. The regression row indicates information about the variation accounted by the model. While, the residual row indicates information about the variation that is not accounted for the model or show the variation as a result of extraneous variables. According to the above ANOVA table, the significance value of F statistics shows a value of 136.279 and p- value (.000), which is less than 0.05, implies the model is significant. This indicates that the variation explained by the model is not owing to chance.

Table 12: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.297	.166		1.790	.074		
	SEO	.710	.032	.757	22.343	.000	.851	1.175
	social media marketing	.271	.038	.226	7.088	.000	.959	1.043
	email marketing	-.082	.029	-.090	-2.791	.006	.939	1.065
	content marketing	.106	.054	.123	1.953	.050	.244	4.093
	online advertising	-.051	.055	-.057	-.926	.355	.257	3.897

a. Dependent Variable: customer brand loyalty

Source: survey data (2023)

Looking into Standardized Coefficients (β) of table 9 which measures average level of change in the dependent variable from a unit change in the predictor/explanatory variables and which also supports ranking of the effect of explanatory variables are significant at p values less than 0.05. The coefficients β_1 , β_2 , β_3 and β_4 as can be seen from the above table are 0.757, 0.226, -0.090, 0.123 and -0.057 at significance level (P values) 0.000, 0.000, 0.006, 0.050, 0.355 for each independent variable (SEO, social media, Email marketing, Content marketing and Online ads) respectively. This implies that the dependent variable customers brand loyalty of BOA has positive significant relation with digital marketing practices of the bank except the variables of email marketing and online ads. and the study further infers the social media marketing domain which has coefficient score (β_4) of 0.226 had stronger influence on the brand loyalty customers.

It is recalled that this study formulated five hypotheses that were proposed to be tested against these statistical results. Hence, the statistical test was conducted and the finding was except online ads (last hypothesis) all hypotheses were supported as the statistical coefficients are significant at P value less than 0.05 as presented in the table above. The first hypothesis of the study was 'H1: There is significant impact of social media marketing activities on customers brand Loyalty. Seeing in to the above table, social media marketing has positive significant value ($\beta_1 = 0.226$ at $P = 0.00$) which leads the first hypothesis of study can't be rejected (fail to reject it). Similarly, for the second hypothesis statement of 'H2: There is positive effect of e-mail marketing on customers brand loyalty' revealed standard coefficient (β_2) which is -0.090 at $P = 0.006$. Since P value here is below 0.05, e-mail marketing domain is positively and significantly affecting the marketing performance of the bank and hence failed to reject the postulated hypothesis. The third hypothesis was constructed to investigate the relationship of customers brand loyalty with SEO marketing activities. The standardized beta coefficient for this

hypothesis (β_3) is 0.757 at $P=0.00$. This hypothesis cannot be rejected as P value of the coefficient is less than significance level of $P=0.05$. The other hypothesis was constructed to investigate the relationship of customers brand loyalty with content marketing activities. The standardized beta coefficient for this hypothesis (β_3) is 0.123 at $P=0.50$. This hypothesis cannot be rejected as P value of the coefficient is equal to significance level of $P=0.05$. The last hypothesis formulated to be tested for this study was ‘H5: There is significant impact of pay per click/online ads activities on customers brand Loyalty’ which its standardized coefficient (β_4) is found to be -0.057 at $P=0.355$ revealing there was no significant positive relationship between pay per click/online ads and customers brand Loyalty and therefore the proposed hypothesis can be rejected.

4.4 Discussion

The results of this study provide evidence to support the hypotheses that social media marketing activities, e-mail marketing, search engine optimization (SEO) marketing activities, and content marketing activities have a significant impact on customers' brand loyalty. Specifically, the regression analysis showed that social media marketing activities ($\beta=0.226$, $p\leq 0.05$), e-mail marketing ($\beta=-0.090$, $p\leq 0.05$), SEO marketing activities ($\beta=0.757$, $p\leq 0.05$), and content marketing activities ($\beta=0.123$, $p\leq 0.05$) all had a significant positive effect on customers' brand loyalty.

These findings are consistent with prior research that has shown the effectiveness of these digital marketing strategies in building and maintaining customer loyalty (Kumar & Pansari, 2016; Kim & Ko, 2012; Chen & Chen, 2018). Social media marketing activities, for example, have been found to be effective in engaging customers and building brand awareness (Kaplan & Haenlein,

2010), while SEO marketing activities have been found to improve website visibility and increase customer trust (Chen & Chen, 2018).

However, the results also showed that online advertising/pay per click activities did not have a significant impact on customers' brand loyalty ($\beta=-0.057$, $p>0.05$), which is inconsistent with prior research that has shown the effectiveness of online advertising in building brand awareness and customer loyalty (Kumar & Pansari, 2016). One possible explanation for this inconsistency could be differences in the sample characteristics or the specific online advertising strategies used in the studies.

Overall, these findings have important implications for marketers and businesses that are looking to build and maintain customer loyalty through digital marketing strategies. By focusing on social media marketing, e-mail marketing, SEO marketing, and content marketing activities, businesses can improve their customers' brand loyalty and ultimately increase their profitability. However, it is important for businesses to continually evaluate the effectiveness of their digital marketing strategies and adjust them as needed to meet the changing needs and preferences of their customers.

Table 13: Hypothesis test

	Hypothesis	Remark
H1	There is significant impact of social media marketing activities on customers brand Loyalty $\beta=0.226$, $p\leq 0.05$	Supported
H2	There is positive effect of e-mail marketing on customers brand loyalty $\beta=-0.090$, $p\leq 0.05$	Supported
H3	There is significant impact of search engine optimization marketing activities on customers brand Loyalty $\beta=0.757$, $p\leq 0.05$	Supported
H4	There is significant impact of content marketing activities on customers brand Loyalty $\beta=0.123$, $p\leq 0.05$	Supported
H5	There is significant impact of online advertising/pay per click activities on customers brand Loyalty $\beta=-0.057$, $p>0.05$	Rejected

CHAPTER FIVE

SUMMARY OF FINDINGS, CONCLUSIONS AND RECOMMENDATIONS

This chapter presents the summary, conclusion, and recommendation derived from the data analysis carried out in the previous section.

5.1 Summary of Major Findings

The objective of this study to examine the nature and relationship between the dimensions of digital marketing and customer brand loyalty in the Bank of Abyssinia. More specifically, the researcher considered five factors namely SEO, social media marketing, email marketing, content marketing, and online marketing. The researcher attempted to meet the research objectives and the raised research questions by conducting various analyses such as correlation analysis, regression analysis, descriptive analysis, etc. using SPSS version 20.

The correlation analysis showed the factors or the independent variables (except email marketing) namely SEO, social media marketing, content marketing, and online marketing significantly correlate with the dependent variable customer loyalty.

According to the results of the research discussed above, the findings can be summarized as follows; SEO was found to significantly relate to customer brand loyalty with a significant(p) value of 0.000, social media was found to significantly relate to customer brand loyalty with a significant(p) value of 0.000, email marketing was found to positively relate to customer loyalty with a significant(p) value of 0.006, content marketing was also found to significantly relate to customer loyalty with a significant(p) value of 0.050. In conclusion, the four variables identified were found to significantly affect customer loyalty out of the five.

5.2. Conclusion

The study was intended and carried out to examine digital marketing activities on customer brand loyalty in Bank of Abyssinia. The investigation particularly centered on five variables that affect customer loyalty namely SEO, social media marketing, email marketing, content marketing, and online advertising. Identification and understanding of these factors is essential for the bank to design various digital marketing strategies that have significant impact on customer brand loyalty. To achieve the general objective, the researcher analyzed various prior studies and theories to come up with the five factors accepted to influence customer loyalty. To examine the effect of each factor has on customer brand loyalty, which is the specific objective of the study, regression and correlation analysis, were used whose results support the assumption that the identified factors do in fact significantly impact customer loyalty and that there is significant relationship or correlation among the variables. Based on the research conducted, the following conclusions are made: SEO has a coefficient Beta value of 0.757 which shows it is the most important variable affecting customer's brand loyalty in BOA and supports H3: There is significant impact of search engine optimization marketing activities on customers brand Loyalty. Social media has a coefficient beta value of 0.226 which indicates it is the next most important variable affecting customer's loyalty in BOA and supports H1: There is significant impact of social media marketing activities on customers brand Loyalty. Content marketing has a coefficient beta value of 0.123 which shows that it is a variable that affects customer brand loyalty in BOA and supports H4: There is significant impact of content marketing activities on customers brand Loyalty. Online advertising/pay per click has a coefficient beta value of -0.057 which shows commitment is variable that do not affects customer loyalty in BOA and it's against H5: There is significant impact of pay per click activities on customers brand Loyalty. Email

marketing has a coefficient beta value of -0.090 which indicates email marketing moderately affects customer brand loyalty in BOA and supports H2: There is positive effect of e-mail marketing on customers brand loyalty.

From the regression analysis, the researcher concluded that SEO and social media marketing with beta value 0.757 and 0.226 respectively are the most significant variable that affects customer brand loyalty in BOA. This means customers of the bank are highly influenced by these two digital marketing activities of the bank. The other variables except online advertising/pay per click (email marketing, and content marketing) also significantly affect customer loyalty to BOA. Therefore, from the five hypotheses four of them are accepted according to the analyses performed.

5.3 Recommendation

Here the researcher tried to come up with some ideas based on the results of the analysis and the conclusions drawn from it;

The following recommendations are sent to help the bank increase its customers brand loyalty. The four determinants have a significant influence on the customers brand loyalty; the bank must consider these factors when designing and implementing digital marketing activity decisions in order to be more successful in the market. SEO and social media marketing are the most important determining factor influencing the customers brand loyalty. Additionally, since the customers do not have a good relation (are not affected) with the bank email marketing and online advertising/pay per click activities the bank have to review its strategy to optimize its invested resource in order to make loyal more customers through those activities.

5.4. Recommendation for further research

Since, the current research was conducted in Bank of Abyssinia in east Addis Ababa district Branches; it is difficult to generalize for service performance of banking sectors in Ethiopia. Therefore, future researchers can replicate insights of the current study in to overall financial services provider in Ethiopia. Future researchers can also study whether there exists significant relationship between digital marketing activities and corporate customers.

The factors used in this study can also be used in future study to see their impact on customer brand loyalty but in different sector other than banks.

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Appendix:

Addis Ababa University

College of Business and Economics

School of Commerce

Department of Marketing Management

(Questionnaire to be Filed by customers of Bank of Abyssinia)

This questionnaire is designed for the purpose of collecting data for conducting study on assessing the **effect of digital marketing on customers brand loyalty**. You are politely requested to provide the required and correct data as per the questionnaire because it has a great role for the attainment of the objective of the study. The information that you provide is only for academic purpose and therefore all information provided shall be treated with maximum caution and confidentiality.

Thank you for your cooperation in advance!

Part 1: Demographic information

Please encircle the answers for each question which you think best reflects your view by.

1. What is your age range?

a) 18-24 years

b) 25-34 years

c) 35-44 years

d) 45-54 years

e) 55 years and above

2. What is your gender?

a) Male

b) Female

3. What is your educational level?

a) High school or below

b) College/University

c) Postgraduate

4. What is your occupation?

a) Student

b) Employed

c) Self-employed

d) Unemployed

Part 2: Digital marketing channels

SEO (search engine optimization):

5. How often do you use search engines to find information about Bank of Abyssinia?

a) Never

b) Rarely

c) Sometimes

d) Often

e) Always

6. To what extent do you think Bank of Abyssinia's website appears on the first page of search engine results?

a) Never

b) Rarely

c) Sometimes

d) Often

e) Always

7. How important is the relevance of search engine results to your decision to remain loyal to Bank of Abyssinia?

- a) Very likely b) Likely c) Neutral d) Unlikely e) Very unlikely

14. How likely are you to recommend Bank of Abyssinia to others based on your social media experience?

- a) Very likely b) Likely c) Neutral d) Unlikely e) Very unlikely

Email marketing:

15. How often do you open Bank of Abyssinia's marketing emails?

- a) Never b) Rarely c) Sometimes d) Often e) Always

16. To what extent do you find Bank of Abyssinia's marketing emails relevant to your needs?

- a) Never b) Rarely c) Sometimes d) Often e) Always

17. How important is Bank of Abyssinia's email marketing to your decision to remain loyal to the bank?

- a) Not important at all b) Slightly important c) Moderately important
d) Very important e) Extremely important

18. How likely are you to click on links in Bank of Abyssinia's marketing emails?

- a) Very likely b) Likely c) Neutral d) Unlikely e) Very unlikely

19. How likely are you to recommend Bank of Abyssinia to others based on your email marketing experience?

- a) Very likely b) Likely c) Neutral d) Unlikely e) Very unlikely

Content marketing:

20. How often do you read Bank of Abyssinia's blog posts or articles?

- a) Never b) Rarely c) Sometimes d) Often e) Always

21. To what extent do you find Bank of Abyssinia's content marketing relevant to your needs?

- a) Never b) Rarely c) Sometimes d) Often e) Always

22. How important is Bank of Abyssinia's content marketing to your decision to remain loyal to the bank?

- a) Not important at all b) Slightly important c) Moderately important
d) Very important e) Extremely important

23. How likely are you to share Bank of Abyssinia's content marketing with others?

- b) Very likely b) Likely c) Neutral d) Unlikely e) Very unlikely

24. How likely are you to recommend Bank of Abyssinia to others based on your content marketing experience?

- a) Very likely b) Likely c) Neutral d) Unlikely e) Very unlikely

Pay-per-click (online ads):

25. How often do you click on Bank of Abyssinia's online ads?

- a) Never b) Rarely c) Sometimes d) Often e) Always

26. To what extent do you find Bank of Abyssinia's online ads relevant to your needs?

- a) Never b) Rarely c) Sometimes d) Often e) Always

27. How important is Bank of Abyssinia's online advertising to your decision to remain loyal to the bank?

- a) Not important at all b) Slightly important c) Moderately important
d) Very important e) Extremely important

28. How likely are you to recommend Bank of Abyssinia to others based on your online advertising experience?

- a) Very likely b) Likely c) Neutral d) Unlikely e) Very unlikely

29. How likely are you to make a purchase or take action after clicking on Bank of Abyssinia's online ads?

- a) Very likely b) Likely c) Neutral d) Unlikely e) Very unlikely

Part 3: Brand loyalty

30. How long have you been a customer of Bank of Abyssinia?

- a) Less than 1 year b) 1-3 years c) 3-5 years
d) 5-8 years e) More than 8 years

31. How often do you use Bank of Abyssinia's products or services?

- a) Never b) Rarely c) Sometimes d) Often e) Always

32. Have you ever recommended Bank of Abyssinia's products or services to someone else?

- a) No, I have not recommended their products or services
- b) Yes, I have recommended their products or services, but only once
- c) Yes, I have recommended their products or services, a few times
- d) Yes, I have recommended their products or services, many times

33. Would you consider switching to a competitor of Bank of Abyssinia if they offered better deals or promotions?

- a) No, I would not
- b) Yes, I would, but only if the deals were significantly better
- c) Yes, I would consider switching, even if the deals or promotions were only slightly better

34. To what extent do you feel that Bank of Abyssinia has successfully maintained your loyalty as a customer through their digital marketing efforts?

- a) Strongly disagree
- b) Disagree
- c) Neutral
- d) Agree
- e) Strongly agree

Thank you for taking the time to complete this survey. Your feedback is greatly appreciated.