

THE EFFECT OF BRAND IMAGE ON CONSUMER PREFERENCE:
THE CASE OF ZEMEN BANK ADDIS ABABA CITY BRANCH
CUSTOMERS



A Thesis Submitted to the School of Commerce Department of Marketing
Management, Addis Ababa University in Partial Fulfillment of the
Requirements for the Master of Arts degree in Marketing Management

By: Hanan Tiruneh

ID No-GSR/1163/11

Advisor: Temesgen Belayneh (PH. D)

Addis Ababa, Ethiopia

October, 2020

STATEMENT OF DECLARATION

I, Hanan Tiruneh, hereby declare that the thesis entitled “*The effect of brand image on consumer preference: The case of zemen bank Addis Ababa city branch customers*” is my original work and that all the sources and materials used for the study have been duly accredited. This research has not been used for any degree in this or any other university. It is provided for the partial accomplishment of the requirement for the Master of Arts degree in Marketing Management at School of commerce, Addis Ababa university.

By: Hanan Tiruneh

Signature: _____

Date: _____

STATEMENT OF CERTIFICATION

This is to confirm that Hanan Tiruneh's research entitled "*The effect of brand image on consumer preference: The case of Zemen bank Addis Ababa city branch customers*" is her original work and is suitable for submission for the honor of Master of Arts Degree in Marketing Management.

Advisor: Temesgen Belayneh (PH. D)

ADDIS ABABA UNIVERSITY, ADDIS ABABA

SCHOOL OF COMMERCE

DEPARTMENT OF MARKETING MANAGEMENT

**THE EFFECT OF BRAND IMAGE ON CONSUMER PREFERENCE IN THE CASE OF
ZEMEN BANK ADDIS ABABA CITY BRANCH CUSTOMERS**

BY: HANAN TIRUNEH

BOARD OF EXAMINERS APPROVAL

_____	_____
External Examiner	Signature
_____	_____
Internal Examiner	Signature
_____	_____
Advisor	Signature

ACKNOWLEDGEMENTS

First of all, may all praise be to the Almighty God for helping me to complete this thesis. I would also like to express my warm appreciations to Mr. Temesgen Belayneh (PH. D), for his comments and expert guidance during the process of research writing.

A great thanks and special appreciations are addressed to Zemen bank Addis Ababa city branch customers for giving me the required data voluntarily. I must also express my very deep gratitude to my friends for providing me with constant support and encouragement during my years of study and through the process of researching.

Last but not least, my indebted gratitude expressed to all of my family members for their encouragement in completing this research work.

Hanan Tiruneh

Table of Contents

STATEMENT OF DECLARATION	I
STATEMENT OF CERTIFICATION.....	II
ACKNOWLEDGEMENTS	IV
LIST OF TABLES	VIII
LIST OF FIGURES	IX
LIST OF ACCRONYMS AND ABBREVIATIONS	Error! Bookmark not defined.
ABSTRACT.....	XI
CHAPTER ONE: INTRODUCTION	1
1.1. Background of the study	1
1.2. Statement of the problem	2
1.3. Research questions.....	4
1.4. Research objective	4
1.4.1. General objective	4
1.4.2. Specific objective.....	4
1.5. Significance of the study.....	5
1.6. Scope/delimitation of the study.....	5
1.7. Limitations of the study	5
1.8. Definition of key terms	6
1.9. Organization of the paper.....	6
CHAPTER TWO: LITERATURE REVIEW	8
2.1. Theoretical literature	8
2.1.1. Definition of brands	8
2.1.2. The four perspectives on the concept of brand by David A. Aaker	9
2.1.3. Brand creating value	10
2.1.4. Brand image concepts	11
2.1.5. Brand image definitions	11
2.1.6. Brand awareness	12
2.1.7. Importance of brand image	13
2.1.8. Consumer preference	13
2.1.9. Brand and consumer preference.....	14
2.2. Empirical literatures.....	14
2.3. Hypothesis of the study.....	17

2.4. Conceptual framework.....	18
CHAPTER THREE: RESEARCH METHODOLOGY.....	19
3.1. Research Design.....	19
3.2. Research Approach	19
3.3. Target population	20
3.4. Sampling method and sample size	20
3.4.1. Sampling method	20
3.4.2. Sample size	20
3.5. Data type and source.....	22
3.5.1. Data type	22
3.5.2. Data source.....	22
3.6. Data collection instruments.....	22
3.7. Reliability and validity.....	23
3.8. Method of data analysis	23
3.9. Ethical consideration.....	24
CHAPTER FOUR: DATA ANALYSIS AND PRESENTATION	25
4.1. Profile of respondents	25
4.2. Reliability analysis.....	28
4.3. Descriptive statistics of variables.....	29
4.3.1. Descriptive statistics of brand value	29
4.3.2. Descriptive statistics of brand characteristics	30
4.3.3. Descriptive statistics of brand association	31
4.3.4. Descriptive statistics of brand awareness.....	33
4.3.5. Descriptive statistics of consumer preference.....	33
4.3.6. Summary of descriptive statistics of variables.....	35
4.4. Correlation analysis	35
4.5. Multiple linear regression analysis	37
4.5.1. Major tests for multiple regression	37
4.5.2. Result of the multiple linear regression analysis.....	40
4.6. Hypothesis testing and discussion.....	43
CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATION.....	46
5.1. Summary of major findings	46
5.2. Conclusions.....	48

5.3. Recommendation	49
5.4. Future research directions	49
REFERENCE.....	50
APPENDIX.....	A
Appendix 1	A
Appendix 2.....	D
Appendix 2.1: Reliability of the instrument.....	D
Appendix 2.2: Respondents profile.....	E
Appendix 2.3: Descriptive statistics.....	F
Appendix 2.4: Correlation.....	K
Appendix 2.5: Multiple linear regression	K

LIST OF TABLES

Table 3.1: Sample proportions.....	21
Table 4.1: Reliability of the instrument	28
Table 4.2: Descriptive statistics of brand value	30
Table 4.3: Descriptive statistics of brand characteristics.....	31
Table 4.4: Descriptive statistics of brand association.....	32
Table 4.5: Descriptive statistics of brand awareness	33
Table 4.6: Descriptive statistics of consumer preference	33
Table 4.7: Summary of descriptive statistics of variables	35
Table 4.8: Correlation matrix.....	36
Table 4.9: VIF Test for predictor variables	37
Table 4.10: Model summary	41
Table 4.11: ANOVA.....	41
Table 4.12: Coefficients of predictor variables.....	42
Table 4.13: Summary of hypothesis testing.....	45

LIST OF FIGURES

Figure 2.1: Conceptual framework	18
Figure 4.1: Gender of respondents	25
Figure 4.2: Age of respondents	26
Figure 4.3: Marital status of respondents.....	26
Figure 4.4: Educational level of respondents.....	27
Figure 4.5: Monthly income of respondents	27
Figure 4.6: Linearity test.....	38
Figure 4.7: Normality test.....	39
Figure 4.8: Homoscedasticity test.....	40

LIST OF ACCRONYMS AND ABBREVIATIONS

<i>ANOVA</i> : Analysis of Variance.....	41
<i>BAS</i> : Brand Association.....	24
<i>BAW</i> : Brand Awareness.....	24
<i>BC</i> : Brand characteristics.....	24
<i>BV</i> : Brand value.....	24
<i>CP</i> : Consumer preference.....	24
<i>VIF</i> : Variance Inflation Factor.....	37

ABSTRACT

The aim of the study was to scrutinize the effect of brand image on consumer preference in Zemen bank Addis Ababa city branch customers. The sample consisted of 384 customers. Aaker's 1996 brand image dimensions have been analyzed in the study. Additionally, Brand awareness is analyzed in this study. Brand image dimensions such as Brand value, Brand characteristics, Brand association and Brand awareness were used, On the other hand, consumer preference was used as independent variable. A questionnaire with a five-point Likert scale was used to collect primary data. The research design used by the researcher was descriptive and explanatory research design. For collecting data convenience sampling technique was applied. SPSS software 21.0 version was used to analyze the collected data by using descriptive and Inferential statistics such as frequencies, percentages, means, standard deviations, correlation and multiple linear regression. Results of the study shows that from the four predictor variables Brand characteristics, Brand value and Brand association have positive and significant effect on consumer preference. Relatively Brand characteristics has the strongest effect. On the other hand, Brand awareness doesn't have any effect on consumer preference. The researcher recommends the company to give priorities to the significant factors mainly to Brand characteristics.

Key words: *Brand image dimensions, Consumer preference and Zemen bank*

CHAPTER ONE: INTRODUCTION

This chapter briefs the background of study, problem statement, research questions, research objectives, significance, scope, definition of key terms and organization of the study.

1.1. Background of the study

Globally, creating and achieving a strong brand is one of the top primacies for any organization. A favored brand builds a firm to establish itself in the market and get an advantage in the competition McCarthy and Perreault, (2011). In a global market where there are different brands from many producers and firms with similar functions, creating a distinguished product has allowed the firms differ themselves in terms of brands of value and quality to consumers. (Kirmani & Wright, 2011).

Kotler, (2000) defines a brand as a name, term, sign, symbol, design or a mixture of these elements, used to separate the products of sellers and to differ them from those of contestants. Brand is a unique blend of functional and emotional characteristic perceived by consumers as an extra value, unique experience and fulfilled promise. It has a symbolic value dissimilar from everything that is available in reality and ability to embody interests that go beyond the brand itself. For the company, it is the main strategic resource and most powerful invaluable asset Grubor and Milovanov (2017).

In the viewpoint of brand communication, Wijaya (2011) defined brand as a mark left on the minds and hearts of consumers, which establishes a specific sense of meaning and feeling. So, the brand is more than just a logo, name, symbol, trade mark or the name attached to a product. Consumer perception about brand is a vital aspect of marketing mix (Gabor & Contiu, 2012). Brands served mainly as a means for customers to detect and recognize goods and their producers (Jin and Weber, 2013).

According to Zhang (2015), Brand image is the main driver of brand equity, which refers to consumer's general perception and feeling about a brand and has an effect on consumer behavior. Brand image forms the foundation for making better strategic marketing decisions about targeting specific market segments and positioning a product. The phrase, brand image, however, has been

defined and used in various ways by different researchers. The differences of the definitions can be unclear with respect to brand image measurement, subsequent assessment of brand equity and brand positioning Lee, James and Kim (2014).

Brand image creates value in a variety of ways, helping consumers to process information, differentiating the brand, generating reasons to buy, giving positive feelings and providing a basis for extensions Aaker (1991). Aaker (1996) believed that brand image could be measured through three dimensions i.e. Brand value: in relation to functional benefits, also the basic condition required by the brand, Brand characteristics: the connection between brand characteristics and customer perception that appeared differences and Brand associations: the relations the customers presented to the brand that the customer would expand to other products and service of the brand.

Consumers frequently make choices in situations where some alternatives are known and other alternatives can be revealed through search (Ge, Brigden & Häubl, 2015). Often, consumers will tend to choose a brand that they consider compatible with their self-image. In this particular way each consumer at an individual basis will try to reflect his or her own individuality through choice (Cătălin & Andreea, 2014).

This study is based on Aaker's (1996) established brand image dimensions i.e. Brand value, Brand characteristics and Brand association, for the analysis of determinants of consumer's preference: in the case of Zemen bank. Additionally, the researcher includes brand awareness as an independent variable in order to understand its effect on consumer's preference since it is expected to have an effect on consumer's preference.

1.2. Statement of the problem

Consumers seem to have high willingness to pay for specific brands, even when the substitutes are objectively similar. The majority of consumers typically buy a single brand of goods (Dekimpe et al., 1997). Not only physical products can be branded but also numerous other things; services, distributors, online products and services, people and organizations, sport, art and entertainment, geographical places and ideas (Keller, 2008).

If the brand image represents customer needs, values and the way of life, the user picks exactly that particular brand. Strong brand consumers desire not only for quality but also for the image that they have on the environment. it is significant for marketers to affect not only the user's mind,

but also the heart. Brand image is the key motorist of brand equity, it refers to consumer's perception and feeling about a brand and has an effect on consumer's behavior. For marketers, whatsoever their companies' marketing strategies are, the core purpose of their marketing actions is to affect consumers' perception and attitude about a brand, create the brand image in consumers' mind and motivate consumers' purchasing behavior of the brand, consequently growing sales, increasing the market share and developing brand equity (Zhang, 2015).

Brand Awareness is the foundation for the creation of brand equity (Betul and Richard, 2014). It indicates how well a consumer can detect a brand and recall the group to which it belongs (Aaker, 1996). It is found to contribute meaningfully in decision making (Keller, 2003) and results in customer-based brand equity (Aaker, 1996). Customers are found to choose those brands, which they can detect and awareness signifies reputation and knowledge (Bojei and Hoo, 2012).

There have been a lot of studies conducted in the area of brand image and consumer preference. Frewoini (2107) studied the effect of brand image on consumer preference; in the case of Ambassador Garment (N=364) by using Aaker's 3 brand image dimensions i.e. Brand value, Brand characteristics and Brand association and find out that all the three brand image dimensions have statistically significant relationship with consumer preference. Chien-Hsiung (2011) examined the relationship between brand image and customer satisfaction (N=264) by using Aaker's 3 brand image dimensions i.e. Brand value, Brand characteristics and Brand association and the result suggest that brand value and brand characteristics were found to have positive relationship with customer satisfaction, whereas brand association did not have any relations. Kassahun (2014) studied the determinants of beer brand preference in the case of Addis Ababa beer market. The study was analyzed through descriptive statistic also factor analysis was used along with exploratory factor analysis and multiple regressions. The findings of the study indicate that perception of beer consumer concerning the brand quality is important factor in shaping preference. Abad (2012) investigated CBBE in Banking sector of Iran. After using Aaker's (1996) customer-based brand equity dimensions, he concluded that Brand Awareness and brand association are key predictors of brand equity to improve perception of brand in financial service sector.

Even if there are numerous previous studies conducted in the area of brand image and consumer preference, it becomes especially worthy to examine the influence of brand image on consumer

preference since different results are expected to conclude in this area. Despite the fact that there are various studies conducted to examine the effect of brand image on consumer's preference, up on the knowledge of the researcher there is a lack of investigation in this area in service provider companies like banks. Therefore, this study will elaborate the effect of Brand image on consumer's preference and will make an attempt to bridge the literature gap by analyzing the effect of brand image on consumer's preference in case of service companies by using Zemen bank as a case study.

The motive for the researcher to conduct this research was that organizations need to realize how consumer's preference is affected by the image that they have about their company's brand. Therefore, the findings of this study will be highly beneficial for the management of Zemen bank and will fill the knowledge gap by informing the company how consumers preference is affected by the Brand image.

With this background the present study is a humble endeavor towards exploring the dynamic relationship between the two variables i.e., Brand image and Consumers preference.

1.3. Research questions

In accordance to the research purpose and objective, below are questions that are addressed in this research:

1. How does Brand value affect consumer's preference of Zemen bank?
2. How does Brand Characteristics affect consumer's preference of Zemen bank?
3. How does Brand association affect consumer's preference of Zemen bank?
4. How does Brand awareness affect consumer's preference of Zemen bank?

1.4. Research objective

1.4.1. General objective

Generally, the study aimed at examining the effect of Brand image of consumer's preference: in the case of Zemen bank.

1.4.2. Specific objective

In line with the above general objective, the specific objectives of this study are the following:

- I. To examine the effect of Brand value on consumer's preference of Zemen bank
- II. To examine the effect of Brand characteristics on consumer's preference of Zemen bank
- III. To examine the effect of Brand association on consumer's preference of Zemen bank
- IV. To examine the effect of Brand awareness on consumer's preference of Zemen bank

1.5. Significance of the study

Even if there are some studies in our country, there is a shortage of research and understanding concerning the concept of Brand image and Consumer preference. This research therefore, will play a role in filling the research gap associated to Brand image and its effect on Consumer preference.

The finding will help Zemen bank so as to analyze Aaker's brand image dimensions and to modify their brand and branding methods after using the results of this finding to remain competitive in the Ethiopian banking industry.

It may also be used as a reference to other researchers who want to study on the subject matter in the future and to all banks to adjust their focus area accordingly. In addition, it provides important information to those who want to do similar studies at a larger scale.

1.6. Scope/delimitation of the study

Geographical scope: Geographically, the scope of the study is limited to examining the effect of Brand image on consumer's preference in Zemen bank in Addis Ababa city branches.

Theoretical scope: Theoretically, the study is delimited to 3 Brand image dimensions of Aaker (1996) (Brand value, Brand characteristics and Brand association) and Brand awareness as independent variables and Consumers preference as a dependent variable.

Methodological scope: This study uses both descriptive and explanatory research designs, Quantitative research approach and the study only includes data collected from 384 customers of Zemen bank via questionnaires that was distributed and administered to them.

1.7. Limitations of the study

Due to the lack of approachability of recent literatures the researcher used/cited some literatures which are old/not recent. Additionally, as the convenience sampling is used, bias may exist. As the population in this study is expected to shed some light in our understanding of the effect of

brand image dimensions on consumer preference, further studies, however can try to have a more representative sample to strengthen any understanding in this area. Thus, this study cannot be generalized but will provide us tentative results to explore further in other studies.

1.8. Definition of key terms

Brand: Brand is defined as distinct mixture of functional and emotional characteristic perceived by consumer's as an extra value, unique experience and fulfilled promise Grubor and Milovanov (2017).

Brand value: Brand value refers to the influence of the brand name and its associated meanings to the customer's valuation of the branded item in general (Riezebos et al, 2003).

Brand characteristics: A distinguishing feature or attribute of a brand having physical, functional and operational category. Business Dictionary (2017).

Brand association: It can be defined as all the brand-related thoughts, feelings, perceptions, images, experiences, beliefs, attitudes and any other thing in memory linked to a brand (Keller, 2003).

Brand image: Insights towards a brand which is reflected by cluster of relations that consumers attach to the brand name in memory (Rio, Vazquez & Iglesias, 2001).

Brand awareness: Includes two elements: brand recall and recognition. Brand recognition means selecting a brand every time some sort of indication is given but recall is when there is no signal exist (Keller, 2003).

1.9. Organization of the paper

The study is prepared in five chapters. The opening section deals with introduction consisting the study background, problem statement, proposed questions, objectives of the research, significance and scope of the research and definition of key terms. The second section deals with reviewing literatures related to the study area which includes theoretical and empirical literature reviews as well as the conceptual framework. The third chapter includes the research methodologies employed in the study. The fourth chapter is all about data analysis, presentation and interpretation.

The fifth chapter focused on conclusions and recommendations. Finally, appendix is attached in the final part of the paper.

CHAPTER TWO: LITERATURE REVIEW

This chapter presents the literature review on the study. It includes theoretical literatures which are related with Brand, Brand image and consumer preference, empirical evidences, hypothesis of the study and conclude with the conceptual framework.

2.1. Theoretical literature

2.1.1. Definition of brands

Brands have been around for a very long period. The prior days, people used to mark their cattle or clay pots with a burnt mark. (Keller 2008) Today the word brand has gained more and more abstract senses. A brand means all the inceptions, relations, descriptions, ideas and promises that grow in consumers' minds about a product or business (Brändäys 2007-2010).

There are numerous definitions about brands. In many of them, the essence is the difference between the brands and the symbols that the brands denote. American Marketing Association's (AMA) (quoted by Keller, 2013) defined brand easily as a name, term, sign, symbol, design or a mixture of these elements, used to separate the products of sellers and to differ them from those of contestants. Based on this definition every time a marketer creates a new logo, name or symbol for its goods or services a new brand is created. (Keller, 2013)

Grounded on Kapferer's definition which is a little wider, brands are the essential elements that differentiate the company from its competitors. A brand is much larger entity than just a name of a good or service, it can be seen as a vision factor that drives the formation of a product or service under a definite name. The vision that constructs of the fundamental beliefs and encapsulates the core values of the brand is called the identity. Brands are perceived as non-material assets that generates additional benefits for the companies. (Kapferer, 2008)

Bivainienė & Šliburytė (2008) defined brand as a critical asset for a company as it is the key and most valuable asset that the company can place. (Bivainienė & Šliburytė, 2008) Based on Baskin's and Earls' definition brand has an important role in pulling businesses together. It is particularly important in the firms that have both internal teams and external teams taking care of the delivery of the goods and services. In this kind of companies' brands are vital elements for unifying different operators such like suppliers and partners. (Baskin & Earls, 2002)

Not only physical products can be branded but several other things; services, distributors, online products and services, people and organizations, sport, art and entertainment, geographical places and ideas according to Keller (2008).

2.1.2. The four perspectives on the concept of brand by David A. Aaker

According to Zanthus Corp. (2011) David A. Aaker has developed a brand identity planning model, which contains of four-fold viewpoints on the concept of a brand.

2.1.2.1. *Brand-as-person: Brand personality*

The first viewpoint, brand-as-person, deals with having a unique personality for the brand and the different personality features. These personality features may be for example genuine, energetic and natural. (Aaker 1996) According to Zanthus Corp. (2011) Aaker claims, “Like a person, a brand can be perceived as being upscale, competent, impressive, trustworthy, fun, active, humorous, casual, formal, youthful, or intellectual.” All in all, the perspective advises a brand identity, which is more interesting and better-off than one based on product attributes.

2.1.2.2. *Brand-as-product*

The second viewpoint of the four aspects by David A. Aaker is brand-as-product. Aaker (1996) claims that nevertheless the product-attribute fixation trap should be evaded, the product-related relations are very critical portion of the brand identity, as they are strongly linked to the brand choice decisions as well as to the use experience. According to Aaker (1996) brand-as-product point of view contains the product scope, product-related attributes, quality and value, associations with use occasion, associations with users and link to a country of origin.

2.1.2.3. *Brand-as-organization*

The third aspect brand-as-organization deals with organization attributes, such as innovation, consumer, concern and trustworthiness as well as the differentiation of local and global attributes. According to Zanthus Corp. (2011) when comparing organization and product attributes, the organizational attributes are more lasting and resistant to competitive claims.

2.1.2.4. *Brand-as-symbol*

The fourth viewpoint is brand-as-symbol, which contains visual imagery and metaphors and brand heritage. According to Zanthus Corp. (2011) a good symbol gives more cohesion and structure to an identity and makes it a lot easier to gain recall and recognition. All in all, its presence may be a

key element of brand development and on the other hand its absence can be a significant handicap. Also, the potential power of the brand is expressed by elevating symbols to the status of being part of the identity. Zanthus Corp. (2011) underlines three different types of symbols: visual imaginary, metaphors and the brand heritage.

2.1.3. Brand creating value

For consumer's brands are vital because they offer them information of the product maker and thus let consumers assign responsibility to a particular manufacturer or distributor (Keller 2008). Brands also simplify the consumers' decisions of which product/brand to use. If the consumers can recognize or recall a brand (brand awareness) it is more probable that they will also use a product of that certain brand. "Awareness is all about the strength of a brand's occurrence in the consumers' minds." (Aaker 1996)

Being able to recognize a brand also reduces the risk of a product being something not wanted and it also reduces the search costs and time. Brands are perceived as a promise of quality for consumers. Consumers offer their loyalty and trust to a brand having a certain understanding of how the brand will perform and how its product will act. If the brand meets these certain expectations, it most possibly leads to consumers using that same brand in the future. Brand can be an indicator of quality. Brands can act as symbolic tools, meaning that through brands people can describe their self-image. "Some brands are linked with some types of individuals and hence reflect diverse values or traits." (Keller 2008).

The benefits of brand for companies and manufacturers are that brands help to organize inventory and accounting records. Brands also give companies legal protection for features and aspects of a product. Brands give consumers indication of the quality level of its products and brands are powerful tools to secure a competitive advantage. Keller (2008) advises that strong brands results in improved earnings and profit performances. This statement is supported by Arnold (1992).

"Successful brands can deliver superior levels of profit over the long run."

"A strong brand can deliver for a company market leadership, a staple or sustainable competitive advantage, international reach, a platform from which to expand activities, and, of course, long-term profit."

“A strong brand is a big asset for companies and generates profits for years, in brand marketing terms it is equity.”

2.1.4. Brand image concepts

Brand image concept appeared in 1950. The famous advertising specialist Ogilvy in order to express the feelings and emotions of user's connection to a specific product, anticipated to use the term "brand image." Gardner and Levy (1955), by definition, which mixes physical characteristics, social and psychological inferences. It was a solid basis for the formation, a number of the subsequent brand image definitions. The brand image is formed spontaneously or established purposefully. Product attributes, functional and emotional benefits on the base of the consumer's mind is considered as a symbol or associations. Image value may differ depending on how it is linked to the individual needs and social interaction, general skills, derived from a variety of sources, user personality and user values. Based on these outcomes, the concept of brand image is as follows: brand image is the brand tangible and intangible features based on the association formed in consumer's mind, the meaning and strength depends on the user's personality, his attitude towards the brand, social interaction and brand communication.

2.1.5. Brand image definitions

In management sciences, there are various definitions, which clarify the brand image concept. For example, Hung, (2008) and Da Silva & Syed, (2008) specify brand image as a clue about a certain brand related to relations in customers' memory. Zhang (2015) realizes brand image as “a system of images and thoughts existing in human awareness, expressing information about a given brand and basic attitude about it”. Based on this definition, it is possible to say that brand image is formed by a set of features of an extraordinary nature, exclusive for a given brand, which cause its differentiation, at the same time assuring the looked-for market recognition. Pars & Gulsel (2011) also point out that brand image is an impression made as a result of various factors (e.g., associations related with a certain brand name, purchase experience, reputation of a given organization, forms and measures of advertising, promotion, etc.), which means that from the viewpoint of numerous recipients it is a complex, inhomogeneous and quite abstract category.

Brand image is the picture that is made about the company in the consumer's eyes. It describes the feelings and emotions that the brand evokes in consumer's mind when he or she thinks about the brand. These are the basic features, which enables the company to develop a competitive advantage

for their business. Understanding these important characteristics can bring significant competitive advantage for the company and is a main concern for the brand management in the long run. It is also necessary for the companies to understand how consumers shape and reshape the picture of the brand image and what kind of relationship is formed between the brand and the consumer (Roy & Banerjee, 2008).

Brand image is the material property associated with the brand, for example the product name and the packing, which could make profits or sense for customers and help describing the characteristics (Ballantyne et al., 2005). Magid and Cox (2006) also believed that brand image encompassed customer responses to brand name, sign or impression and also represented the symbol of the product quality. Brand image is a set of assets and liabilities associated with brand name and sign that the assets and liabilities can increase or reduce the value by the organization offering products or services for customers (Magid and Cox, 2006).

Aaker (1996) thought that brand image could be measured through three dimensions, including: (1) **Brand value:** in relation to functional benefits, also the basic condition required by the brand, (2) **Brand characteristics:** the linkage between brand characteristics and customer perception that appeared differences and (3) **Brand associations:** the associations the customers presented to the brand that the customer would expand to additional merchandise and service of the brand.

2.1.6. Brand awareness

Awareness is a crucial determinant identified in almost all brand equity models (Aaker, 1991; Keller, 1993). It's clear that as the first step in brand equity construction, without awareness a customer cannot possibly put offerings in context. Brand awareness means the capability of a consumer to recognize and recall a brand in different circumstances (Aaker, 1996). From this definition it can be seen that brand awareness contains brand recall and brand recognition. While brand recall refers to a situation when consumers see a product category, they can recall a brand name exactly, and brand recognition used to describe consumer's capability to identify a brand when there is a brand cue (Keller, 1993). This means, consumers can tell a brand correctly if they ever saw or heard it. Brand awareness gives three main advantages to consumers:

- (1) Consideration advantages;
- (2) Learning advantages; and

(3) Choice advantages (Keller, 2003).

Customers are exposed to a lot of products from different brands; hence the brands that customers are familiar with are usually taken into consideration in the pecking order. The most preferred brands are those that are easy to recognize or identify, categorize and eventually purchase (Baldauf et al., 2003).

2.1.7. Importance of brand image

As specified by Anwar, Gulzar, Sohail and Akram (2011), the brand effect is explained as the power of a brand to extract a highly positive response emotionally after its usage. Moorman, Zaltman & Deshpande (1992) stated that, though brand trust is the willingness of the consumer to rest on on the brand's promise of performing a specific mentioned task. Karadeniz (2010) proposed that a brand indicates the quality of a firm's products rather than the firm's name, logo, color, etc. In short, the brand is perception of the consumers concerning the firms. Thus, firms are building strong brands to be one step ahead of their competitors in a fierce competition. Finest brands stand for something. Symbol is the fastest form of communication between a brand and a consumer. They become more powerful with frequent use and are the most noticeable reminders of what the brand stands for. A brand's identity must reflect the organization's unique mission, history, culture, values and personality.

2.1.8. Consumer preference

There are broad variety of efforts and theories that attempt to describe the factors which influence the consumers and their behaviors when making purchasing decisions. Matsatsinis and Samaras, (2000) proposed that the intention of the examination of consumer behavior is to realize trends of consumers' attitudes in their decision to buy or not to buy a product. Consumers' preferences for products or brands arise from the mixture of many different factors. Some factors come from features of the product itself (e.g., price, durability), whereas others are attributes of consumers themselves (e.g., goals, attitudes, discretionary income), (Venkatraman, Clithero, Fitzsimons and Huettel, 2012).

Ge, Brigden and Häubl (2015) stated that consumers usually make choices in settings where some options are known and other choices can be revealed through search. When making a selection from a given set of alternatives, the means in which each of these was discovered should be

irrelevant from a normative stance. Consumers must often decide between selecting among a set of previously discovered alternatives and searching to discover additional alternatives before making a choice. A large body of prior work examines consumer choice from pre-determined sets of alternatives. As a result, we know much regarding the impact of choice set composition and decision context on choice (Ge, Brigden, and Häubl, 2015). Additionally, consumer characteristics for example; patriotism, protectionism and social economic conservatism affect their choices (Spillan & Harcar, 2013).

2.1.9. Brand and consumer preference

Often, consumers will tend to pick a brand that they consider compatible with their self-image. In this specific way every consumer at a personal level will try to reflect his or her own self through selection. When part of a bigger social group, consumer choices tend to converge to a certain pattern thus forming the basics of an individual social identity (Cătălin, Andreea, 2014). Brand preference is viewed as a key step in consumer decision making, including elements of choice. In creating brand preference, consumers match and rank different brands by focusing on their uniqueness. Jin and Weber (2013) defined brand preference as “the extent to which the customer prefers the designed service offered by his or her current company, in contrast to the designated service offered by other companies in his or her consideration set,” with a consideration set referring to brands that a firms would consider buying in the near future. Furthermore, customer’s advisory has a positive effect on brand and consumer preferences (Güngör & Bilgin, 2011).

2.2. Empirical literatures

Freweyni A (2017) investigate the effect of brand image on consumer preference; the case of Ambassador Garment by using model adopted from Aaker (1996) (N=364) and find out that brand image dimensions have statistically significant relationship with consumer preference. The findings of the study also indicated positive correlations with all variables with high factor loadings.

Joseph J, P (2017) analyzes the Effect of Brand Image on Consumer Preference with Reference to Youth in Bengaluru City (N=53). SPSS was used for conducting various parametric tests such as Frequency analysis, Cross Table analysis and One-way Anova test for data analysis and interpretation and the findings indicate that There is no significant difference between consumer

preferences for branded products according to income and There is no significant influence of advertisements on purchasing decision.

Isik A & Yasar M, F (2015) Using a measurement model of brand name and consumer preferences, investigates the effects of brand name on consumer preferences in Turkmenistan (N=422) and the result suggests that, brand name has significant relationship with consumer preferences. The findings of the study indicate positive correlations among the two variables. Brand name of a product has significant impact on the overall preferences of the consumers.

Chien-Hsiung L (2011) analyzed the relationship among brand image and customer satisfaction in catering industry (N=264) and the result suggest that brand value and brand characteristics were found to have positive relationship with customer satisfaction, whereas brand association doesn't have any relationship with customer satisfaction.

Switaia M, Reformat B, Gamrot W & Reformat K, B (2018) examined the effect of brand awareness and brand image on brand equity (N=100) and the result of the study indicates that there is a weak positive relationship between brand awareness, brand image and brand equity. Whereas the findings of bootstrap simulations indicate that changes in the strength of the effect are not statistically significant.

Mohammed Seid (2015) investigated the impact of branding on consumer buying decision behavior of local leather footwear products. The researcher focused on manufacturers and distributors of local footwear products. The researcher used descriptive and inferential statistics and concluded that brand name and brand logo have significant impact on consumer buying decision behavior.

Kassahun H (2014) examined the determinants of beer brand preference the case of Addis Ababa beer market. The study was analyzed through descriptive statistic also factor analysis was used along with exploratory factor analysis and multiple regressions. The study concluded the finding in perception of beer consumer regarding the brand quality is important factor in shaping preference. Also, price and normative influence are insignificant predictors of consumer beer brand preference.

Prof. Dr. M. Kalyanasundaram and T. Sangeetha (2019) investigated consumers brand preference of Refrigerator among working women in Triuchirappalli Town special reference to

Thiruvarambur zone (N=50). The findings of the study suggest that branding is about building consumer trust in an organization's products. These days, when competition is too high firms should not disregard this and there should be a nonstop investment on how to improve and how to retain their brand image and competitive position in the market. One point of general agreement is that in a highly competitive market, brands are of particular importance in catalyzing consumption and eventually increasing producers' and marketers' returns. Brands attract customers by helping them to differentiate among the goods and services available on the market. This is why the branding process is of core for the functioning of market-oriented economies.

Amdemichael A (2014) tried to assess the brand preference of international vs. local mobile phone brands (the case of Addis Ababa university school of commerce students). The researcher used one-way ANOVA analysis and independent sample t-test and the researcher concluded that students of Addis Ababa University School of Commerce are affected by brand equity dimensions with regard to their brand preference of international mobile brands over the local ones rather than consumer attribute dimensions like new technology applications, product attributes and price.

Hasan T (2008) tried to examine the Influence of brand name on consumer's decision in car choice and the findings suggest that a positive experience with the brand will develop the customer's trust in the firm brand and will also have them as a faithful customer. The researcher also found out, from his study, that well-known brands are more popular than unknown brand. Customers prefer to purchase a well-known brand product; he/she had already heard of rather than going for the product they do not know much about. Branded products have found good place in customer's mind and they have positive past experience about them.

Moore M (2009) conducted a study entitled "Does brand image or taste have more influence on consumer preference for energy drinks?" The result indicates that brand image and taste have a positive and significant influence on consumer's preference of energy drinks.

Amandeep K and Dr. Garima M (2015) studied Consumers' Preferences in Choosing International Apparel Brand in Delhi. investigating factors affecting consumer preference towards International Brand Apparel. The study used descriptive analysis for frequency and percentage to examine the profile of the respondents. Independent sample t-test, one-way Anova, Test of Pearson moment correlation, Two-way Anova, Multiple Linear Regression. The study concluded Advertisement is

strongest predictor towards international brand preference quality is also considered as one of the strong impacts on consumer preferences towards international branded apparel.

Abad (2012) examined CBBE in Banking industry of Iran marking to hypothesize the CBBE in the financial service sector with respect to its influence on perception of brand. After employing Aaker's (1996) customer-based brand equity dimensions, he concluded that Brand Awareness and brand association are powerful dimensions to improve perception of brand in financial service sector.

2.3. Hypothesis of the study

After reviewing several relevant theoretical and empirical literatures, four hypotheses were proposed for the study

H1_a: Brand value has positive and significant effect on consumer's preference

H1₀: Brand value has no positive and significant effect on consumer's preference

H2_a: Brand characteristics has positive and significant effect on consumer's preference

H2₀: Brand characteristics has no positive and significant effect on consumer's preference

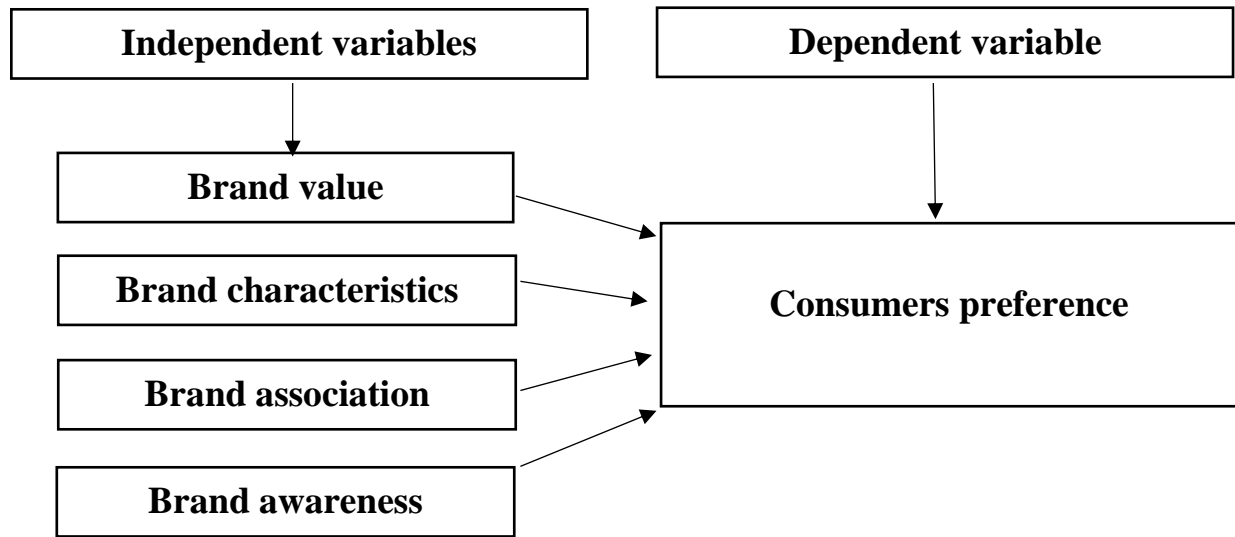
H3_a: Brand association has positive and significant effect on consumer's preference

H3₀: Brand association has no positive and significant effect on consumer's preference

H4_a: Brand awareness has positive and significant effect on consumer's preference

H4₀: Brand awareness has no positive and significant effect on consumer's preference

2.4. Conceptual framework



Source: Aaker (1996)

Figure 2.1: Conceptual framework

CHAPTER THREE: RESEARCH METHODOLOGY

This chapter addresses the overall methodologies employed in this research. It consists of brief discussion of the study design & approach, population of the study, determination of sample size, sampling method, data type and source, data collection methods, data analysis methods and ethical considerations.

3.1. Research Design

According to Kothari (2004) The research design constitutes the plan for collecting, measuring and analyzing data. It is a logical and systematic plan that has been prepared for guiding a research study. Research can be classified as descriptive, explanatory and exploratory depending on the specific objective that the research tries to address.

In this study the researcher employed descriptive and explanatory research designs because, it is most fitting to achieve the objective of the study. The objective of this study was to scrutinize the effect of Brand image on Consumers preference. Thus, this can be examined through a descriptive and explanatory research designs. Descriptive research design was used to obtain a picture of feedbacks of various Zemen bank consumers with a view to realize how they feel and respond to the brand image dimensions.

Explanatory research design was used to realize and explain the link between Brand image dimensions (Brand value, Brand characteristics, Brand association and Brand awareness) and Consumers preference in the case of Zemen bank.

3.2. Research Approach

Basically, there are three kinds of research methods; the first one is Qualitative method which contains studies that do not attempt to qualify their results through statistical summary or analysis. The second approach is Quantitative approach, which occupies systematic and scientific examination of quantitative properties and phenomenon and their association. The last one is mixed approach consisted of both qualitative and quantitative approach (Abiy et al. 2009).

This study used quantitative research approach, because the study involved hypothesis testing, correlation analysis, regression analysis and other quantitative methods by using descriptive and inferential statistics.

3.3. Target population

Population can be defined as the whole set of units of analysis that are under examination. Therefore, the target population for this study were all the customers of Zemen bank in all 28 branches which are located in Addis Ababa city.

3.4. Sampling method and sample size

3.4.1. Sampling method

Sampling is the choice of a fraction of the total number of units of interest for the ultimate purpose of being able to draw general decisions about the complete body of units (Patrick, 2008). There are two kinds of sampling methods, i.e. probability and non-probability sampling methods. For this study, non-probability sampling method was applied. Sample respondents were chosen by using convenience sampling technique. The rationale for using convenience sampling technique is that the target population of the study is big to test and it is the simplest method to acquire accessible and inexpensive method. Convenience sampling technique is a type of non-probability sampling method in which the sample is taken from a set of respondents easy to interact or reach.

3.4.2. Sample size

Due to the unknown number of consumers and no data concerning consumer of Zemen bank the sample size was calculated based on estimation method given by Kothari (2004). Which indicated below to determine the sample size.

$$n = \frac{z^2 \times p \times q}{e^2}$$

Where,

n= size of sample

z= standard variation at the given confidence interval

p= percentage of success

q= Percentage of failure

e= sampling errors

Thus, grounded on the formula an estimate of the likely percentage of success has to be considered (Kothari, 2004). Therefore, the most common percentage of success (p) which is 50% was chosen in line with a confidence interval of 95% (z), 5% sampling error (e). Therefore, the sample size for this study was 384.

$$n = \frac{1.96^2 \times 0.5(1 - 0.5)}{0.5^2} = 384$$

Depending on the above formula the sample size for the study was 384. Since the real number of customers in each branch is unknown the researcher divides the total sample size equally to the 28 branches of Zemen bank in Addis Ababa city.

Table 3.1: Sample proportions

No.	Branch	Sample size
1	Zemen Bank Main Branch	13
2	Sweden Embassy Sub Branch	13
3	Mexico Branch	13
4	Emirates Sub Branch	14
5	Bole Banking Center	13
6	CMC Banking Center	13
7	Arada Banking Center	13
8	Bisrate Gebrel Banking Center	14
9	Gotera Banking Center	13
10	Bole Medhanialem Banking Center	13
11	Wolo sefer Banking Center	13
12	Lebu Banking Center	14
13	Jackros Banking Center	13
14	Meskel Flower Banking Center	13
15	Shalla Banking Center	13
16	Gerji Banking Center	14
17	Tele Medhanialem Banking Center	13

18	Kality Banking Center	13
19	22 Banking Center	13
20	Gofa Mazoria Banking Center	14
21	Bole Rwanda Banking Center	13
22	Jemo Banking Center	13
23	Bethel Banking Center	13
24	Figa Banking Center	14
25	Sholla Banking Center	13
26	Wehalemat Banking Center	13
27	Megenana Banking Center	13
28	Abenet Banking Center	14
29	Total	384

Source: Zemen bank (2020)

3.5. Data type and source

3.5.1. Data type

In this study quantitative type of data was used.

3.5.2. Data source

There are two types of sources for data collection. Primary sources consist of all the data gathered throughout the investigation that directly can be associated to the aim of the study and secondary data comprises appropriate data that has been gathered for a dissimilar purpose, but from which the conclusion is helpful for the purpose. In this study only primary data was collected.

3.6. Data collection instruments

A structured questionnaire was used for gathering data in this study. The reason behind is the method is easy to standardize and produce results that are easy to summarize, compare and generalize. The second reason is; it is easy to use large sample by fitting diverse experience into predetermine response categories. It also adds to reliability by promoting greater consistency; since every respondent is asked the same questions.

384 questionnaires were distributed to respondents. The questionnaire only includes close-ended questions. The close ended questions were prepared in a five-point Likert scale that stretch from strongly agree to strongly disagree and respondents were asked to rate the issues under each heading.

3.7. Reliability and validity

Validity: Since the statements are made from a wide review of relevant literatures, it is assumed that the construct validity will hold.

Reliability: Reliability analysis was conducted to check whether a scale used in this paper consistently reflects the subset it measures. The Cronbach 's α was used as a measure of internal consistency.

3.8. Method of data analysis

In this study, data analysis was done by using descriptive statistics such as frequency, mean and standard deviation and inferential statistics (correlation and Multiple linear regression analysis). Personal information of the users was analyzed by using percentage, frequency and cumulative percentage. Statistical techniques which include mean values and standard deviation were computed for each variable in the study. The statistical method of Pearson Correlation was also used to determine the existence of any relationship between the independent variables and the dependent variable. Additionally, multiple linear regression analysis was conducted to examine the effect of the independent variables on the dependent variable. To examine the quantitative data, the researcher used SPSS software version 20.

Regression Model specification

$$CP = \beta_0 + \beta_1BV + \beta_2BC + \beta_3BAS + \beta_4BAW + \epsilon$$

Where;

β_0 = Constant Term

$\beta_1, \beta_2, \beta_3$ and β_4 = Beta coefficients

CP = Dependent variable

BV, BC, BAS and BAW = Predictor variables

ε = Error term

3.9. Ethical consideration

The survey was conducted based upon the agreement of volunteer customers. All responses were anonymous. The student researcher invited the respondents to participate in the research upon distributing the questionnaires. All respondents were informed that all information will be provided on a voluntary basis and would be used for research purposes only. Names were not required to disclose on the data collection forms so that privacy and anonymity was ensured.

More specifically, for ethical clearance the researcher confirmed comprising the following information:

- A brief explanation of the objective of the research
- Explanation of what participation will involve, in terms of actions and period
- The assurance that all response remains private and unspecified

CHAPTER FOUR: DATA ANALYSIS AND PRESENTATION

In this part, the data gathered from respondents were analyzed and presented in order to achieve the objective of the research. As mentioned earlier this study was held to examine the effect of brand image on consumer's preference. Therefore, the demographic profile of respondents and other associated subtopics are analyzed in detail by using descriptive and inferential statistics tools. To scrutinize the effect of brand image on consumer preference 384 customers of the bank were surveyed. From the 384 distributed questionnaires all 384 of them were collected.

4.1. Profile of respondents

The demographic factors used in this research were gender, age, marital status, educational level and monthly income.

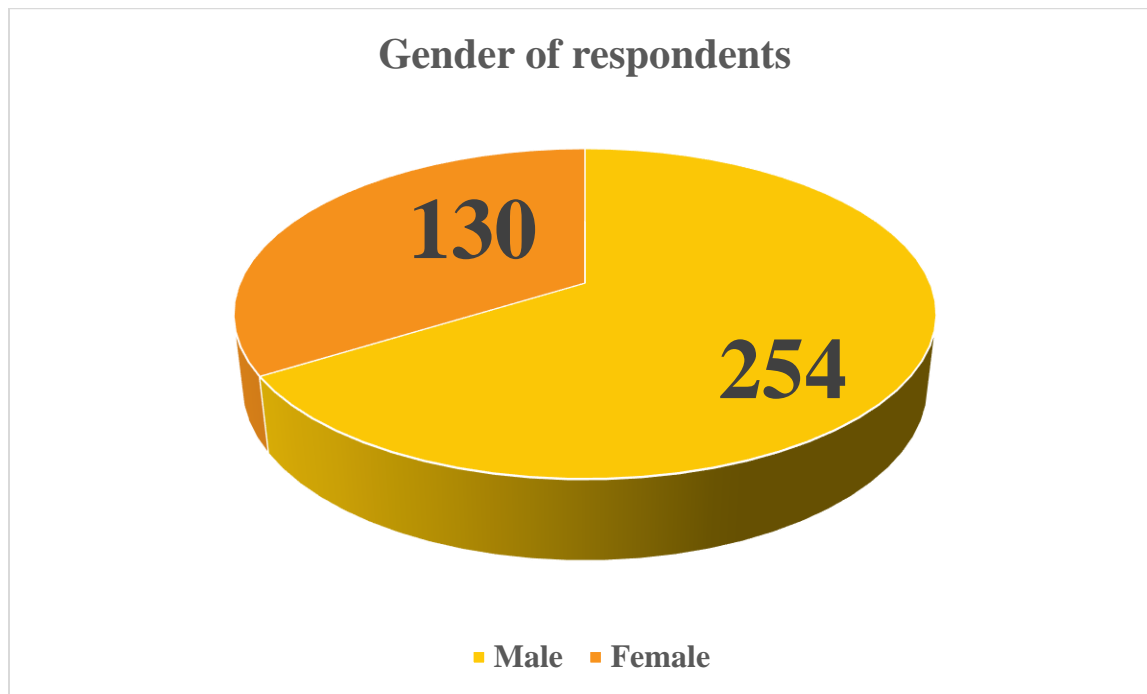


Figure 4.1: Gender of respondents

Source: survey output, 2020

As it is depicted on figure 4.1, from the total of 384 respondents 66.1% of them are male and 33.9% of them are female. slightly more male respondents were surveyed than female respondents.

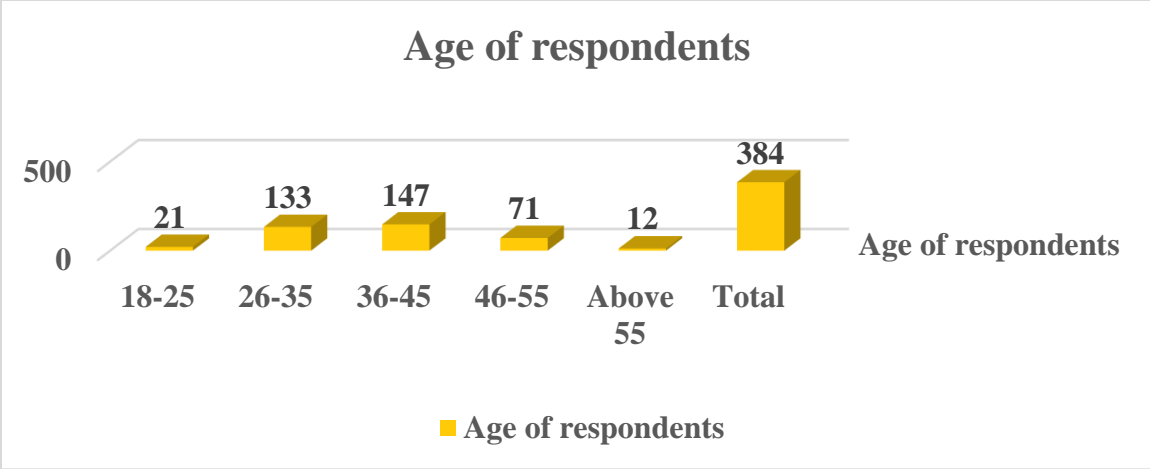


Figure 4.2: Age of respondents

Source: survey output, 2020

As it is shown on figure 4.2 above from the total of 384 respondents 5.5% of them are in the age category of 18-25. 34.6% of the respondents are in the age category of 26-35. Those respondents included in the age category of 36-45 are about 38.3% and hence this age category includes the majority. 18.5% of the respondents are in the age category of 46-55. There are only 3.1% of respondents which fall in the age category of 55 years and above and hence this age category contains the minority.

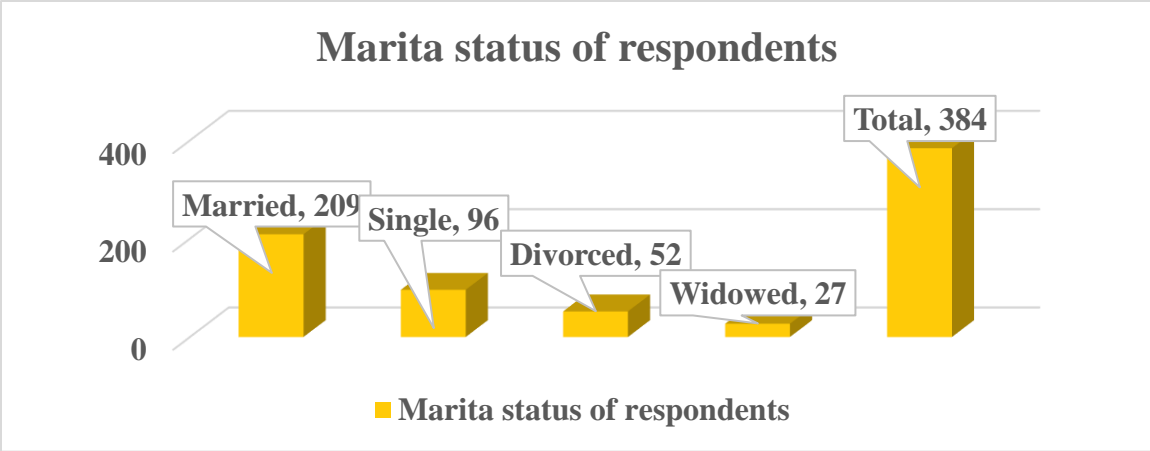


Figure 4.3: Marital status of respondents

Source: survey output, 2020

As it is shown on figure 4.3 above from the total of 384 respondents 54.4% of them are married. hence this age category includes the majority. 25.0% of the respondents are single. Those respondents which are divorced are about 13.5% and 7.0% of the respondents are widowed.

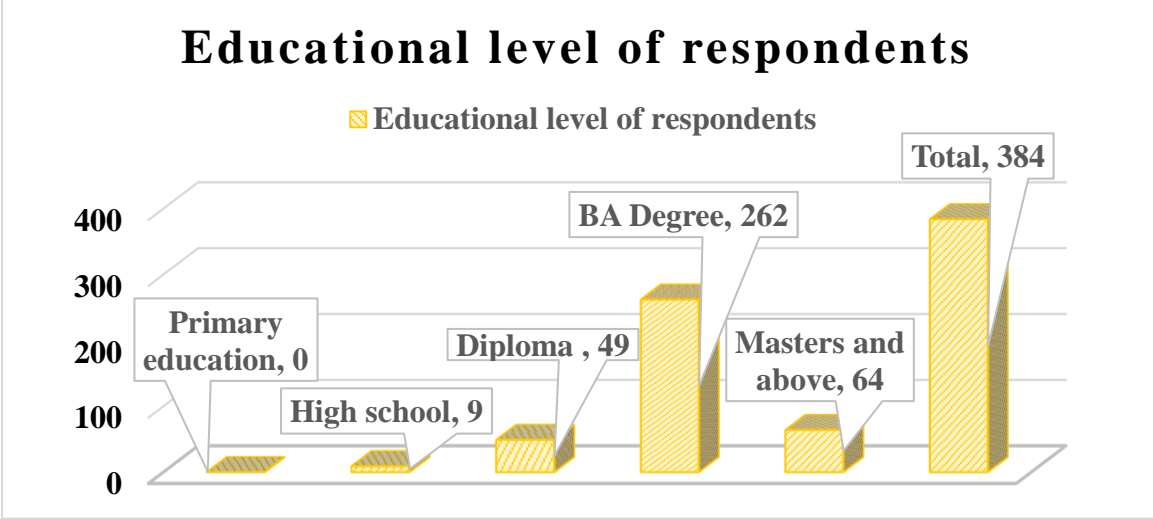


Figure 4.4: Educational level of respondents

Source: survey output, 2020

From figure 4.4 above, it can be seen that out of 384 total respondents 2.3% of them are at the level of secondary education, 12.8% of them are diploma holders, 68.2% of them are first degree holders and 16.7% of them are at the level of masters and above.

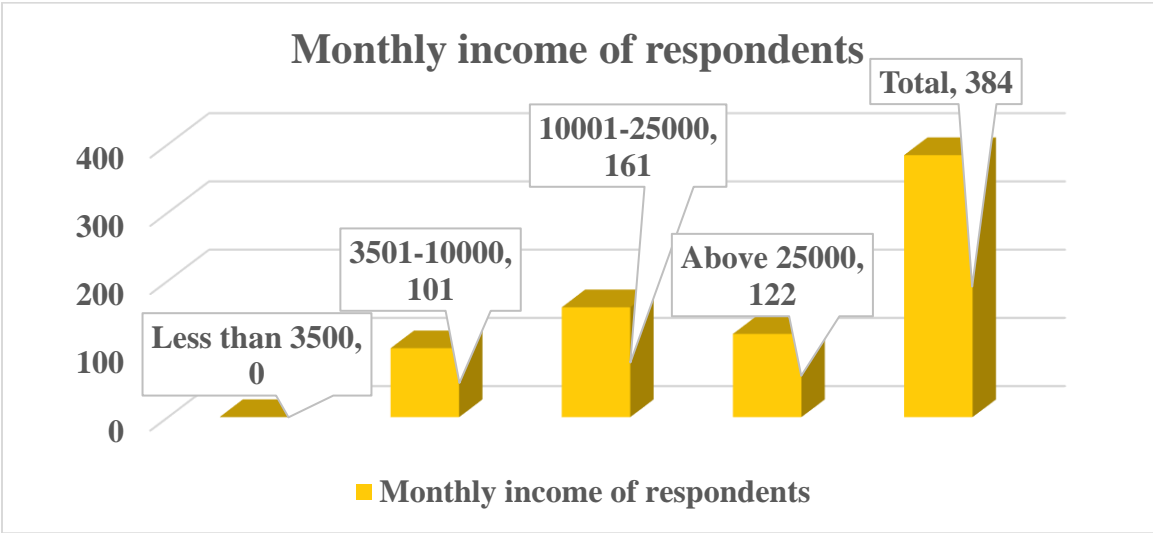


Figure 4.5: Monthly income of respondents

Source: survey output, 2020

Respondents were also requested to identify their income level categories. There were four categories of which 26.3% earned between 3501 -10000 Birr, 41.9% earned birr 10001 - 25000 and the remaining 31.8% of respondents earned 25000 Birr and above.

4.2. Reliability analysis

Reliability analysis was conducted to check whether a scale used in this paper consistently reflects the subset it measures. For this study, the Cronbach ‘s alpha was used as a measure of internal consistency. From data analysis the Cronbach’s alpha for this study was at acceptable zone according to the standard set by George and Mallery, (2003) and it is over the acceptable limit of >0.70. For all individual items, Cronbach’s alpha is greater than 0.70, which is shown below, that signifies greater internal consistency between the items and measures the intended dimension of the variables.

Table 4.1: Reliability of the instrument

Reliability of the instrument	Item Cronbach’s alpha	Number of items
Brand image dimensions		
Brand value	0.842	4
Brand characteristics	0.720	4
Brand association	0.754	7
Brand awareness	0.733	3
Consumer preference	0.857	4
Overall reliability	0.899	22

Source: Survey output, (2020)

Cronbach ‘s alpha was calculated for each field of the instrument. The above table shows Cronbach ‘s Alpha value for each and the entire questionnaire. For each field, Cronbach's Alpha value ranges from 0.720 - 0.857. Cronbach's Alpha for the entire instrument equals 0.899. Therefore, grounded on the test the values for the items are reliable and acceptable.

4.3. Descriptive statistics of variables

To show the level of agreement of the respondents, descriptive statistics of variables is presented in the form of mean and standard deviation.

The answers of the respondents were measured on five-point Likert scale with: 1= Strongly disagree - 5= Strongly agree. But when making explanation of the outcomes of mean and standard deviation the scales are reassigned as follows to make the interpretation easy and clear. According to Best, (1977) as cited by Gebeyehu, J. (2014) the intervals for breaking the range in measuring each variable with five-point scale is calculated as follows:

Agreement level= $\frac{\text{Maximum} - \text{Minimum}}{5} = \frac{5 - 1}{5} = 0.8$	

Hence, the range of the score indicates:

1.00 – 1.80	Strongly disagree
1.81 – 2.60	Disagree
2.61 – 3.40	Neutral
3.41 – 4.20	Agree
4.21 – 5.00	Strongly agree

Source: Best, (1977) as cited by Gebeyehu, (2014)

4.3.1. Descriptive statistics of brand value

For measuring brand value's effect respondents were asked four questions. The result is presented in the subsequent table.

Table 4.2: Descriptive statistics of brand value

Brand value items	N	Min	Max	Mean	Std. deviation	Rank
Employees of zemen bank are well trained.	384	2	5	4.45	0.773	1
The employees of the bank offer a better service compared to other banks.	384	2	5	4.42	0.811	2
The bank provides an excellent service.	384	2	5	4.41	0.822	3
The bank provides augmented service for its customers.	384	2	5	4.41	0.800	4
Overall brand value	384	2.25	5	4.4225	0.66059	
Valid N (list wise)	384					

Source: survey output, 2020

As we can see from the above Table No. 4.2 “Employees of zemen bank are well trained” scored mean of 4.45 and standard deviation 0.773, “The employees of the bank offer a better services compared to other banks” scored mean of 4.42 and standard deviation 0.811, “The bank provides an excellent service” scored mean of 4.41 and standard deviation 0.822 and “The bank provides augmented service for its customers” scored mean of 4.41 and standard deviation 0.800. Since mean result of all items fall between the ranges of 4.21-5.00 it is possible to conclude that majority of the respondents strongly agreed and are satisfied with the four items of brand value. The low standard deviation shows that the Mean represents the rate given by the Majority of the respondents.

4.3.2. Descriptive statistics of brand characteristics

For measuring brand characteristics’ effect respondents were asked four questions. The result is presented in the subsequent table.

Table 2.3: Descriptive statistics of brand characteristics

Brand characteristics items	N	Min	Max	Mean	Std. deviation	Rank
The brand name can be recognized very easily.	384	2	5	4.64	0.671	1
I am attracted by the zemen bank logo.	384	2	5	4.59	0.727	2
The bank has a good word of mouth publicity.	384	1	5	4.41	0.816	3
I am very attracted by the overall appearance of the bank.	384	1	5	4.35	0.736	4
Overall brand characteristics	384	2.50	5	4.5000	0.54527	
Valid N (list wise)	384					

Source: survey output, 2020

As we can see from the above Table No. 4.3 “The brand name can be recognized very easily” scored mean of 4.64 and standard deviation 0.671, “I am attracted by the zemen bank logo” scored mean of 4.59 and standard deviation 0.727, “The bank has a good word of mouth publicity” scored mean of 4.41 and standard deviation 0.816 and “I am very attracted by the overall appearance of the bank” scored mean of 4.35 and standard deviation 0.736. Since mean result of all items fall between the ranges of 4.21-5.00 it is possible to conclude that majority of the respondents strongly agreed and are satisfied with the four items of brand characteristics. The low standard deviation shows that the Mean represents the rate given by the Majority of the respondents.

4.3.3. Descriptive statistics of brand association

For measuring brand association’s effect respondents were asked four questions. The result is presented in the subsequent table.

Table 4.4: Descriptive statistics of brand association

Brand association items	N	Min	Max	Mean	Std. deviation	Rank
I can imagine my self being a customer of zemen bank.	384	1	5	4.34	0.747	1
Zemen bank advert is attractive.	384	2	5	4.33	0.799	2
Most people consider zemen bank is only for wealthy customers.	384	2	5	4.27	0.781	3
The bank is only for people with high standard of living.	384	1	5	4.27	0.707	4
Zemen bank is my prior choice.	384	2	5	4.27	0.750	5
Being an account holder of zemen bank makes me feel like I am wealthy.	384	2	5	4.25	0.781	6
The bank position itself as a high status.	384	2	5	4.22	0.780	7
Overall brand association	384	2	5	4.2697	0.49649	
Valid N (list wise)	384					

Source: survey output, 2020

As we can see from the above Table No. 4.4 “I can imagine my self being a customer of zemen bank” scored mean of 4.34 and standard deviation 0.747, “Zemen bank advert is attractive” scored mean of 4.33 and standard deviation 0.799, “Most people consider zemen bank is only for wealthy customers” scored mean of 4.27 and standard deviation 0.781, “The bank is only for people with high standard of living” scored mean of 4.27 and standard deviation 0.707, “Zemen bank is my prior choice” scored mean of 4.27 and standard deviation 0.750, “Being an account holder of Zemen bank makes me feel like I am wealthy” scored mean of 4.25 and standard deviation 0.780 and “The bank position itself as a high status” scored mean of 4.22 and standard deviation 0.780. Since mean result of all items fall between the ranges of 4.21-5.00 it is possible to conclude that

majority of the respondents strongly agreed and are satisfied with the seven items of brand association. The low standard deviation shows that the Mean represents the rate given by the Majority of the respondents.

4.3.4. Descriptive statistics of brand awareness

For measuring brand awareness's effect respondents were asked four questions. The result is presented in the subsequent table.

Table 4.5: Descriptive statistics of brand awareness

Brand awareness items	N	Min	Max	Mean	Std. deviation	Rank
I am familiar with Zemen bank's brand	384	2	5	4.32	0.722	1
I can recognize Zemen bank quickly among other competing brands	384	2	5	4.29	0.709	2
Some characteristics of Zemen bank come to my mind quickly	384	1	5	4.22	0.778	3
Overall brand awareness	384	2	5	4.2708	0.60327	
Valid N (list wise)	384					

Source: survey output, 2020

As we can see from the above Table No. 4.5 "I am familiar with Zemen bank's brand" scored mean of 4.32 and standard deviation 0.722, "I can recognize Zemen bank quickly among other competing brands" scored mean of 4.29 and standard deviation 0.709 and "Some characteristics of Zemen bank come to my mind quickly" scored mean of 4.22 and standard deviation 0.778. Since mean result of all items fall between the ranges of 4.21-5.00 it is possible to conclude that majority of the respondents strongly agreed and are satisfied with the three items of brand awareness. The low standard deviation shows that the Mean represents the rate given by the Majority of the respondents.

4.3.5. Descriptive statistics of consumer preference

For measuring consumer preference, respondents were asked four questions. The result is presented in the subsequent table.

Table 4.6: Descriptive statistics of consumer preference

Consumer preference items	N	Min	Max	Mean	Std. deviation	Rank
Brand awareness strongly influence consumer preference	384	1	5	4.62	0.682	1
Brand association strongly influence consumer preference	384	1	5	4.60	0.690	2
Brand characteristics strongly influence consumer preference	384	1	5	4.59	0.676	3
Brand value strongly influence consumer preference	384	2	5	4.45	0.738	4
Overall consumer preference	384	1.75	5	4.5625	0.58316	
Valid N (list wise)	384					

Source: survey output, 2020

As we can see from the above Table No. 4.6 “Brand awareness strongly influence consumer preference” scored mean of 4.62 and standard deviation 0.682, “Brand association strongly influence consumer preference” scored mean of 4.60 and standard deviation 0.690, “Brand characteristics strongly influence consumer preference” scored mean of 4.59 and standard deviation 0.676 and “Brand value strongly influence consumer preference” scored mean of 4.45 and standard deviation 0.738. Since mean result of all items fall between the ranges of 4.21-5.00 it is possible to conclude that majority of the respondents tend to be strongly agreed with the four items of consumer preference. This indicates that the respondents perceive that brand image dimensions affect their preference. The low standard deviation shows that the Mean represents the rate given by the Majority of the respondents.

4.3.6. Summary of descriptive statistics of variables

Table 4.7: Summary of descriptive statistics of variables

Variables	N	Minimum	Maximum	Mean	Std. deviation	Rank
Consumer preference	384	1.75	5	4.5625	0.58316	1
Brand characteristics	384	2.50	5	4.5000	0.54527	2
Brand value	384	2.25	5	4.4225	0.66059	3
Brand awareness	384	2.00	5	4.2708	0.60327	4
Brand association	384	2.00	5	4.2697	0.49649	5
Valid N (list wise)	122					

Source: survey output, 2020

Table No. 4.7 clearly summarizes perceptions of the respondents. It shows the respondent's perception with respect to the four predictor variables and the dependent variable. Consumer preference have the higher rating scale (Mean = 4.5625, SD = 0.58316), followed by brand characteristics (Mean of 4.5000 with SD 0.54527), brand value (Mean = 4.4225 with SD = 0.66059), brand awareness (Mean = 4.2708 with SD = 0.60327) and brand association (Mean = 4.2697 with SD = 0.49649). The low standard deviation shows that the Mean represents the rate given by the Majority of the respondents. This implies that the independent Variables i.e. brand image dimensions are the predictors of the dependent variable consumer preference. In general, it is possible to conclude that respondents have agreed and are satisfied with the four brand image dimensions.

4.4. Correlation analysis

Pearson correlation in this case is vital to understand the strength of the linear relationship between two variables. The correlation coefficient (r), in the range of -1.0 to + 1.0, shows the level of strength of the relationship. Accordingly, if the coefficient is close to +1.0 or - 1.0, the relationship is said to be strong while a result close to 0 is a symptom of weak

relationship between variables. According to Cronk, (2008) a correlation coefficient beyond 0.7 on both sides is considered to be strong, 0.3-0.7 as moderate and below 0.3 and closing to 0 on both sides as weak relationship.

In any practical context, the relationship between predictor variables will be non-zero, though this will generally be relatively benign in the sense that a small degree of linkage between predictor variables will almost always happen but will not cause too much loss of precision. But, a problem occurs when the predictor variables are very highly correlated with each other and this problem is known as multi-collinearity (Brooks, 2008). So, Table 4.8 below illustrates there is no relationship between independent variables that equals or exceeds Pearson correlation coefficients of 0.80.

Table 4.8: Correlation matrix

		Consumer preference	Brand value	Brand characteristics	Brand association	Brand awareness
Consumer preference	Pearson Correlation Sig. (2-tailed) N	1 384				
Brand value	Pearson Correlation Sig. (2-tailed) N	.559** .000 384	1 384			
Brand characteristics	Pearson Correlation Sig. (2-tailed) N	.752** .000 384	.608** .000 384	1 384		
Brand association	Pearson Correlation Sig. (2-tailed) N	.475** .000 384	.387** .000 384	.534** .000 384	1 384	
Brand awareness	Pearson Correlation Sig. (2-tailed) N	.333** .000 384	.186** .000 384	.436** .000 384	.336** .000 384	1 384

** . Correlation is significant at the 0.01 level (2-tailed).

Source: survey output, 2020

As we can see from the above table No 4.8 above, All the four predictor variables have a significant relationship with consumer preference. The most correlated dimension with consumer preference among the predictor variables is Brand characteristics ($r = 0.752$, strong positive correlation) followed by Brand value ($r = 0.559$, moderate positive correlation), Brand association ($r = 0.475$, moderate positive correlation) and Brand awareness ($r = 0.333$, moderate positive correlation).

Accordingly, it can be concluded that all the four predictor variables have significant and positive relationship with consumer preference. Hence any improvement in one of the variables will positively contribute to consumer preference.

4.5. Multiple linear regression analysis

4.5.1. Major tests for multiple regression

Before analyzing multiple linear regression, the presence of Multi-co linearity, Linearity, Normality and Homoscedasticity have to be checked

4.5.1.1. Multi collinearity

Multi-co linearity exists when there is high correlation amongst the predictor variables. In this study Variance Inflation Factor (VIF) was used to test Multi-co linearity between predictor variables. VIF analyses the outcome of correlations between predictor variables. The VIF result have to be less than 10, and should be close to one.

Tolerance shows how much of the variation of a specific predictor variable is not explained by other predictor variables and can be calculated by using the formula $1-R^2$ for each variable. If the value is less than 0.20 it means the multiple correlation with other variables is high, indicating the likelihood of multi-co linearity.

Table 4.9: VIF Test for predictor variables

Model		Collinearity Statistics	
		Tolerance	VIF
1	(Constant)		
	Brand value	.616	1.624
	Brand characteristics	.466	2.146

Brand association	.693	1.442
Brand awareness	.783	1.277

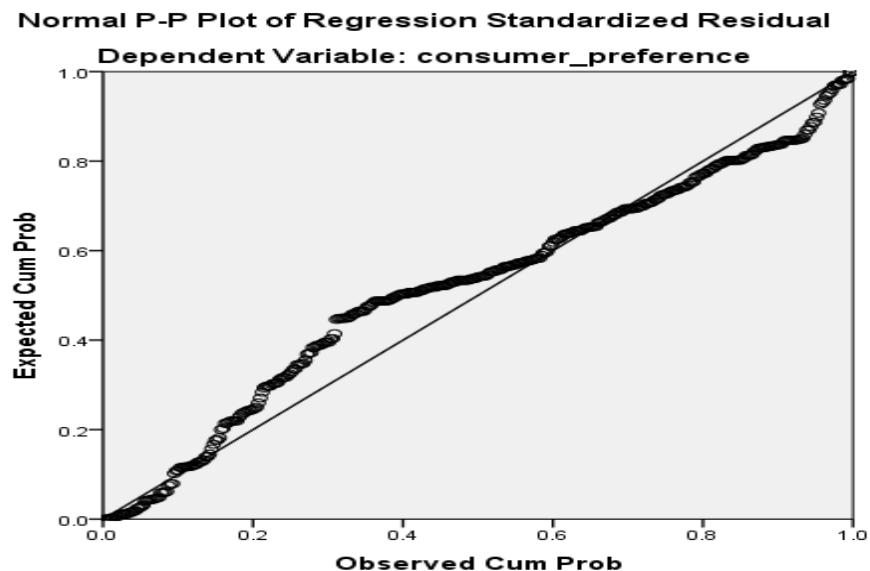
Source: Survey output, 2020

As it can be seen from the above table 4.9, the result of multi co linearity statistics analysis indicates that VIF value is less than 10 and the variance individual tolerance for each value is greater than 0.1. Therefore, the results show that in this model multi-co linearity problem doesn't exist.

4.5.1.2. Linearity

Linearity means the extent to which a variation in the dependent variable is linked to the variation in the predictor variables.

The Figure below displays no significant variation in the spread of the residuals as we look from left to right it is nearly all residuals lay on the linear straight line therefore, this indicates the association between the predictor variables and the dependent variable is linear.

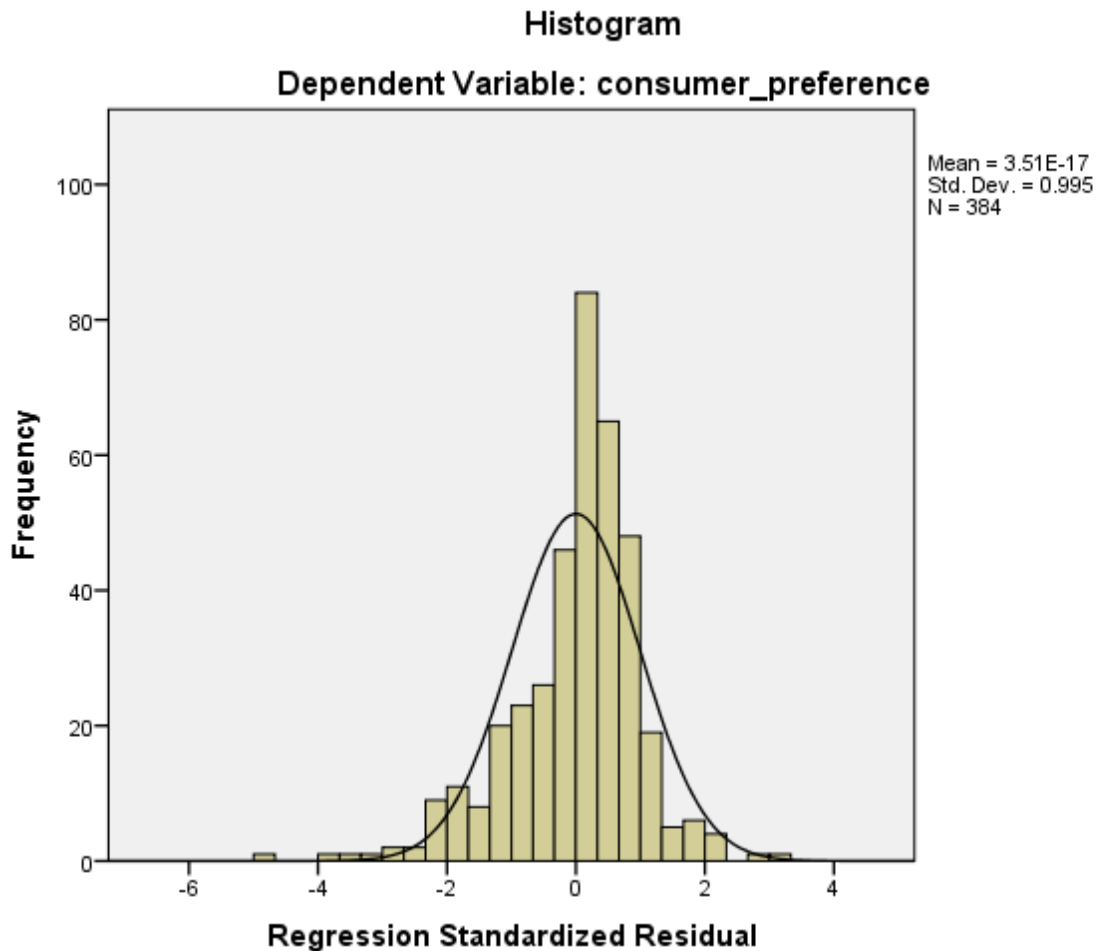


Source: Survey output, (2020)

Figure 4.6: Linearity test

Normality

Normality necessitate the predictor variables in the model to be normally distributed and the error term have to be normally distributed or expected value of the error terms should be zero. If the residuals distributed normally, the histogram will have a bell-shape. Hence, this study applied graphical methods to check normality of the data.

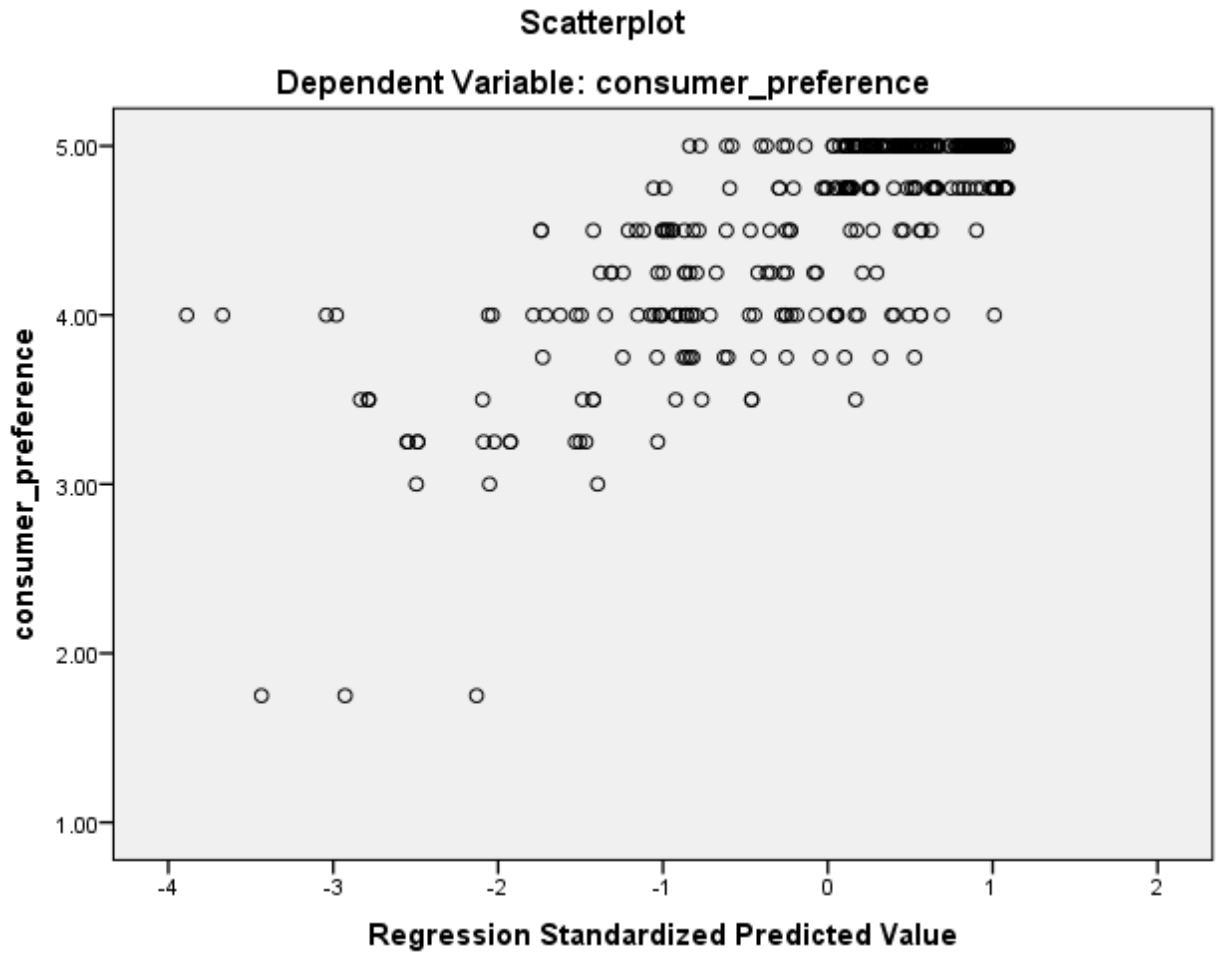


Source: Survey output, 2020

Figure 4.7: Normality test

4.5.1.3. Homoscedasticity

Homoscedasticity is an assumption in regression analysis that the residuals at each phase of the independent variables have the same variations. Which means, at each point besides any predictor variable, the spread of residuals should be fairly constant.



Source: Survey output, 2020

Figure 4.8: Homoscedasticity test

4.5.2. Result of the multiple linear regression analysis

The effect of the four predictor variables; Brand value, Brand characteristics, Brand association and Brand awareness on the dependent variable i.e. consumer preference was examined by using multiple linear regression analysis.

4.5.2.1. Model summary

Table 4.10: Model summary

Model	R	R-square	Adjusted R-square	Std. Error of the Estimate
1	.766 ^a	.588	.583	.37650

a. Predictors: (Constant), Brand awareness, brand value, brand association, brand characteristics

Source: Survey output, 2020

The model summary offers the summary of the best-fit regression model. For this analysis the R (multiple R), which is the overall correlation between the predictor variables shows 0.766. The model explains about 58.8% of variation on consumer preference. The adjusted R² indicates the percentage of variance in the dependent variable that is accounted by the independent variables. In this case the coefficient of determination adjusted R Square was 0.583. This implies that about 58.3% of the dependent variable (i.e. consumer preference) can be explained by the independent variables (i.e. Brand value, Brand characteristics, Brand association and Brand awareness), leaving about 41.7% to be explained by other exogenous factors.

$Y = X\beta + e$ $(100\%) = (58.3\%) + (41.7\%)$
--

4.5.2.2. ANOVA

Table 4.11: ANOVA

Model		Sum of squares	Df	Mean square	F	Sig.
1	Regression	76.525	4	19.131	134.959	.000 ^b
	Residual	53.725	379	.142		
	Total	130.250	383			

a. Dependent Variable: consumer preference

b. Predictors: (Constant), Brand awareness, brand value, brand association, brand characteristics

Source: Survey output, 2020

The ANOVA table shows the various sums of squares described in the Table above and the degrees of freedom associated with each. From these two values, the average sums of squares (the mean squares) can be calculated by dividing the sums of squares by the associated degrees of freedom. The most vital part of the table is the F-ratio, which is a test of the null hypothesis that the regression coefficients are all equal to zero. Put in another way, this F statistic tests whether the R^2 proportion of variance in the dependent variable accounted for by the predictors is zero and the table also shows the associated significance value of that F-ratio. For this data, F is 134.959 and it is significant at 0.001 significance level. This result indicates there is below 0.1% probability that an F-ratio this large would happen, if the null hypothesis proposed about F-ratio were true. Thus, we can conclude that our regression model result is significantly better prediction of consumer's preference and that the regression model overall predicts consumer preference significantly well.

4.5.2.3. Coefficients of predictor variables

Table 4.12: Coefficients of predictor variables

Model 1		Unstandardized coefficients		Standardized coefficient	T	Sig.
		B	Std. Error	Beta		
	(Constant)	.557	.200		2.780	.006
	Brand Value	.137	.037	.155	3.682	.000
	Brand characteristics	.649	.052	.606	12.550	.000
	Brand association	.102	.047	.087	2.202	.028
	Brand awareness	.011	.036	.011	.293	.770

a. Dependent Variable: consumer preference

Source: Survey output, 2020

Multiple linear regression model equation

$$Y = 0.557 + 0.155 \text{ Brand value} + 0.606 \text{ Brand characteristics} + 0.087 \text{ Brand association} + 0.011 \text{ Brand awareness}$$

The above table No. 4.12 summarizes the outputs of the model predicting consumer preference with the dimensions of brand value, brand characteristics, brand association and brand awareness. Three predictor variables have a positive and significant effect excluding brand awareness at 95% confidence interval. Standardized coefficient (β value) shows the extent of significance of each predictor variables on consumer preference i.e. higher Beta value refers to high effect of the independent variable on dependent variable; hence, grounded on their contribution/importance the dimensions can be ordered in the following way:

1. Brand characteristics $\beta = 0.606$
2. Brand value $\beta = 0.155$
3. Brand association $\beta = 0.087$

Since brand awareness does not have significant effect on consumer preference, setting all other predictor variables to zero the interpretations of the significant independent variables are:

1. For every unit increase in the value of brand characteristics in the company, the value of consumer preference will increase by 60.6%.
2. For every unit increase in the value of brand value in the company, the value of consumer preference will increase by 15.5%.
3. For every unit increase in the value of brand association in the company, the value of consumer preference will increase by 8.7%.

Among the four predictor variables, brand characteristics has the highest important effect on consumer preference followed by brand value and brand association. The remaining dimension i.e. brand awareness does not have any effect on consumer preference.

4.6. Hypothesis testing and discussion

Depending on the multiple linear regression results, the proposed hypotheses of this study were tested below.

***H1_a*: Brand value has a positive and significant effect on consumer's preference**

***H1₀*: Brand value has no positive and significant effect on consumer's preference**

The multiple linear regression result in Table No. 4.12 clearly shows that in Zemen bank brand value significantly affects consumer preference ($p < 0.05$). In addition, the value of beta ($\beta = 0.155$) indicates a positive effect of brand value on consumer preference. This result is supported by Frewoini (2017) which brand value positively and significantly affects consumer preference. Therefore, the study rejected the null hypothesis and accepted the alternative hypothesis.

***H2_a*: Brand characteristics has a positive and significant effect on consumer's preference**

***H2₀*: Brand characteristics has no positive and significant effect on consumer's preference**

The multiple linear regression result in Table No. 4.12 clearly shows that in Zemen bank brand characteristics significantly affects consumer preference ($p < 0.05$). In addition, the value of beta ($\beta = 0.606$) indicates a positive effect of brand characteristics on consumer preference. This result is supported by Frewoini (2017) which brand characteristics positively and significantly affects consumer preference. Therefore, the study rejected the null hypothesis and accepted the alternative hypothesis.

***H3_a*: Brand association has a positive and significant effect on consumer's preference**

***H3₀*: Brand association has no positive and significant effect on consumer's preference**

The multiple linear regression result in Table No. 4.12 clearly shows that in Zemen bank brand association significantly affects consumer preference ($p < 0.05$). In addition, the value of beta ($\beta = 0.087$) indicates a positive effect of brand association on consumer preference. This result is supported by Frewoini (2017) which brand association positively and significantly affects consumer preference. Therefore, the study rejected the null hypothesis and accepted the alternative hypothesis.

***H4_a*: Brand awareness has a positive and significant effect on consumer's preference**

***H4₀*: Brand awareness has no positive and significant effect on consumer's preference**

The multiple linear regression result in Table No. 4.12 clearly indicates that in Zemen bank brand awareness has no effect on consumer preference ($p > 0.05$). Therefore, the study accepted the null hypothesis and rejected the alternative hypothesis.

Table 4.13: Summary of hypothesis testing

Hypothesis	Result	Sig.
<i>H1_a</i> : Brand value has a positive and significant effect on consumer's preference	Accepted	.000
<i>H2_a</i> : Brand characteristics has a positive and significant effect on consumer's preference	Accepted	.000
<i>H3_a</i> : Brand association has a positive and significant effect on consumer's preference	Accepted	.028
<i>H4_a</i> : Brand awareness has a positive and significant effect on consumer's preference	Rejected	.770

Source: survey output, 2020

CHAPTER FIVE: SUMMARY, CONCLUSION AND RECOMMENDATION

In this chapter summary of the major aspects of the study are addressed and in line with the major findings of the study, conclusion of the findings is presented and based on the conclusions made, recommendations for Zemen bank and for further research are suggested.

5.1. Summary of major findings

The main aim of the study was to scrutinize the effect of brand image on consumer preference in Zemen bank Addis Ababa city branches. The study listed Brand value, Brand characteristics, Brand association and Brand awareness as predictor variables and consumer preference as a dependent variable. In this study descriptive and explanatory research designs were applied. Regarding research approach, quantitative research approach was used and a cross-sectional research survey was also considered. The target populations of the study were customers of Zemen bank in 28 branches located in Addis Ababa city. Primary data was used as a source of information and collected from respondents using English version questionnaires. 384 questionnaires were distributed to respondents who were approached using non- probability sampling (convenience sampling technique) and all 384 questionnaires were completed and returned.

With respect to the reliability and validity of the instrument table No. 4.1 illustrated that the entire instrument was reliable and acceptable with Cronbach's Alpha value 0.899 and valid items are identified from a wide review of relevant literatures.

Regarding to the respondent's level of agreement with the predictor variables, four dimensions were considered and the respondents strongly agreed with all the four variables namely brand value, brand characteristics, brand association and brand awareness giving the highest rate to brand characteristics with (Mean = 4.5000 ,SD = 0.54527) followed by brand value with (Mean = 4.4225 ,SD = 0.66059), brand awareness with (Mean = 4.2708 ,SD = 0. 60327) and brand association with (Mean = 4.2697, SD = 0.49649). Besides, the respondents strongly agreed on the dependent variable which is consumer preference (mean= 4.5625, SD = 0.58316).

The results of correlation analysis indicate that all predictor variables are found to have positive and significant correlation with the dependent variable i.e. consumer preference at 99 percent confidence interval ($P < 0.01$). The most correlated dimension with consumer preference among the

predictor variables is brand characteristics ($r = 0.752$), followed by brand value ($r = 0.559$), brand association ($r = 0.475$) and brand awareness ($r = 0.333$).

Summary based on specific objectives

The multiple linear regressions result of the four predictor variables reveal that the study was conducted at 95% confidence interval i.e. P value less than or equal to 5%. The result indicates that the model is significant 0.05 significance level. The multiple R is 0.766, R square 0.588 and adjusted R square 0.583 which indicates 58.3% of variation in the dependent variable (consumer preference) is attributed to the four predictor variables. In this case 58.3% variance on consumer preference is attributed to the four predictor dimensions. The rest 41.7% variance can be caused by other factors which are not included in this research. Regarding the relative effect of the independent variables on consumer preference, β value was used to identify the relative importance of predictor variables in affecting consumer preference. Standardized beta value for brand characteristics was $\beta = 0.606$. This indicates that, Brand characteristics is the dominant dimension to influence consumer preference. Brand value also had strong degree of positive influence in determining consumer preference since its beta value was the second highest with $\beta = 0.155$, brand association had β value of 0.087 and it has positive influence on consumer preference. The remaining predictor variable i.e. brand awareness has no significant effect on consumer preference. Therefore, the finding revealed that, brand characteristics was the most powerful dimension in influencing consumer preference in Zemen bank.

The major findings of the study are summarized as follows:

H1_a: Brand value has a positive and significant effect on consumer's preference. **(Accepted)**

H1_o: Brand value has no positive and significant effect on consumer's preference. **(Rejected)**

H2_a: Brand characteristics has a positive and significant effect on consumer's preference. **(Accepted)**

H2_o: Brand characteristics has no positive and significant effect on consumer's preference. **(Rejected)**

H3_a: Brand association has a positive and significant effect on consumer's preference. **(Accepted)**

H3_o: Brand association has no positive and significant effect on consumer's preference. **(Rejected)**

H4a: Brand awareness has a positive and significant effect on consumer's preference. **(Rejected)**

H4o: Brand awareness has no positive and significant effect on consumer's preference. **(Accepted)**

5.2. Conclusions

The study investigated the effect of brand image on the side of consumer preference of Zemen bank. Accordingly, a five-dimensional instrument comprising of the brand image dimensions has been used for the study. The data obtained from the respondent was analyzed using both descriptive and inferential statistics and based on the findings, the researcher concluded in the following way:

Based on the results of the descriptive statistics, the following conclusions are made:

- ✓ Customers of Zemen bank have high level of perception for Brand characteristics followed by Brand value, Brand awareness and Brand association.

Inferential statistics were made using correlation and multiple regression analysis and the findings are concluded as follows:

- ✓ Brand value has a positive and significant relationship with consumer preference
- ✓ Brand value has a positive and significant effect on consumer preference
- ✓ Brand characteristics has a positive and significant relationship with consumer preference
- ✓ Brand characteristics has a positive and significant effect on consumer preference
- ✓ Brand association has a positive and significant relationship with consumer preference
- ✓ Brand association has positive and significant effect on consumer preference
- ✓ Brand awareness has a positive and significant relationship with consumer preference
- ✓ Brand awareness has no significant effect consumer preference
- ✓ 58.3% variance on consumer preference is attributed to the four predictor dimensions.

As far as the relative effects of predictor variables on consumer preference is concerned, brand characteristics is the most dominant dimension in determining the variation in consumer preference followed by brand value and brand association.

5.3. Recommendation

Grounded on the conclusions drawn, the following recommendations are suggested for Zemen bank to help improve branding strategies in order to increase consumer preference.

Based on the findings, out of the four dimensions, Brand characteristics, Brand value and Brand association have positive and significant effect on consumer preference. Therefore, priorities toward these important dimensions are expected from Zemen bank.

The possible task for each important dimension includes:

From the four dimensions brand characteristics has the highest effect on consumer preference. Therefore, Zemen bank should give more attention to this dimension in order to be preferred by customers. This could be done by:

- ✓ Promoting the brand of the bank in order to be easily recognized by customers
- ✓ Creating a good word of mouth publicity

From the four dimensions brand value is the second important dimension to affect consumer preference. Therefore, the bank is recommended to do the following actions:

- ✓ Provide quality service customers
- ✓ Train employees to offer a better service compared to other banks
- ✓ Provide augmented services for customers

From the four dimensions brand association is the least important dimension to affect consumer preference. Therefore, the company should consider the following recommendation:

- ✓ Using good positioning strategy

5.4. Future research directions

This study emphasized the significance of Brand image dimensions on consumer preference of Zemen bank in 28 branches located in Addis Ababa city. R^2 which is the coefficient of determination was 58.3% which means that the independent variables account for 58.3% of the variation in consumer preference. Therefore, Future research is recommended to identify other dimensions that can affect consumer preference.

REFERENCE

- Aaker, D. A. (1991). *Managing brand equity*. New york: The Free Press.
- Aaker, D. A. (1996). Measuring Brand Equity Across Products And Markets. *California Management Review*.
- Abad, J. (2012). *Conceptualization of Customer Based Brand Equity in Financial Service Sector*. Tehran: Iran.
- Abiy Z., Alemayehu W., Daniel T., Melese G and Yilma S. (2009). *"Introduction to Research Methods" Preparatory Module for Addis Ababa University Graduate programs*.
- Anwar Gulzar, A., Sohali, F., B., Akram, S., N. (2011). Impact of brand image, trust and affect on consumer brand extension attitude: the mediating role of brand loyalty. *International Journal of Economics and Management Sciences*, 73-79.
- Arnold, D. (1992). *The handbook of brand management*. Century business The Economist Books.
- Baldauf, A., Cravens, K. S., & Binder, G. (2003). Performance Consequences of Brand Equity Management: Evidence from Organizations in the value chain. *Journal of Product and Brand Management*, 220-236.
- Ballantyne R, Warren A, Nobbs K. (2005). The evolution of brand choice. *Brand Nanage*, 339-352.
- Baskin, M., & Earls, M. (2002). *Brand new brand thinking: brought to life by 11 experts who do*. Kogan page publishers.
- Betul, C., & Richard. (2014). The Effect of Hedonistic and Utilitarian Consumer Behavior on Brand Equity: Turkey - UK Comparison on Coca Cola. *Social and Behavioral Sciences*, 475-484.
- Bivainienė, L., Silburyte L. (2008). The Brand Image As An Element Of Brand Equity. *Socialiniai Tyrimai*, 22.
- Bojei, J & Hoo, W. C. (2012). Brand Equity and Current Use as the New Horizon for Repurchase Intention of Smartphone. *International Journal of Business and Society*.
- Brändäys. (2007-2010). *Artery branding design*.
- Brooks, C. (2008). *Introductory Econometrics for Finance SECOND EDITION*. UK: Cambridge University press.

- Catalin, M. C., & Andreea, P. (2014). Brands as a Means of Consumer Self-expression and Desired Personal Lifestyle. *Social and Behavioral sciences*, 103-107.
- Chien-Hsiung L . (2011). A study on the relations between the brand image and customer satisfaction in catering businesses. *African Journal of Business Management*, 7732-7739.
- Cronk, B. (2008). *How to Use SPSS: A Step by step Guide to analysis and interpretation. 5th edition*. California, USA: Fred Pycrczak publisher.
- Da Silva, R. V., & Syed Alwi, S. F. (2008). Online brand attributes and online corporate brand images. *European Journal of Marketing*, 1039-1058.
- Dekimpe, M.G., Steenkamp. J.E.M, Mellens, M and Abeele, P.V. (1997). Decline and Variability in brand loyalty. *International journal of research in marketing*.
- del Rio, A. B., R. Vazquez and V. Iglesias. (2001). The effects of brand associations on consumer response. *The Journal of Consumer Marketing*.
- Frewoini, A. (2017). *The Effect of Brand Image on Consumer Preference: The Case of Ambassador Garment*. Unpublished Masters Thesis.
- Gabor, M. R., & Contiu, L. C. (2012). Is Dacia-Logan Car Brand on the First Place of Romanian Youth Preferences? Testing the Influence of Advertising Campaigns with Nonparametric Statistics. *Social and Behavioral Sciences*, 1344-1352.
- Gardner, B.B. and Levy, S.J. (1955). *"The product and the brand"*. Harvard business review.
- Gebeyehu, J. (2014). The Effect of CRM on Market Performance: A Comparative Study in selected banks in Mekelle City, Unpublished Masters Thesis.
- George, D. & Mallery, P. (2014). *SPSS For Windows Step by Step: A simple guide and reference, 10th edition*. Boston: Allyn & Bacon.
- Ge, X., Brigden, N., & Habul, G. (2015). The Preference-Signaling Effect of Search. *Journal of consumer psychology*, 245-256.
- Grubor, A., & Milovanov, O. (2017). Brand Strategies In The Era of Sustainability. *Interdisciplinary Description of Complex Systems*, 78-88.
- Gungor, M. O. & Bilgin, F. Z. (2011). Customer's Advisory, Organizational openness and Capability: The Locus of Value Creation. *Eurasian Journal of Business and Economics*, 81-97.

- Hasan, T. (2008). Influence of Brand Name on Consumer Decision in Car Choice. *Umeå School of Business and Economics (USBE)*.
- Hung, C. H. (2008). The effect of brand image on public relations perceptions and customer loyalty. *International Journal of Management*, 237-246.
- ISIK, A., & Yasar, M. F. (2015). Effects of Brand on Consumer preferences: A study in Turkmenistan. *Eurasian journal of Business and Economics*, 139-150.
- Jin, X., & Weber, K. (2013). Developing and Testing a Model of Exhibition Brand Preference: The Exhibitors Perspective. *Tourism Management*, 94-104.
- Kapferer, J. N. (2008). *The new strategic brand management; Creating and sustaining brand equity long term, fourth edition*. London and Philadelphia: Kogan page Limited.
- Karadeniz, M. (2010). The importance of customer based strategic brand equity management for enterprises. *Journal of Naval Science and Engineering*, 117-132.
- Kassahun, H. (2014). *Determinants of Beer Brand Preference: The Case of Addis Ababa Beer Market*.
- Keller, K. L. (1993). Conceptualizing, measuring and managing customer based brand equity. *Journal of Marketing*, 1-22.
- Keller, K. L. (2013). *Strategic Brand Management-Building, Measuring and Managing Brand Equity, Fourth Edition*.
- Keller, K. L. (2003). *Strategic Brand Management: Building, Measuring and Managing Brand Equity*. New Jersey: Pearson Education, Inc.
- Keller, K. L. (2008). *Strategic brand management: Building, measuring and managing brand equity. 3rd ed*. NJ: Prentice Hall.
- Kirmani, A. and Wright, P. (2011). Money talks: Perceived advertising expense. *Journal of Research*.
- Kotler, P. (2000). *Marketing Management*. New Jersey: Prentice Hall.
- Kothari, C. R. (2004). *Research Methodology: Methods and Techniques*. Darvaganj: New Age International Pvt. Ltd., Publishers.
- Lee, L., J., James, J. D., and Kim, Y. K. (2014). A Reconceptualization of Brand Image. *International Journal of Business Administration*, 1-11.
- Magid JM, Anthony D, Dena S. (2006). Quantifying Brand image: Empirical Evidence of Trademark Dilution. *Am. Bus. Law J*, 1-42.

- Matsatsinis, N. F. & Samaras, A. P. (2000). *Brand Choice Model Selection Based on Consumers Multicriteria Preferences and Experts Knowledge. Computers & Operations Research.*
- McCarthy, J.K., and Perreault, T, F. (2011). *Basic Marketing, 11th Edition.* New York: McGraw Hill.
- Moore, M. (2009). Does brand image or taste have more influence on consumer preference for energy drinks? *Senior Capstone Project.*
- Moorman, C., Zaltman, G., & Deshpande, R. (1992). Relationships between providers and users of market research: The dynamics of trust within and between organizations. *Journal of marketing research*, 29.
- Pars, S. R., & Gulsel, C. (2011). The effects of brand image on consumers choice. *International journal of business and social science*, 227-238.
- Patrick, H. A. (2008). Psychological Contract and Employment Relationship. *The Icafi University Journal of Organizational Behaviour.*
- Prof. Dr. Kalyan Sundaram, M. (2019). A Study on Consumer Brand Preference of Refrigerator among working women in Triuchirappalli Town special reference to Thiruvarambur zone. *International Journal of Research and Analytical Reviews (IJRAR).*
- Riezebos, Rik. (2003). *Brand Management, A theoretical and practical approach.* Pearson Education Limited.
- Roy D., Banerjee S. (2008). CARE-ing strategy for integration of brand identity with brand image. *International journal of commerce and management*, 140-148.
- Spillan, J. E. & Harcar, T. (2013). A Comparative study of Patriotism, Protectionism, Social Economic Conservatism between indian and vietnamese Consumers: The Effects of these Constructs on Buying Inclinations. *Eurasian Journal of Business and Economics*, 1-26.
- Switala, M., Reformat, K. B., Reformat, B. & Gamrot, W. (2018). The influence of brand awareness and brand image on brand equity-an emoirical study of logistics service providers. *Journal of Economics and Management.*
- Venkatraman, V., Clithero, J. A., Fitzsimons, G. J. & Huettel, S. A. (2012). *New Scanner Data for Brand Marketers: How Neuroscience Can Help Better Understand Differences in Brand Preferences.*
- Wijaya, B. S. (2011). *Branderpreneurship: Brand Development-Based Entrepreneurship.* Jakarta, Indonesia.
- Zanthus Corporation. (2011). *Marketing strategy. Available on the internet: <URL:http://www.zanthus.com/databank/strategy/marketing_strategy.php>.*

Zhang Y. (2015). The Impact of Brand Image on Consumer Behavior: A Literature Review. *Open Journal of Business and management*, 58-62.

APPENDIX

Appendix 1

Questionnaire



ADDIS ABABA UNIVERSITY

SCHOOL OF COMMERCE

DEPARTMENT OF MARKETING MANAGEMENT

MA PROGRAM IN MARKETING MANAGEMENT

QUESTIONNAIRE TO BE FILLED BY CUSTOMERS OF ZEMEN BANK

Dear respondents my name is Hanan Tiruneh. I am currently conducting a Research for the partial fulfillment of MA Degree in marketing management at school of commerce, Addis Ababa university. The aim of the study focuses on "The Effect of brand image on consumer preference in Zemen bank"

I politely ask you to give me reliable information. The information gathered will only be used for analyzing the study and academic purpose. Thank you for your willingness and collaboration! You can contact me through +251919340057 and/or hannantru@yahoo.com.

N.B

- You don't have to write your name,
- Fill each parts of the questionnaire with honesty and attention,
- choose your appropriate answer from the alternatives given

PART ONE: DEMOGRAPHIC PROFILE

1. **Gender:** A) Male B) Female
2. **Age:** A) 18-25 B) 26-35 C) 36-45 D) 46-55 E) Above 55
3. **Marital status:** A) Married B) Single C) Divorced D) Widowed
4. **Educational level:** A) Primary education B) High school C) Diploma
D) BA Degree E) Masters and above
5. **Monthly income:** A) Less than 3500 B) 3501-10000 C) 10001-25000
D) Above 25000

PART TWO: QUESTIONS RELATED WITH BRAND IMAGE DIMENSIONS

Direction: Please encircle your choice

1- Strongly Disagree 2- Disagree 3- Neutral 4- Agree 5-Strongly Agree

No.	Questions	choice				
BRAND VALUE						
1	The bank provides an excellent service.	1	2	3	4	5
2	The employees of the bank offer a better service compared to other banks.	1	2	3	4	5
3	Employees of zemen bank are well trained.	1	2	3	4	5
4	The bank provides augmented service for its customers.	1	2	3	4	5
BRAND CHARACTERISTICS						
5	The brand name can be recognized very easily.	1	2	3	4	5
6	I am attracted by the zemen bank logo.	1	2	3	4	5
7	The bank has a good word of mouth publicity.	1	2	3	4	5
8	I am very attracted by the overall appearance of the bank.	1	2	3	4	5
BRAND ASSOCIATION						

9	The bank is only for people with high standard of living.	1	2	3	4	5
10	Being an account holder of zemen bank makes me feel like I am wealthy.	1	2	3	4	5
11	Zemen bank advert is attractive.	1	2	3	4	5
12	The bank position itself as a high status.	1	2	3	4	5
13	Most people consider zemen bank is only for wealthy customers.	1	2	3	4	5
14	I can imagine my self being a customer of zemen bank.	1	2	3	4	5
15	Zemen bank is my prior choice.	1	2	3	4	5
BRAND AWARENESS						
16	Some characteristics of Zemen bank come to my mind quickly	1	2	3	4	5
17	I can recognize Zemen bank quickly among other competing brands	1	2	3	4	5
18	I am familiar with Zemen bank's brand	1	2	3	4	5
CONSUMER PREFERENCE						
19	Brand value strongly influence consumer preference	1	2	3	4	5
20	Brand characteristics strongly influence consumer preference	1	2	3	4	5
21	Brand association strongly influence consumer preference	1	2	3	4	5
22	Brand awareness strongly influence consumer preference	1	2	3	4	5

THANK YOU FOR YOUR
COOPERATION!!!!!!

Appendix 2

Statistical outputs

Appendix 2.1: Reliability of the instrument

brand value

Cronbach's Alpha	N of Items
.842	4

brand characteristics

Cronbach's Alpha	N of Items
.720	4

brand association

Cronbach's Alpha	N of Items
.754	7

brand awareness

Cronbach's Alpha	N of Items
.733	3

consumer preference

Cronbach's Alpha	N of Items
.857	4

overall

Cronbach's Alpha	N of Items
.899	22

Appendix 2.2: Respondents profile

Gender of respondents

	Frequency	%	Valid %	Cumulative %
Valid male	254	66.1	66.1	66.1
Valid female	130	33.9	33.9	100.0
Total	384	100.0	100.0	

Age of respondents

	Frequency	%	Valid %	Cumulative %
Valid 18-25	21	5.5	5.5	5.5
Valid 26-35	133	34.6	34.6	40.1
Valid 36-45	147	38.3	38.3	78.4
Valid 46-55	71	18.5	18.5	96.9
Valid above 55	12	3.1	3.1	100.0
Total	384	100.0	100.0	

Marital status of respondents

	Frequency	%	Valid %	Cumulative %
Valid married	209	54.4	54.4	54.4
Valid single	96	25.0	25.0	79.4
Valid divorced	52	13.5	13.5	93.0

widowed	27	7.0	7.0	100.0
Total	384	100.0	100.0	

Educational level of respondents

	Frequenc y	%	Valid %	Cumulative %
high school	9	2.3	2.3	2.3
Diploma	49	12.8	12.8	15.1
BA degree	262	68.2	68.2	83.3
masters and above	64	16.7	16.7	100.0
Total	384	100.0	100.0	

Monthly income of respondents

	Frequenc y	%	Valid %	Cumulative %
3501-10000	101	26.3	26.3	26.3
10001- 25000	161	41.9	41.9	68.2
above 25000	122	31.8	31.8	100.0
Total	384	100.0	100.0	

Appendix 2.3: Descriptive statistics

Descriptive Statistics BV

	N	Min	Max	Mean	Std. Deviation
Employees of zemen bank are well trained.	384	2	5	4.45	.773

The employees of the bank offer a better service compared to other banks.	384	2	5	4.42	.811
The bank provides an excellent service.	384	2	5	4.41	.822
The bank provides augmented service for its customers.	384	2	5	4.41	.800
Valid N (listwise)	384				

Descriptive Statistics BC

	N	Min	Max	Mean	Std. Deviation
The brand name can be recognized very easily.	384	2	5	4.64	.671
I am attracted by the zemen bank logo.	384	2	5	4.59	.727
The bank have a good word of mouth publicity.	384	1	5	4.41	.816
I am very attracted by the overall appearance of the bank.	384	1	5	4.35	.736
Valid N (listwise)	384				

Descriptive Statistics B ASS

	N	Min	Max	Mean	Std. Deviation
I can imagine my self being a customer of zemen bank.	384	1	5	4.34	.747
Zemen bank advert is attractive.	384	2	5	4.33	.799
Most people consider zemen bank is only for wealthy customers.	384	2	5	4.27	.781
The bank is only for people with high standard of living.	384	1	5	4.27	.707
Zemen bank is my prior choice.	384	2	5	4.27	.750
Being an account holder of zemen bank makes me feel like I am wealthy.	384	2	5	4.25	.781
The bank position itself as a high status.	384	2	5	4.22	.780
Valid N (listwise)	384				

Descriptive Statistics B AW

	N	Min	Max	Mean	Std. Deviation
I am familiar with Zemen bank's brand	384	2	5	4.32	.722
I can recognize Zemen bank quickly among other competing brands	384	2	5	4.29	.709
Some characteristics of Zemen bank come to my mind quickly	384	1	5	4.22	.778
Valid N (listwise)	384				

Descriptive Statistics CP

	N	Min	Max	Mean	Std. Deviation
Brand awareness strongly influence consumer preference	384	1	5	4.62	.682
Brand association strongly influence consumer preference	384	1	5	4.60	.690
Brand characteristics strongly influence consumer preference	384	1	5	4.59	.676

Brand value strongly influence consumer preference	384	2	5	4.45	.738
Valid N (listwise)	384				

Descriptive Statistics overall

	N	Min	Max	Mean	Std. Deviation
consumer preference	384	1.75	5.00	4.5625	.58316
brand characteristics	384	2.50	5.00	4.5000	.54527
brand value	384	2.25	5.00	4.4225	.66059
Brand awareness	384	2.00	5.00	4.2708	.60327
brand association	384	2.00	5.00	4.2697	.49649
Valid N (listwise)	384				

Appendix 2.4: Correlation

Correlations

		consumer preference	brand value	brand characteristics	brand association	Brand awareness
consumer preference	Pearson Correlation	1	.559**	.752**	.475**	.333**
	Sig. (2-tailed)		.000	.000	.000	.000
	N	384	384	384	384	384
brand value	Pearson Correlation	.559**	1	.608**	.387**	.186**
	Sig. (2-tailed)	.000		.000	.000	.000
	N	384	384	384	384	384
brand characteristics	Pearson Correlation	.752**	.608**	1	.534**	.436**
	Sig. (2-tailed)	.000	.000		.000	.000
	N	384	384	384	384	384
brand association	Pearson Correlation	.475**	.387**	.534**	1	.336**
	Sig. (2-tailed)	.000	.000	.000		.000
	N	384	384	384	384	384
Brand awareness	Pearson Correlation	.333**	.186**	.436**	.336**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
	N	384	384	384	384	384

** . Correlation is significant at the 0.01 level (2-tailed).

Appendix 2.5: Multiple regression

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.766 ^a	.588	.583	.37650

a. Predictors: (Constant), Brand awareness, brand value, brand association, brand characteristics

ANOVA^a

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	76.525	4	19.131	134.959	.000 ^b
Residual	53.725	379	.142		
Total	130.250	383			

a. Dependent Variable: consumer preference

b. Predictors: (Constant), Brand awareness, brand value, brand association, brand characteristics

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.557	.200		2.780	.006
brand value	.137	.037	.155	3.682	.000
brand characteristics	.649	.052	.606	12.550	.000
brand association	.102	.047	.087	2.202	.028
Brand awareness	.011	.036	.011	.293	.770