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**THE EFFECT OF MEDIA ADVERTISING ON CUSTOMERS' BRAND
CHOICE : THE CASE OF UNITED BANK S.C**

By: Meron Nigussie

A Thesis Submitted to the School of Graduate Studies of Addis Ababa
University School of commerce in Partial Fulfillment of the Requirement for the
Award of Master of Arts Degree in Marketing Management

Advisor : Mesfin Workineh (PHD)

June, 2017

Addis Ababa Ethiopia,

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Department of Marketing Management

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Board of Examiners Approval Sheet

Addis Ababa University School of Department of Marketing Management

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Statement of Certification

This is to certify that Meron Nigussie Abebe has carried out her research work on the topic entitled THE EFFECT OF MEDIA ADVERTISING ON CUSTOMERS' BRAND CHOICE: THE CASE OF UNITED BANK S.C IN ADDIS ABABA, ETHIOPIA". The work is original in nature and is suitable for submission for the award of Master's Degree in Marketing Management.

Certified by:

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Date

Statement of Declaration

I, Meron Nigussie, hereby declare that this Master thesis titled “The Effect Of Media Advertising On Customers’ Brand Choice: The Case Of United Bank S.C In Addis Ababa, Ethiopia” is an original work. I have carried out the present study independently with the guidance and support of the research advisor, Dr. Mesfin Workineh . Any other research or academic sources used here in this study have been duly acknowledged. Moreover, this study has not been submitted for the award of any diploma, degree or any other higher education Program in this or any other institution.

____ Meron Nigussie _____

Declared by

Signature

Date

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Abstract

The purpose of this research is to study the influence of Media Advertisements on the customers brand choice decisions by taking evidence from United Bank customers in Addis Ababa, Ethiopia. The objective of this study is to support the banks to be more effectively reach customers as in this privatization and globalization era, it is challenge for every bank to address the influence of media advertisements on the customer service choice of the generation. The study investigated the relationship between dependent variable customers brand choice decisions of bank Customers' and the independent variables of 'Media Advertisement types, Product-Quality, Customer Perception, and Personal Characteristics'. The population comprises of customers of united banks who are visiting 'alem bank, balderas, beshale, birr amba and Bole branches' in Ethiopia, Addis Ababa. A close ended structured survey questionnaire was used to collect data and total sample size of 192 were selected using a stratified and random sampling technique. To test the hypothesis, Structural Equation Modeling (SEM), a multivariate examination method is performed, correlation and reliability analysis, a Supplementary descriptive Statistics is used to analyze the collected data using the Software package for social science (SPSS version 23). As a result of the findings the following conclusions are established; That Media Advertisements particularly T.V. was very significant while Social Media, Print Media, Word-of-mouth, and bank branch display were positively inclined in the frequency analysis. Media Advertisements on quality of services influenced banks customers' service choice decisions with high quality and high price of the product was very significant whereas Well-known Brands and Best-selling Brands were less significant. The relationship between the customer personal characteristics and their brand choice were significantly influenced by Occupation and Monthly Income. The research recommends that united bank SC to identify its right market segment and position its service and brands. This study also supports the bank to create appropriate marketing communication and advertisements besides the right media choice. It is also recommended that united bank to focus on their advertisement message and creativity based on the above variables to reach the right market segment effectively.

Keywords: *Customer Service Choice, Buying Behavior; Media Advertisements*

CHAPTER ONE: INTRODUCTION

This chapter indicates the set up basis of the current research. A general background of the study is provided as an introduction in order to describe the area in which the study is conducted and further on, justify the importance of the specific research in terms of objectives, significance, scope and limitations along with research problem and the structure of the paper.

1.1 Background of the Study

Communication and information on a product or a service were the only focus of advertisement previously, but nowadays in addition to that advertising has to build brand image, shape brand loyalty and above all convince people to buy the product (Raju, 2012). Research by, (Tyagi and Arun, 2004) make a difference between middle age advertising and modern advertising and their research indicates that that ancient commercials were about posters, brochures and less expensive though nowadays, commercial communication is about marketing mix, promotion mix, advertising budget as well, with consumer as the center of all interests, also this indicates how strategic and expensive is advertising today for a company. Thus Change consumer idea about a product and guide their choice is one of the huge challenge in competition between companies this decade and the coming decades.

The existence of advertising is one of the major challenges and presents difficulties in traditional economic models because it means to change the decisions of consumers. Various studies and researches have been conducted on this topic in order to well understand what really is advertising. Advertising itself is a huge communication means, now when an image and message are added, it becomes more persuasive than it was. For (Aaker, 2013) it is a powerful commercial tool that may shape people's mind and behavior that's why it's used for a number of purposes by Industrial giants, non-profit organization and financial institutions. (Manendra Mohan, 1989) it is about circulation or diffusion of information touching an idea, a service or a product.

There is not a single generally accepted definition of advertising. Instead, there is several ways to define it. From general manner, advertising is mass media content intended to persuade audiences of readers, viewers or listeners to take action on products, services and ideas. (Raju, 2012) today advertising is unavoidable for marketing policy success. (Ferguson et.al., 2012) define it as a marketing communication tool used to convey information about

products, services or ideas to a target audience. As a promotional strategy, advertising serves as a major tool in creating product awareness in the mind of a potential consumer to take eventual purchase decision. Advertising, sales promotion and public relations are mass-communication tools available to marketers. Advertising through all mediums influence audiences, but television is one of the strongest medium of advertising and due to its mass reach; it can influence not only the individual's attitude, behaviour, life style, exposure and in the long run, even the culture of the country (Ferguson et.al., 2012)).

Organizations obtain their advertising in different ways. In small companies advertising Agencies are used. A large companies set up their own advertising department, who develop advertising strategy, approved advertising agency, advert and campaign and handle direct mail advertising, dealer display and other forms of advertising objective is a specific communication and achievement level to be accomplished with a specific audience in a specific period of time. If, the desired results are to be achieved, the product must be good and acceptable to the consumer; advertising must be carefully planned in advanced; right appeals/claims must be adopted; the right type of media must be used; the cost must not be excessive; reasonable frequency must be provided; right distribution channel must be selected; and the price of the commodity must be right i.e. acceptable to the consumer (Aaker & Biel, 2013).

Many authors have researched about the relationship between advertising and consumer choice ,similarly it's a question for the researcher in this study to know how advertising influence consumers in decision making?. There are different definitions about advertising, different points of view about its relationship with consumer and with the point of view of different scholars about consumer choice, Consequently this study analyse the effect of media advertising on customers' choice behaviour in the case of United Bank's services. The paper will also examine the factors that motivate customers' to respond to advertising in relation to financial services. In the meantime, the factors which influence their decision are investigated as well .

1.2 Background of the Organization

United Bank was incorporated as a Share Company on 10 September 1998 in accordance with the Commercial Code of Ethiopia of 1960 and the Licensing and Supervision of Banking Business Proclamation No. 84/1994. The Bank obtained a banking services license

from the National Bank of Ethiopia and is registered with the Trade, Industry and Tourism Bureau of the Addis Ababa City Administration. Over the years, United Bank built itself into a progressive and modern banking institution, endowed with a strong financial structure and strong management, as well as a large and ever-increasing customers and correspondent base. United Bank provides a full-fledged commercial banking service in all its branch outlets to customers with its all branches. United Bank's priority in the coming years is to strengthen its capital base, maximizing return on equity and benefit from the latest technology in order to keep abreast with the latest developments in the local and international financial services industry (United Bank S.C, 2015).

The vision of United Bank is to be "The Preferred Bank" in the banking industry of Ethiopia and the mission is to render efficient commercial banking products and services at competitive prices to the best satisfaction of customers by employing state-of-the-art technology along with enhancing the value of its shareholders and wellbeing of its employees (United Bank S.C, 2015).

Total Branch of the bank has reached 131 where out of which 75 are city branch and 56 are outline branch as of January 31st 2016 (United Bank S.C, 2016). United Bank maintains correspondent account relationships with 7 banks, namely, *Commerzbank Ag*, *Citibank*, *Standard Chartered Bank*, *Unicredito Italiano*, *Credit Agricole*, *And Citi Bank Dubai Ae*. The Bank also has a Bilateral key Exchange arrangements with more than 231 Banks in the United States, Europe, Middle East, Asia and Africa (United Bank S.C, 2015)

1.3 Statement of the Problem

In today's competitive and volatile environment all marketers including banks communicate with their target markets through advertising (Mittal, S. and Pachauri, K.K. 2013). According to Mittal, S. and Pachauri, K.K. (2013), the way of their communication and the information contained in the advertising is not strong enough and pertinent enough to attract the attention of the consumers. Since the information is too weak or too irrelevant, the advertising has no chance of having an effect on consumers' buying behaviour of their products or services.

Advertising must be consistent enough so that it can be accepted and bring an effect on consumers' buying behaviour when judged against information previously processed and held in long – term storage (Schultz, E.D. and Tannenbaum, I. S. 1988).

In unstable global financial markets the necessity to attract and retain consumers in the banking sector becomes especially topical. One of the perspective tools increasing economic effectiveness of financial institutions is advertising. Peculiarities of advertising bank products and services are determined by their uniqueness, namely by their “intangible” character and inseparable connection between the clients’ trust and stability of banking institution. The Banks’ advertising effectiveness is the quality of information reporting to potential and existent consumers during advertising campaign aiming at forming the bank’s image and awareness of the bank products and services as well as at gaining certain economic result determined before and after the transmission of advertising message (Shakho, D. A. V and Panasenko , A. A. 2012). But, it is difficult to assess and to know the effect of media advertising on the financial outcome that is gained whether due to advertising or due to other promotional activities.

There are numerous advertisements in Medias; television, radio, newspapers and magazines but, the important question for a marketer is “do all these media advertisements positively influence the consumers’ buying behaviour?” If media advertisement is not create any positive change in consumers’ buying behaviour, all the resources such as money, time and efforts spent on media advertisement will go in vain. Most business institutions do not assess the effect of their advertisement and can’t empathize with the persons to whom the advertising is being directed; they do not know how the customers feel about their products or services and how is important their products or services to their target market. Therefore, it is essential for a marketer to find out the extent to which the media advertisement influences in their buying behaviour in the Banking Services (Mylonakis, J. 2008).

These theories will also apply to united bank’s media advertisement that the bank doesn’t know the effect of media ads on its customers choice behaviours . So, this study will analyse the effect of the united bank’s media ads on its customers’ choice behaviour to fill the gaps. This study also will examine which media influence customers attitudes such as their beliefs, feelings and purchase intentions, towards choosing a financial services.

1.4 Research Questions

Below are the research questions

1. Which type of media advertisements influence united bank’s customers’ choice of banks??

2. How does united bank's customers' perception of media advertisements influence their choice of bank?
3. How does united bank's media advertisement on quality of services influence customers' bank choice decisions?
4. What is the relationship between the personal characteristics and customers' bank choice decisions?

1.5 Objectives of the Study

1.5.1 General Objective

The general objective of the study is to analyse the effect of united bank media advertising on its customer's service choice behaviours in Ethiopia Addis Ababa.

1.5.2 Specific Objectives

Specifically, the study have the following specific objectives;

- ✓ To investigate the type of media advertisements that affects united bank's customers choice for bank service
- ✓ To understand united bank's customers' perception of media advertisements influencing their choice of bank service
- ✓ To evaluate united bank's media advertisement on quality of services influence on customers' bank choice decisions.
- ✓ To identify the relationship between the personal characteristics and customers' bank choice decisions.

1.6 Scope of the study

The study is on the effect of media advertising on consumers' buying behaviour was delimited to only one service firm, United Banks' in Addis Ababa City Administration due to time constrain and financial limitations and the branches out of the city were excluded from the study since the diversity nature of the bank customers make difficult to get enough information. Data collection were delimited to five branches of the bank in the city: *alem*

bank, balderas, beshale, birr amba Bole branches' customers, considering that the period within which the research must be completed for submission is less than one academic year. The study topic was selected since the effect of media advertisements and media vehicles are difficult to measure (Belch, G.E. and Belch. M. A. 2003), and not known in Ethiopia at large.

Only the effect of media advertising on consumers' buying behaviour is covered in the study since all other components of advertising, consumers' attitude and consumers' buying behaviour like information search, evaluation of alternatives, purchase decisions and post purchase evaluations could not be researched fearing that scope may become broader or not to be narrower in.

1.7 Significance of the Study

The study initiate readers to know about the effect of media advertising on consumers' buying behaviour related to business or financial services and the factors that make consumers respond to advertising. Stakeholders like shareholders, management staffs, employees, customers, government institutions, and investors can be benefited from the outcome of this study by having the correct information and awareness about the effect of media advertising on consumers' buying behaviour and the factors that influence consumers to respond to media advertising.

The investor relations can be enhanced and fuelled interests; consequently, the businesses value increases. They expect to support their business to boost to stock value, a reduction in capital costs and stability on financial projects. And this also help similar business firms to use proper types of media advertising knowing their effect on consumers' buying behaviour if the relationship is positive. The implications of the study result can help united bank to take media advertising more seriously and adopt the right and effective media ads strategies to influence customers' buying behavior, and so as to give it a better exposure in the fast growing competitive markets. It also help the management staffs to cross-check whether they have effective media planning strategies or not, and to measure return on investment on media advertisement.

1.8 Limitations of the study

The outcome of the study entirely depends on responses of the respondents Included in the study. Moreover, as the sample is small considering the vast number of branches of United

Bank in the country, the results might not be generalizable beyond the specific population from which the sample is drawn.

1.9 Organization of the Paper

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

CHAPTER TWO; REVIEW OF RELATED LITERATURE

To gain a better understanding the basic terminology of mobile banking and background of mobile banking technology, this chapter presents a theoretical review with an aim to provide relevant literature in the subject area. Furthermore, the chosen theory, factors influencing usage private manufacturing firms in less developed countries are assessed and used to develop the framework of the study.

2.1 Theoretical Review

2.1.1 Introduction

Cohen r.t (1993) states that advertising campaign involved four main stages: situation analysis, creative strategy, media strategy and evaluation of advertising effectiveness. The situation analysis stage gathers information with particular reference to a firm's market competition and customers. On the creative strategy, the author emphasis the needs for the unique setting proposition which stresses on usual product benefits to distinguish a particular product from others. Again, he states that the firm's marketing requirement, advertising requirement and an evaluation of the different characteristics of specific media are factors to consider in selection of channels to carry the message. In evaluation advertising, the author contends that there is lack of consensus.

Concerning the techniques to be adopted, Jenkins .S.T(1990) refers to David Bernstein's VIPS formula for advertisement-visibility, identify, promise and single mindness. Advertising must be visible; the product must not be hidden by too clever a presentation or bad design and efforts made to overcome communication barriers whereby listeners or viewers misunderstand the advertising message. According to a author of media advertising, consumers wish to know only so much as they choose to and they pick up only fleeting impression about advertisement. Consumers are generally selective and actively attentive to only those advertising that arouse them

Kotler, Ph. And Armstrong, G. (2003) pointed out that marketing management makes 5 main decisions when developed an advertising program (the 5M):

- What are the advertising objectives? (mission)
- How much can be spent (money)

- What message should be used (media)
- How should the result be evaluated (measurement)

They advocate that advertising objectives must be based on past decisions about the target markets position and marketing mix. Advertising is one of the many marketing tools that are used to attract attention of prospective customers to a business or its products or service. The more effective and advertising campaign, more the customers or consumers it draws, and with greater frequency. Advertising is part of the overall marketing strategy of a business which includes public relations, promotional programs, incentives, newsletters and word of mouth, among other strategies. The aim of a marketing strategy is to use advertising along with these other tools, for maximum impact (Anthony, 2007)

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

2.1.2 Concept of Advertising

Today, we all have strong concepts of what advertising is, and we also tend to have very strong opinions and prejudices about it. Definitions of advertising are many and varied. It may be defined as a communication process, a marketing process, an economic and social process, a public relations process, or an information and persuasion process, depending on the point of view. Advertising is the non-personal communication of information, usually paid for and usually persuasive in nature, about products, services, or ideas by identified sponsors through various media (Bov'ee and Arens, 1989).

According to Wijaya, B.S. (2012) a modern definition of advertising includes other important factors, such as media, audience, and goals. Advertising was defined in the journal as a paid form of persuasive communication that uses mass and interactive media to reach broad audiences in order to connect an identified sponsor with buyers (a target audience) and

provide information about product (goods, service, and ideas). This definition has five basic factors: is usually paid by the advertiser, the sponsor is identified, generally reaches a broad audience of potential consumers, seeks to inform and also persuade or influence consumers, and the message is conveyed through many different kinds of mass media and also now interactive types of media.

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

2.1.3 Objectives of Advertising

An advertisement is one of the topical strategies of many brands for the promotion of their product. The purpose of mass advertisements is to gain attention for the product, ensuring prolonged association with consumers, or for the purpose of recall of their product in customers' mind (Rai, N. 2013).). Advertiser's primary mission is to reach prospective customers and influence their awareness, attitudes and buying behavior. They spend a lot of money to keep individuals (markets) interested in their products. To succeed, they need to understand what makes potential customers behave the way they do. The advertisers' goals is to get enough relevant market data to develop accurate profiles of buyers-to-find the common group (and symbols) for communications this involves the study of consumers behavior: the mental and emotional processes and the physical activities of people who purchase and use goods and services to satisfy particular needs and wants (Rai, N. 2013).).

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

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

Advertising is also a valuable tool for building company or brand equity as it is a powerful way to provide consumers with information as well as to influence their perceptions. Advertising can be used to create favorable and unique images and associations for a brand which can be very important for companies selling products or services that are difficult to differentiate on the basis of functional attributes. Companies selling their products and services to the consumer market generally rely heavily on advertising to communicate with their target audiences as do retailers and other local merchants. Advertising is also used extensively by companies who compete in the business and professional markets to reach current and potential customers (Belch G.E. and Belch, M. A. 2009).

In today's market the range of products and services is especially large, they are all impossible to remember or purchase. The main goal of advertising a certain product or service is to attract the customer's attention and analyze the impact of advertising on the customers' behavior, which is determined by a number of cognitive, emotional and behavioral aspects. In the centre of advertising is the customer, whose psychology is determined by numerous aspects and advertising itself, which aims at arousing the customers wish to acquire the product advertised, and most importantly, at achieving the act of purchasing the product (Jakštien, S., et.al.2008) All the efforts to make an advertisement are centered on the sole aim of making it so effective and persuasive in a natural way so as to serve the motto of meeting the consumer psyche in a positive manner (Rai, N. 2013).

2.1.4 Importance of Advertising

For any business, advertising may perform a variety of functions when implemented correctly, and its effect may be dramatic. It helps to identify products and their sources and to differentiate them from others, and it communicates information about the products, its features, and its location of sale; it helps to try to induce new products and to suggest reuse. It

can stimulate the distribution of products or services on local or global level (Arens, e. 2009). Advertising can help companies develop consumers' awareness to an unmet need or introduce a product that consumers may see as valuable. This influence is often present when new products enter the market. Customer awareness is often low for these items until companies promote them and attempt to drive customer demand through advertising (Dinu, G. and Dinu, L. 2012).

Advertising can also be used to create images and symbolic appeals for products and services, a capability that is very important to companies that are selling products and advertisements tend to be highly informative and present the customer with a number of important product attributes or features that will lead to favorable attitudes and can be used as the basis for a rational brand preference. People get information from the advertisement through the attractiveness it holds, the attention it creates and the awareness it gives. (Arens, W. F. 1996). Advertising is also a type of communication. It is actually a very structured form of applied communication, employing both verbal and non-verbal elements that are composed to fill specific space and time determined by sponsor. Effective communication through advertisement leads the consumers toward the purchasing of brand (Belch, and. Belch. (1998)).

2.1.4 Negative Effect of Advertising

Advertising is the most visible activity of business. What a company may have done privately for many years suddenly becomes public the moment it starts to advertise. Advertising is widely criticized not only for the role it plays in selling products or services but also for the way it influences our society. As a selling tool, advertising is attacked for its excesses. Some critics charge that, at its worst, advertising is downright untruthful, and at best, it presents only positive information about products. Others charge that advertising manipulates people psychologically to buy things they can't afford by promising greater sex appeal or improved social status. Still others attack advertising for being offensive, in bad taste, or simply too excessive (Bovée & Arens, 1989).

According to American humorist Will Rogers, advertising is "the art of convincing people to spend money they do not have for something they do not need." Like Rogers, modern critics of advertising highlight its negative effect, claiming that ads foster impulse buying. However,

advertising also provides consumers with valuable information about products being offered for sale (Lindblad, M. 2013).

Advertising is Superficial. The basic criticism of advertising here is that it frequently carries little, if any, actual product information. What it does carry is said to be hollow ad-speak. Ads are rhetorical; there is no pure “information.” All information in ads is services that are very difficult to differentiate. It has the ability to strike a responsive chord with consumers when other elements of the marketing program have not been successful (Belch, and Belch 1990). According to Kotler, Ph. (2000), both the businesses and individual sellers should ask themselves what should the advertising of their products and services are and what impact on the customer should it make.

The role of advertisement changes unto what the organization wants them to do. An organization uses the advertising to help them survive from the impacts of economic trends. Still, the economists views that the advertising plays a significant effect on the consumer behavior and in a long process, the advertising can lead the organization to competition. Based on the understanding regarding the advertising, the approach rooted in the organization’s search for the right answer on the effect of the competition. Consequently, the accepted basic role of the advertising is to provide the consumers with the right amount of information regarding the product or services, which is related to the objective of the competition and that is to deliver the consumer satisfaction. In this view, the level of advertising affects the consumer who is the focus of the organization (Park, F.Y 1996), as cited by Vivekananthan, V. 2010).

According to Rahman, M. N. (2012) advertising plays an important role in the process of moving the goods/services from the producers to the consumers. With mass marketing to distribute the output of production, the GDP (Gross Domestic Product) may increase to a considerable extent. Advertising helps to increase mass marketing while aiding the consumer to choices and preferences from amongst the variety of products and services offered for his selection and option. It was only in the latter half of the 19th century, that mass advertising, as we know it today, came into being. Mass production became a reality, and channels of distribution had to be developed to cope with the physical movement of goods, creating a need for mass communication to inform consumers of the choices available to them.

We are all influenced with advertisements in our day to day life. Its forms and contents both are well liked amongst consumers. In other words advertising is simply an economic movement with only one objective behind to increase the consumer demand of the product as well as to enhance the sales volumes biased, limited, and inherently deceptive. Advertising Wastes Resources and only raises the standard of Living for some. One of the traditional criticism of advertising is that it represents an inefficient, wasteful process that channels monetary and human resources in a society to the “reshuffling of existing total demand,” rather than to the expansion of total demand. Advertising thus brings about economic stagnation and a lower standard of living (O’Guinn, et.al. 2000).

Advertising Creates Needs. A common cry among critics is that advertising creates and makes people buy things they do not really need or even want. The argument is that consumers are relatively easy to seduce into wanting the next shiny bauble offered by marketers. Advertising Promotes Materialism. It is also claimed that individuals’ wants and aspirations may be distorted by advertising. The longstanding argument is that in societies characterized by heavy advertising, there is a tendency for conformity and status-seeking behavior, both of which are considered as materialistic and superficial. Advertising Perpetuates Stereotypes. Advertisers often portray their target customer in advertisements, with the hope that individuals will relate to the ad and attend to its message. Critics charge that this practice yields a very negative effect-it perpetuates stereotypes (Arens,F. et.al. 2009).

The most painful negative effect of advertising is the complete and utter degradation of some forms of art. Almost nothing you see on television or hear on the radio is done for the sake of creativity. Everything you see or hear now is meant to sell you something. All the singers are singing about something you should buy, all the dancers are dancing around a new perfume, all the cartoons are telling you what to get your kids for Christmas (Nartey, G. K. 2010). Advertising has often taken the route of causing “shock and awe” to gain the attention of a consumer; these campaigns occasionally backslash which has an immense negative effect on a business. Shock and awe marketing campaigns cause discomfort within a marketplace in which users may take to talking with others to denounce a business and their practices (Lunn, M. (2011).

2.1.5 Media advertisement

There are several media advertisements which are influencing Generation Y customers in making a purchase decision. Almost everyone grows up in the world which is flooded with

the mass media e.g. television, advertising, films, videos, billboards, magazines, movies, music, newspapers, and internet (Latif,et.al.2011). While many different media advertisement theories have emerged, the researcher will attempt to discuss the following theories that bear relevance to this research. Advertisements are among the most visible of the marketing strategy and have been the subject of a great deal of attention in the last ten to fifteen years. Advertising today seems to be everywhere and ever present exerting a far reaching influence on the daily lives of people. It is the most convenient route to reach not only adult consumers but also the adolescents. Teenagers have become top consumers in today's society, so advertisers have focused on getting their business.

Advertising, in all its forms, plays an important role in informing people's choices of products and services. New media, predominantly the internet, has apparently become an indispensable source of information today. Advertisers all over the world eye covetously at the expanding opportunities provided by the webs, seeking more effective communication channels with their target markets (Vijaya and Dr S Kothai,2014) Online advertising spending, including web ads, is constantly on the rise, especially due to its power of synergy with television and print advertisements. Earlier researches have proved that television advertisement is the important tool of diffusing the communication. It plays an important role in the development of young people's consumer behavior (Paul &, Jerry C.1994).

Advertising plays a conspicuous role in marketing as it operates more visibly than other marketing variables (Eadie,1994). Advertising is important in influencing brand image; however, McLaughlin (Paul &, Jerry C.1994).claims that customers "are skeptical of advertising because they have been inundated with it". Critics of advertising on the other hand argue that advertising has the strongest influence on the consumption patterns of customers cultivating materialistic values in them (TAN,1999). Tan (2011) reveals that advertisements of fashion goods convey meanings to the young as it is an object of human behavior that is derived from social interaction and communication. Advertising can be accomplished through many types of media including newspapers, radio, magazines, television, direct mail, point of sale, outdoor (signage and billboards) and the Internet. The media type used by the target audience to learn about products and services and to make purchasing decisions need to be consistent with the advertising media chosen, It is also important to consider the advantages and disadvantages of each media type.

2.1.6 Concept of Consumers' Buying Behavior

Consumer is one who consumes the product or goods and services. The aim of marketing is to meet and satisfy target customers' needs and wants. The modern marketing concept makes customers the center stage of organization efforts. The focus, within the marketing concepts is to reach target and largest customers, sets the ball rolling for analyzing each of the conditions of the target market (Sonkusare, G. 2013).

Consumer is a person who buys or uses things (goods) or services. Marketers are the persons who provide these services. The most challenging questions for marketers are why buyers do what they do (or do not do). Such knowledge is critical for marketers, since having a strong understanding of buyer's behavior will shed light on what is important for the consumer and also suggest the important influences on consumer decision-making. Factors affecting consumers' buying decisions are extremely complex. It is deeply rooted in psychology with dashes of sociology thrown in just to make things more interesting. It explains the influences on the consumer from groups such as family, friends and society in general. Consumers' buying behavior result from deeply held values and attitudes, their perception of the world, their place in it, from common sense, from impulse or just plain take. Consumers mainly face two types of purchase decisions: 'New Purchase' these purchases are very difficult to be made by consumer due to lack of confidence in decision-making; and 'Repurchase'— consumer feels confident in making these decisions since they have previous experience in purchasing the product (Patwardhan, et.al. 2010) . Consumer behavior can be defined as the decision-making process and physical activity involved in acquiring, evaluating, using and disposing of goods and services.

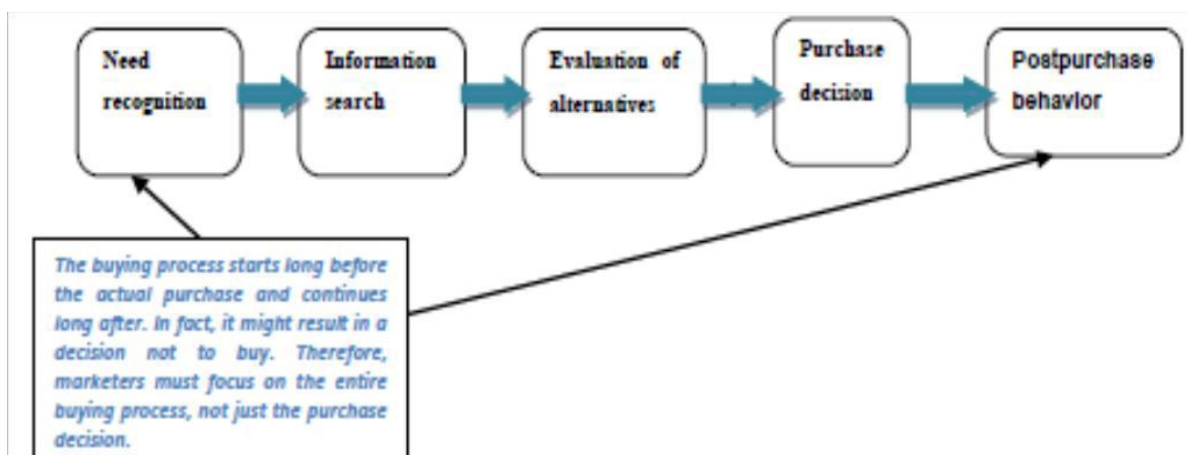


Fig.2.9.2 Consumer Buying Decision Process (Kotler et al. 2000)

- **Need recognition** - The first stage of the buyer decision process, in which the consumer recognizes a problem or need. The need can be triggered by *internal stimuli* when one of the person's normal needs—for example, hunger or thirst—rises to a level high enough to become a drive. A need can also be triggered by *external stimuli* (Furaiji, F. et.al.2012).
- **Information search** - The stage of the buyer decision process in which the consumer is aroused to search for more information; the consumer may simply have heightened attention or may go into an active information search. An interested consumer may or may not search for more information. If the consumer's drive is strong and a satisfying product is near at hand, he or she is likely to buy it then.
- If not, the consumer may store the need in memory or undertake an **information search** related to the need. Consumers can obtain information from any of several sources. These include *personal sources* (family, friends, neighbors, acquaintances), *commercial sources* (advertising, salespeople, dealer Web sites, packaging, displays), *public sources* (mass media, consumer rating organizations, Internet searches), and *experiential sources* (handling, examining, using the product). The relative influence of these information sources varies with the product and the buyer. Generally, the consumer receives the most information about a product from commercial sources—those controlled by the marketer (Yakon and Jablonsk 2012). The most effective sources, however, tend to be personal. Commercial sources normally *inform* the buyer, but personal sources *legitimize* or *evaluate* products for the buyer. As more information is obtained, the consumer's awareness and knowledge of the available brands and features increase. In your car information search, you may learn about the several brands available. The information might also help you to drop certain brands from consideration. A company must design its marketing mix to make prospects aware of and knowledgeable about its brand. It should carefully identify consumers' sources of information and the importance of each source (Jakštien, S.et.al. 2008).
- **Alternative evaluation** - The stage of the buyer decision process in which the consumer uses information to evaluate alternative brands in the choice. Marketers need to know about **alternative evaluation**, that is, how the consumer processes information to arrive at brand choices. Unfortunately, consumers do not use a simple and single evaluation

process in all buying situations. Instead, several evaluation processes are at work (Schiffman, L.G. and Kanuk, L.L. 2004).

The consumer arrives at attitudes toward different brands through some evaluation procedure. How consumers go about evaluating purchase alternatives depends on the individual consumer and the specific buying situation. In some cases, consumers use careful calculations and logical thinking. At other times, the same consumers do little or no evaluating; instead they buy on impulse and rely on intuition. Sometimes consumers make buying decisions on their own; sometimes they turn to friends, online reviews, or salespeople for buying advice. Marketers should study buyers to0.

2.1.7 Factors that Influence Consumers' Behavior

The many factors that affect acquisition, usage, and disposition decisions can be classified into four broad domains the psychological core, the process of making decisions, the consumer's culture, and consumer behavior outcomes. To make decisions that affect outcomes like buying new products, consumers must first engage in processes described in the psychological core. They need to be motivated, able, and have the opportunity to be exposed to, perceive, and attend to information. They need to think about this information, develop attitudes about it, and form memories. The cultural environment also affects what motivates consumers, how they process information, and the kinds of decisions they make. Age, sex, social class, ethnicity, families, friends, and other factors affect consumer values and lifestyles and, in turn, influence the decisions that consumers make and how and why they make them (Hoyer and Macinnis,.2010).

Two broad factors influence the consumers' choice. The first is the individual consumer whose needs, perceptions of brand characteristics, and attitudes toward alternatives influence brand choice. In addition, the consumers' demographics, lifestyle, and personality characteristics influence brand choice. The second factor that influence on consumer buying decision is the environment. The consumers' purchasing environment is represented by culture (the norms and values of society), by subcultures (a part of society with distinct norms and values in certain respects), and by face – to - face groups (friends, family members, and reference groups). Marketing organizations are also part of the consumers' environment since these organizations provide the offerings that satisfy consumer needs (Assael, H. 2001).

2.2 Empirical Literature review

2.2.1 Media Advertisements

According to Kelley and Hyde (2002) advertising methods to target audience, follow steps through four typical stages: awareness, interest, desire and action (AIDA). Advertising is giving the general public information about new products and trying to increase overall sales, which increases the efficiency of the Malaysia economy. It is supposed to be a significant way of getting the point across about a product and create motivation for people to buy. It simply catches consumers' attention, gets them to walk up to a shelf, and make an impulsive purchase.

Advertising today seems to be everywhere and ever present exerting a far reaching influence on the daily lives of people. It is the most convenient route to reach not only adult consumers but also the adolescents. Advertising, in all its forms, plays an important role in informing people's choices of products and services (Vijaya and S Kothai,2014). New media, predominantly the internet, has apparently become an indispensable source of information today. Advertisers all over the world eye covetous at the expanding opportunities provided by the webs, seeking more effective communication channels with their target markets. Online advertising spending, including web ads, is constantly on the rise, especially due to its power of synergy with television and print advertisements.

2.2.1 Types of Media Advertising

Television (T.V.) Advertisements: Advertisements usually play a role in either introducing a product reinforcing the familiarity with the product and also convincing to purchase the product. T.V. Advertising is a vital marketing tool as well as a powerful communication medium. T.V. advertising is effective and efficient in influencing to generation Y consumers buying decision. Television advertising plays an important role on changing the consumer behavior and also provides new patterns for purchasing or using any type of goods and services. It is the most convenient way to reach the female consumers because they are more deployed by advertisement promises that the product will give them something special for satisfaction.

(Gayathri and Swetha G,2012) points out: "Due to audio visual feature of T.V., it has a strong impact on the audience, this medium has the ability to deliver commercial to mass viewers." Television advertisement provides information about products and brands. Previous empirical

research findings indicate that television advertisements have a significant impact on consumer buying behavior. Jupiter Research In-Market Media Usage Survey, 2007 found that 23% of people made a definite purchase after seeing a television advertisement (Strong, C.A. and Eftychia, S,2006).

Television is one of the most recreation sources for women because of its audio-visual communication. Television (T.V.) enables the creative man to communicate by combining motion, sounds, words, colour, personality and stage setting to express and demonstrate ideas to large and widely distributed audience. T.V. advertisements usually play a role in either introducing a product or reinforcing the familiarity to the product and also convincing to purchase the product. Advertisements are among the most visible of the marketing strategy and have been the subject of a great deal of attention in the last ten to fifteen years. Advertisement cannot only change emotions but give subliminal message. Advertising today seems to be everywhere and ever present exerting a far reaching influence on the daily lives of people (Kotwal, N,2008).

Advertisements develop self-concepts in order to induce purchase decisions. T.V. Advertising is a vital marketing tool as well as powerful communication medium. The basic objective of any advertisement is to stimulate sales, direct or indirect by trying to make tall claims about product performance. Nowadays, there is a competition among marketers to grab consumer attention. Firms generally try to increase demand of goods or services by influencing generation Y customers' preferences through advertising.

Television ads mainly focus on either creating brand awareness or giving a sense of urgency to own a product or to build recognition for the product or to remind customers to come back. A study conducted by Deloitte (Deloitte,2012), confirms that young people, between 13 years old to24 years old age group, do in fact spend more time than older people on the internet. Previous empirical research findings indicate that television advertisements have a significant impact on consumer buying behavior. According to Deloitte/GFK research-2011 television advertising's appeal, consistent with previous years, is strongest amongst young respondents, with 18-24 year olds rating television advertising's impact the highest at 69 per cent, an increase from 63 per cent in 2010.

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grab consumer attention. Firms generally try to increase demand of goods or services by influencing customers' preferences through advertising. Television advertising employs attention grabbing trick such as catchy and pleasing music, lyrics, Jingles, humour and repeated messages. The impact of the advertisements is more on television than the print media or radio.

Online Advertisements: Similarly, Ducoffe (1996) found that Internet advertising was perceived to be informative, entertaining, useful, valuable, and important. Based on the 2016 national bank of Ethiopia annual report In 2015/16, the numbers of mobile subscribers increased by 18.4 percent to 46 million of which 99.6 percent were pre-paid and 0.4 percent post paid subscribers. Similarly, the number of internet subscribers' depicted 44 percent hike reached 13.6 million The country's telecommunication penetration rate (telecom density) increased from 44 in 2014/15 to 51; mobile density to 49.8; and internet and data density to 14.7. The Internet has become a popular advertising platform because marketers found that the Internet possess greater flexibility and control over the advertising materials [07]. It broadly consists of various commercial content formats delivered by video clip, print, and audio; either solicited or unsolicited. It includes company web sites, corporate logos, e-mail messages, pop-ups, banner ads, skyscraper ads, buttons, interstitials, hyperlinks, dynamic media, and interactive games (Ducoffe ,1996; Goldsmith,. & Lafferty,2002 ;NBE;2016)

The Internet users found online advertising was informative but less entertaining, and it did not encourage them to make purchases even they did not perceive it to increase product prices. Goldsmith and Lafferty (Goldsmith,. & Lafferty,2002) assessed the effects of viewing Web sites on Internet advertising. The findings are both positive and negative for online advertisers. Consumers who had a positive attitude toward web sites were more likely to recall brand names and to improve their views of the brands. However, these young consumers perceived both advantages and disadvantages in web advertising. The advantages included providing privacy and more information and the disadvantages included cluttered and hard to read web sites.

Social network (Twitter, Facebook, Google Ads): Erickson, D. (2008) indicates that the millennium generation is playing the leading role in social network usage. It is a clear indication that social media can be viewed as an important channel and tool to interact with the target audience and a tool for creating brand awareness too. This is the most effective way

to reach Generation Y on the Internet. Facebook, MySpace, Twitter, YouTube, Second Life, Flickr, and DIGG are all excellent examples of social networking sites that the Millennial frequent on the web. Social media can be leveraged in a large number of ways. For example, Dell Computers has customer service reps that monitor Twitter to find and address complaints about their products.

The influence of social media on purchase decisions is growing across all regions, albeit at varying levels. Globally, 46 % of respondents said they used social media outlets to help make purchase decisions, a rise of three percentage points from 2010. North Americans were the least reliant on social media at 21%, but have increased their dependency by seven points. Asia-Pacific respondents were the most active social media users to aid purchase decisions at 63%, an increase from 60% two years ago.

Word-of-Mouth: Word of mouth is still a strong marketing tool among the Y-Generation with 60% of respondents claiming they have positively reinforced a product and 51% foretelling they would speak negatively of a product should it not meet the promises made through its advertisements. However, T.V ads remain the most influential tool in influencing consumers to buy a product and 50% of the generation cited internet ads as the most often avoided. Word-of-mouth marketing still reigns supreme, even among consumers. A recent study by SITEL found that only 28.7% of consumers makes purchasing decisions based on what friends "like" on their social networks. Some 44.3% of consumers makes decisions based on word-of-mouth. Generation-Y consumers inform their friends, peers, colleagues, and family members about brands they care about.

One measure of the success of a viral marketing campaign is the amount of word-of-mouth generated by the campaign. 50% of word-of-mouth conversations referring to a brand include a reference to a traditional form of media advertising. Based on analysis of word-of-mouth conversations, the most influential media is television and the second most influential media is the Internet (Keller, E,2007) Therefore, traditional and online advertising cannot be ignored in companies' efforts to reach consumers. However, word-of-mouth is especially crucial when attempting to reach the more skeptical and connected college-aged consumers (Lamb,et.al.2008) One of the most powerful tools that social networks offer is access to credible word-of-mouth information about company products and services.

Word of mouth is considered to be the most effective form of product-related consumer contact due to its credibility which stems from the fact that the consumer, not the marketer, is in control (Keller, E,2007). Research on the influence of word of mouth found that nearly 50% of those who are recipients of word-of-mouth information about a product or service plan to share that information with others and 50% also plan to make a purchase decision based on that information (Keller, E,2007). Online word of mouth is expected to play an even greater role in the purchasing behaviours of the 15-24 age groups. This generation is more engaged in online communication than are other age groups. For example, in selecting entertainment, 48% of the 13-24 year-old age groups is influenced by online word of mouth (Riegner, C,2007).

Print Media (Flyers, Newspaper, Magazine): Magazines, periodical or serials are publications, generally published on a regular schedule, containing a variety of articles generally financed by advertising, by a purchase price (Kotler, P and Keller, K.L,2006)In magazine advertisements the picture, headline, and copy are important respectively. The picture must be strong enough to draw attention. Then the headline must reinforce the picture and lead the person to read the copy. The copy itself must be engaging and the advertised brand's name must be sufficiently prominent (Kotler, P and Keller, K.L,2006). Magazines offer a stark contrast to broadcast media. Because of its self-paced nature, magazines can provide much detailed products information and can also effectively communicate user and usage imagery. In spite of advantages of magazine, it has some disadvantages: the static nature of visual images in magazine makes it difficult to provide dynamic presentation; magazine images can be fairly passive (Kotler, P and Keller, K.L,2006)

Hypothesis 1: Media advertisements influences the customers 'services choice

Hypothesis 2: Media Advertisements on quality services influence customers' choice of service

2.2.2 Advertisement Influence

Advertising is to create understanding, liking, and selection of product or services. The most influencing theory in marketing and advertising research is attitude-towards-the-advertisement. However, the attitude that is formed towards the advertisement helps in influencing consumer's attitudes toward the product until their purchase intent (Goldsmith & Lafferty,2002). Advertising is important in influencing the purchase decisions; However,

McLaughlin (2000) claims that customers “are skeptical of advertising because they have been inundated with it” . Word of mouth is still a strong marketing tool among the customers. However, T.V ads remain the most influential tool in influencing the consumers to buy a product and 50% of the generation cited internet ads as the most often avoided.

2.3 Customers Perception on Media Advertisements

“The process of marketing communication (promotion) takes consumers through three stages of responses: perception, attitude and behavior stages”. Perception is “the process by which people select, organize and interpret information to form a meaningful picture of the world” (Kotler & Armstrong,1994). The process of perception consists of three elements which are exposure, attention and interpretation within four steps: begin with receiving information from outside, selecting information, organizing information and end with interpreting (Kotler,2003).

- 1.) Receiving information (Exposure):** Marketing stimuli includes a diverse amount of variables that affect or expose to the consumer’s perception for instance the nature of product, its physical attributes, the brand name, the package design and the advertisements. Therefore, marketers often use tremendous attention-getting devices to accomplish maximum contrast and thus attract consumer’s attention.
- 2.) Selecting information (Attention):** Individuals will perceive information differently in accordance with their needs, expectations and past experiences. These help people assign meanings to the stimuli and distinguish products that will offer particular benefit to them. This perceptual step is facilitated by schema which is the set of knowledge and beliefs held by human being. A schema provides a filtering procedure for an individual who concentrates to only a small amount of the original stimuli.
- 3.) Organizing information:** This process is how the ones organize information in physical configuration; therefore, they can interpret into a coherent picture.
- 4.) Interpreting information (Interpretation):** The consumer will interpret the chosen stimuli once the selection and organization processes have been completed. This process is also uniquely individual because it serves as a basis of consumer’s expectation and previous experiences (Schiffman et.al.2000).

It is essential for marketers to understand the nature of perception in order to communicate their messages efficiently to consumers. Because the way people perceive and interpret may vary depending on their perspective. Accordingly the researcher hypothesized as follows;

Hypothesis 3: customers' perception of media advertisements influences their 'choice of bank.

2.4 Advertisements and Purchasing Decisions

Advertisements develop self-concepts in order to induce purchase decisions. A purchase decision is composed of a sequence of decisions, and different age group may play different roles at different stages (Darley et.al.1986; Bakewell et.al.2003; Wasson,1978). Advertisement is a promotional tool that is available for marketers to create awareness about the brand and mould their customers' behaviour towards that brand for taking a final purchase decision.

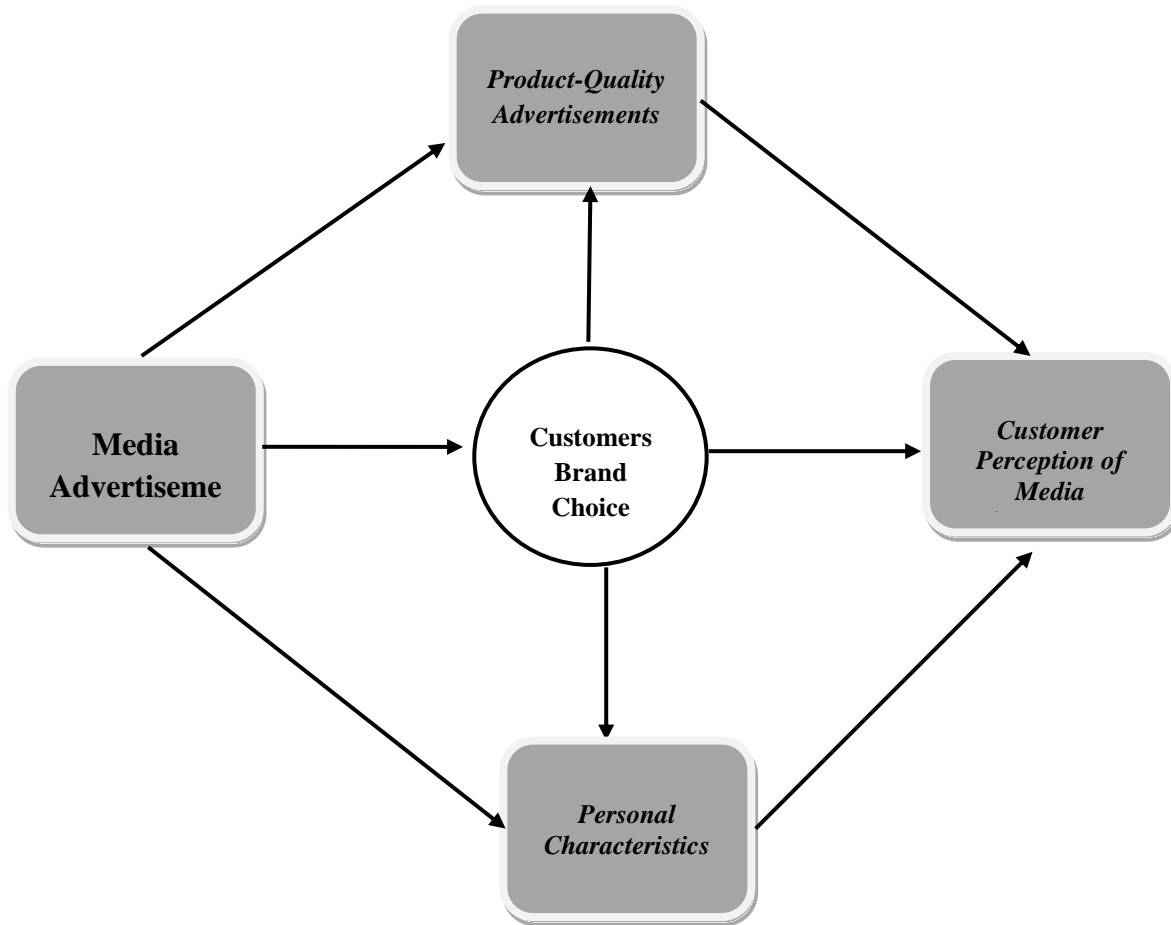
The researchers shown that choice of consumers indicated “Advertisement” as main factor when purchasing a product and they agreed the impressions of other consumers that owned the products would affect their purchase decision (Deloitte,2012). Fernandez (2009) stated consumers has own natural inclination to spend for their products to promote their lifestyle because these able to associate with their peers. Consumers choice were gratification and high demands on latest tech gadgets. Beside this, they also have better spending power and capable of influence their family purchase decision making and they also considered as savvy consumer (Harris,2003).

Hypothesis 4: There is a relationship between consumers personal characteristics and their service choice decisions.

2.5 A Conceptual Framework

Based on the above detailed literature reviews the conceptual framework was developed which included media advertising and media ad messages, that influence customers' choice. There are two variables in this research study, which are dependent variable and independent variables. For dependent variables, it is customer brand choice of bank service in Addis Ababa. For independent variables, it is the various factors such as media advertisements

(T.V., Print media, Social network, Internet advertisement and Word-of-mouth) and other factors are Gender, age, income between customers choice.



Source ;Researchers compilation adopted from Latif et.al,2011; Kotwal et.al.2008 and Bakewell, C. and Mitchell, V,2003 study

2.6 Summary

The effect of advertising on customers brand choice: a case study of United bank S.C. is the main issue under consideration. The dimensions reviewed above were based on prior research done by others in the industry. The following issues were reviewed: the concept of advertising, important of advertising, objective of advertising, concept of consumer behavior, factors that influence consumer behavior, states of consumer buying process. Both theoretical and empirical literatures were used to help explain the purpose of study.

CHAPTER THREE; RESEARCH METHODOLOGY

This chapter discusses the processes and techniques used in carrying out the study. It also gives a description of the respondents including information on the study population, the number of respondents and how they were selected. It also provides an outline of research design and the instruments for data collection. The methods adopted in the administration of the research instrument, data collection procedure, data analysis and measures used to ensure validity of the instrument used.

4.1 Description of the Study Area

United Bank S.C. (UB) is one of the private business institutions in Ethiopia which was established in accordance with the pertinent laws, regulations and the 1960 Commercial Code of Ethiopia, by the Monetary and Banking Proclamation No. 83/1994 and by the Licensing and Supervision of Banking Proclamation No. 592/2008. Accordingly, on September 11, 1998, OIB obtained a banking business license. The Bank attained 145 total branches both in Addis Ababa and upcountry at the end of the financial year of 2016, centring its head office in Addis Ababa, Beklobet site. 81 of the 145 branches are in Addis Ababa, and the remaining are in regional towns of which most of them are located in rural towns. The Bank is strategically moving towards opening more additional branches through concentrating on economically and potentially feasible location with a sound branch distribution and networking (UB Annual Report, 2016).

4.2 Approaches to the Research Methods

The approach in the research were quantitative accordingly data is collected using a structured questionnaire using the process by which the sample is constrained to include elements from each of the segments is called stratified random sampling (specifically a proportional stratified random sampling technique) which is a type of probability sampling were used where each and every item in the population has an equal chance of inclusion in the sample and each one of the possible samples has the same probability of being selected (Kothari, C.R. 2004). More over convenience sampling were used to select the bank branches where the study mainly focuses on. convenience sampling is used since the technique provides the researches freedom of choice or apply her judgment in picking bank branches where data collection was conducted since given the time and cost limitation the researcher can't address all the bank branches and total study population. as a result the researcher picks

only five city branches (namely Alem Bank, Balderas, Beshale, Birr Amba and Bole branches) which found to be representative branches in four different geographical directions to make sure representative of the data from the sample respondents plus the selected bank city branches have a large number of the bank's customers compared to the remaining bank branches that are available in Addis Ababa in northern, southern, western and eastern city branch offices.

4.3 Research Design and Research Strategy

If the research is concerned with finding out who, what, where, when, or how much and those studies which are concerned with describing the characteristics of a particular individual, or of a group, then the study is descriptive. Most of the social research comes under this category. The major purpose of descriptive research is description of the state of affairs as it exists at present (Kothari, 2004).

The research design for this study is descriptive in nature and across-sectional studies are carried out once and represent a snapshot of one point in time. The reason for selecting descriptive research design is to describe the effect of media advertising on consumers' choice and to determine the different factors that stimulate consumers to respond to media advertising in the banking services of United Bank.

In quantitative introductions, researchers sometimes advance a theory to test, and they will incorporate substantial reviews of the literature to identify research questions that need to be answered. In quantitative research, some historical precedent exists for viewing a theory as a scientific prediction or explanation. In this definition, a theory is an interrelated set of constructs (or variables) formed into propositions, or hypotheses, that specify the relationship among variables (typically in terms of magnitude or direction). The idea of a theoretical rationale, which they define as "specifying how and why the variables and relational statements are interrelated" (Creswell, 2013).

Therefore, the researcher preferred the quantitative research strategy because the study needs to address the factors that influence especially the effect of media ads on customers' brand choice. This could be based on theories and reviews of literatures that could identify the research problems and could be able to give solutions.

4.4 Questionnaire Design and Development

This study is used structured questionnaires with closed questions and all of the data that were gathered with quantitative methods. This study focused on 140 respondents with a limited timeline for data gathering and analysis therefore closed ended questions are needed. The questionnaires for the current research study are attached in Appendix 1. The questionnaires were divided into two parts. The first part consists of demographic questions contains personal characteristics of respondents including: age range, gender, income, marital status, educational level, and current working status of the respondents that allow participants' answers to be grouped so that patterns are revealed and can be studied.

The second part consists mainly target questions which are structured (that presents the participants with a fixed set of choices; often called closed questions) contains lists of questions, which requires rating from 1 to 5 (1= strongly agree, 2= agree, 3= neutral, 4= disagree, 5= strongly disagree) on the questionnaire's answers. The flow of the questionnaire moves from topic to topic that involves questions that are directed towards advertisement influence on customer brand choice with different media advertisements that (contains 5 items), advertisement with quality of service influence (contains 5 items) and customer perception of media advertisement media perception influence (contains 5 items) which are adopted from Latif et.al,2011; Kotwal et.al.2008 and Bakewell, C. and Mitchell, V,2003 study accordingly and slightly modified by the researcher so that it can fit with the current research purpose.

Firstly, the questions from 1 to 5 target on customer brand choice of bank service . Secondly, the questions from 6 to 10 were target on advertisement influence to select a specific bank on its' quality of service and the questions from 11 to 15 were target on customer perception on selection of bank to get services.

4.5 Sources of Data and Data Collection Techniques

The study was based on primary sources of data which was gathered through structured questionnaire. In this study the five given constructs have been measured by fifteen questions using a five-point Likert scale adapted from the study conducted by Ha, et al. (2011). The adapted questionnaire (Annexure.1) sufficient reliability estimates measurement is done and the English version of the survey instrument was used in the study so that to avoid any

misinterpretation and reliability loss that may be encountered during translation process into local language (i.e. Amharic).

The secondary data was obtained through document analysis to supplement the primary data along with a number of related books, journals and articles on advertising and customer brand loyalty were reviewed.

4.6 Time horizon

When planning for research there are two possible options in time perspective these are Cross-sectional and Longitudinal. Cross sectional: is a study in which a group(s) of individuals are composed into on a large sample and studied at only a single point of time while longitudinal is a study in which an individual or a group of individuals is observed over a period of time Saunders, M.N., (2000). In this research cross-sectional study is applied

4.7 Sampling Methodology

Sampling is a procedure that uses a small number of units of a given population as a basis for drawing conclusions about the whole populations (Albaum, 1997).

4.7.1 Population & Sampling Methodology

The population of the study Was customer of United Bank S.C. The total population of the bank is counted 439,136.00 and the total branch of the bank is 145 as of February 6, 2016. The branches of the bank is divided in to two based on their location named city branch and outline branch. City branches are branches found in Addis Ababa and outline branches are those found outside of Addis Ababa. From the total population of the bank 264,626 are found in city branches that covers more than half 60.26 percent of the population moreover, from the total branches of the bank 75 of the branches located at Addis Ababa in percentile it is 57.25 percent, which is more than half. Having this data 174,510 customers (i.e. 39.74 percent of the total customer) were found distributing among the five city branches (namely *alem bank, balderas, beshale, birr ambaand Bole branches*) this evidenced the high concentration of the customer in the city branches in the capital city.

Subsequently the researcher picks branches using convenience sampling method to choose a sample population plus in order to approach the weighted proportion of Addis Ababa customer to total customer of United Bank S.C due to the concentration of more than quarter of customers can be accessed through the five branches plus it Was easier for the student researcher in accessing sample of respondents' since the student research is a current

employee of the bank in one of the branches and can be able to collect data from the selected branches in Addis Ababa using her connection. To avoid problem of filling more than one questioner by a single person the researcher will allow a customer to fill the questioner when customers at outlets of the specified united Banks branch only- where the customer opens his/her bank account- and if the customer has more than one account in different branch he/she Was advised not to fill any additional questioner used by the same researcher. Further a proportional stratified random sampling technique which is a type of probability sampling were used a proportional sample of respondents from each five selected branches where each and every item in the population has an equal chance of inclusion in the sample.

The sample size for this study Was determined by using the formula developed by Krejcie and Morgan (1970). Sample size from the customers is calculated as follows:

$$n = \frac{\chi^2 NP (1-P)}{D^2 * (N-1) + \chi^2 P (1-P)}$$

Where; n = required sample size.

χ^2 = table value of chi - square for one degree of freedom at the desired confidence level (3.841 for 0.95 confidence interval).

N = the given population in this case 174,510.

p = population proportion (assumed to be 0.5 since this would provide the maximum sample size).

d = the degree of accuracy set at 0.05. The above sample size equation give result of 192

4.8 Data Analysis Techniques

All data that were gathered were analyzed through quantitative research approaches. The aggregated data analysis was required to communicate in words or to find issues under research. The data collected using structured survey/quantitative approach Was edited, coded, cleaned and entered into the computer. In order to test the hypothesis, Structural Equational Modeling (SEM), a multivariate examination method Was performed , correlation analysis, reliability analysis, Was done using the Software package for social science (SPSS version 23).consequently, cross-tabulation technique for comparing data from two or more categorical is used for identifying relationships between variables under study.

Supplementary descriptive Statistics were used to analyze the data that were collected from sample respondents mean, percentages and frequency tables, was also used to analyze the demographic data of the respondents'

4.9 Ethical Consideration

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

CHAPTER FOUR ; RESULTS AND DISCUSSION

In this chapter, a brief overview of the respondents' information was presented then a statistical analysis of the data collected will proceed. In the analysis, the data were compared with the theories presented in the theoretical research frame, all derived from the literature review. The analysis will follow in the same structure as the research questions and hypotheses.

4.1 Data Presentation

4.1.1 Description of Sample

The population comprises of customers of united banks who are visiting *alem bank, balderas, beshale, birr ambaand Bole branches'* in Ethiopia, Addis Ababa . To get the actual set of units from which a sample was drawn, the branches were categorized as per united bank market share analysis of the branches into large, medium and small as this determined the number of customers that it had. Accordingly a sample rate of 20% was taken for each branch and consequently, a total of 140 fully filled survey questioners' were obtained leaving the remaining 52 survey questioners' were either incomplete , not returned or some replies were found to be vague as a result has to be removed from the computation in the study .

Table 1 Study population

Classification	Number of Branches	Sample size	Sample rate	Response Rate
Large branch Group	2	77	40%	53
Medium branch Group	2	77	40%	58
Small branch Group	1	38	20%	29
TOTAL	5	192	100%	140

Source: researcher's own compilation of Survey data 2017

4.1.2 Personal Profile of the Respondents

Demographic data shows that a slight majority of respondents were female: (78) constitute 66.0 per cent. Graduates accounted for 64.7 per cent of all respondents. Age and human lifecycle also influence the buying behaviour of consumers; this were discussed in the latter part of this chapter with significance analysis. Table 3 shows the respondents' age group. 54.% is between 25 to 45 years old followed by 28.6% from 46 to 55 years old. Similarly the table shows that 72.0% of the respondents were single and 28.0% were married. Regarding education level of the research participants. 37.1% of the respondents have completed high school education. 30.% of the respondents have completed bachelors'

degree followed by 23.6% have completed diploma in various fields.

Table 2 Personal Profile of the Respondents

No.	Profile	Description	Percentage(%)	Responses
1	Age (in Years)	below 25 years old	9%	13
		25-35 years old	21%	30
		36-45 years old	24%	34
		46-55 years old	28%	39
		56 years and above	17%	24
2	Gender	Male	44.%	62
		Female	66.%	78
5	Educational Background	High School/ TVET Graduate	37.%	52
		College Diploma	24.%	33
		First Degree	30.%	42
		Master's Degree and Above	9.%	13
		Current Working Status	Student	51.%
	Part-time Employed/ Graduate Trainee	18.%	25	
	Employed	21.%	30	
	Junior/ senior Manager	6.%	9	
	Entrepreneur / Self Employed	4.%	5	
6	Monthly income	Between 500-1000 birr	10.%	14
		Between 1001-2500 birr	17.%	24
		Between 2501-4000birr	15.%	21
		Between 4001-6000 birr	21.%	29
		Between 6001- 8000birr	16.%	23
		More Than 8000 birr	21.%	29
7	Marital Status	Single	72.%	124
		Married	28.%	16
Total			100%	140

Source: researcher's own compilation of Survey data 2017

The occupation of an individual plays a significant role in influencing their buying decision. Table 1 shows the respondents occupation details, 51% of the respondents were students, 21.% were employed with full time jobs and 18.% were employed part time basis. In a similar manner the buying tendency of an individual is directly proportional to their income/earnings per month. Table 1 shows that 21 % of the respondents were earning monthly up to 4001- to 6000 birr and 27% of the respondents were earning from 500 to 2500 birr month per month, while 21% of the respondents claimed that they earn more than 8000 birr per month implying that the Brand choice tendency of an individual is directly proportional to their income/earnings per month.

4.1.2 Reliability Analysis

Measurements

The questionnaire survey includes mainly 20 observed items under research framework, in which 27 items are divided into 5 components of independent variables: Media Advertisement, Product-Quality Advertisements, Customer Perception of Media Advertisements, and Personal Characteristics, and customer brand choice. This measurement bases on a 5-point rating scale which corresponds to 1 = *strongly disagree*, 2 = *somewhat disagree*, 3 = *neither agree nor disagree*, 4 = *somewhat agree*, 5 = *strongly agree*. Specifically, these variables can be described and encoded as follows (Table 2)

- The first part consists of **demographic** questions contains personal characteristics of respondents including: age range, gender, income, marital status, educational level, currently social roles, and other source of income (From D1-D7)
- **Media Advertisement:** representing directed towards advertisement influence to customers choice decisions of bank service, with different media advertisements Television advertisement, Print media, Social Network, Online advertisement, Word-of-Mouth advertisement, including 5 items (From MA1 – MA5);
- **Customer Perception of Media Advertisements:** representing Perception is “the process by which people select, organize and interpret information to form a meaningful picture of the world, including 5 observed variables (From CPMA11 – CPMA15);
- **Personal Characteristics:** representing the Advertisements develop self-concepts in order to induce purchase decisions, including 5 observed variables (From PC6 – PC10);

- **Customer brand choice of bank Service;** The term consumer choice is defined as the choice that consumers displays in searching, purchasing, evaluating and dispensing of products and services that they expect will satisfy their needs including 5 observed variables (From CC12 – CC20).

Table 3 Encoding media advertisement factors that affect customer’s choice in united bank

No.	Code	Description
	MA	Media advertisement is influencing customers’ bank service choice <i>.(Which media source do you trust the most)</i>
1.	MA1	I trust Word-of-mouth information mostly to choose a bank to influence my bank service decisions <i>(Word-of-Mouth is the passing of information from person to person by oral communication)</i>
2.	MA2	I trust television information mostly to choose my bank service
3.	MA3	I trust printed media such as newspapers and magazines mostly to choose my bank
4.	MA4	I trust internet social networks or online advertisement mostly to choose and get a service from a bank
5.	MA5	I trust office displays mostly to choose and get a service from a bank
	PC	Advertisements on the quality of a product and services influence Customers’ choice of bank to get a service <i>.(Advertisements develop self-concepts in order to induce purchase decisions.</i>
6.	PC1	I choose only a bank which are of high quality services no matter how expensive they are.
7.	PC2	I choose only a bank where I can get good customer service, while getting a service.
8.	PC3	I choose only a bank which are having known brands, as advertised their services
9.	PC4	I choose only a bank which require high standard, because high standard means good quality.
10.	PC5	I choose only a bank which are having well-known brands (as advertised)

	CPMA	Customers' perception of media advertisements influence their bank choice behaviour.
11	CPMA1	I choose only a bank services which come with low service fees, as advertised.
12	CPMA2	I choose only a bank which comes with a new service in a limited time , as advertised
13.	CPMA3	I choose only a bank services which improves my social status.
14.	CPMA4	I choose only a bank services which are technologically advanced and innovative, as advertised
15.	CPMA5	I choose only a bank services which are attractive in style and fashion.
	CC	Customer brand choice of bank Service
16	CC1	I often want a service seen in advertisement
17	CC2	I feel that exposure to advertisement has enhanced my involvement in bank service choice
18	CC3	I feel advertisement make bank service choice easier.
19	CC4	Due to advertisement exposure I have started experimenting new bank services
20	CC5	I feel my demand for bank service choice is influenced by advertisement

Source: researcher's own compilation of Survey data 2016

4.2 Factor analysis

The Factor Analysis procedure has several extraction methods for constructing a solution. Mainly used

For Data Reduction; the principal components method of extraction begins by finding a linear combination of variables (a component) that accounts for as much variation in the original variables as possible. It then finds another component that accounts for as much of the remaining variation as possible and is uncorrelated with the previous component, continuing in this way until there are as many components as original variables. Usually, a few components will account for most of the variation, and these components can be used to

replace the original variables. This method is most often used to reduce the number of variables in the data file.

By Retaining just enough components to explain some specified large percentages of the total variation of the original variables. Values between 70 and 90% are usually suggested, although smaller values might be appropriate as the number of variables, q , or number of subjects, n , increases. Similarly, excluding those principal components with variances less than the average. When the components are extracted from the observed correlation matrix, this implies excluding components with variances less than one. (This is a very popular approach but has its critics; see, for example, Preacher and Mac Callam, 2003.)

Scale/Reliability Analysis

Table 4 shows the key dimensions, items, loadings, and communalities and Cronbach's Alpha estimates. Reliability analysis measures the internal consistency of a group of items. This analysis is frequently used in questionnaire construction. Often, questionnaires have more than one scale. Reliability analysis examines the homogeneity or cohesion of the items that comprise each scale. Cronbach's alpha coefficient (α) is the most frequently used index of reliability, although other indices are also used (e.g., split-half reliability). Alpha coefficients reflect the average correlation among the items that constitute a scale. Ideally, alphas should be between .60 and .90. Low alphas indicate poor internal consistency of a scale, because the items that make up the scale are poorly related to each other. Very high alphas indicate that the items are almost identical (and perhaps redundant) and, therefore, the generic meaning of the scale is too narrow (SPSS version 23 manual).

Table 4 Scale/Reliability Analysis

Observed Variable	Expected value if the variable is removed	Variance if the variable is removed	Item-total correlation	Cronbach's Alpha if the variable is removed
Media advertisement (MA): Alpha = .606; N of Item = 5				
MA1	14.8925	11.469	.650	.601
MA2	14.7957	11.850	.589	.600
MA3	14.9247	12.816	.542	.602
MA4	14.8925	12.756	.527	.606

MA5	14.8387	10.979	.747	.590
Personal Characteristics (PC) Alpha = .677; N of Item = 5				
PC1	15.4677	10.856	.580	.656
PC2	15.4677	10.402	.610	.646
PC3	15.7419	10.549	.549	.666
PC4	15.4516	10.335	.597	.650
PC1	15.5269	11.040	.546	.666
Customers' perception of media advertisements (CPMA): Alpha = .679; N of Item = 5				
CPMA1	14.1237	11.168	.631	.659
CPMA2	14.1559	11.246	.630	.660
CPMA3	14.0860	11.398	.631	.660
CPMA4	14.1828	11.642	.524	.643
CPMA5	14.2258	11.711	.559	.672
Customer brand choice of bank Service (CC): Alpha = .706; N of Item = 5				
CC1	10.4892	7.992	.502	.692
CC2	10.5484	7.935	.575	.653
CC3	10.8172	7.566	.537	.671
CC4	10.6935	7.781	.503	.692
CC5	7.1452	3.390	.437	.685
Combined scale Reliability				0.717

Extraction Method: Principal Component Analysis.

4 components extracted.

Source: researcher's own compilation of Survey data 2017

Consequently, in the study Variables which have item total correlation less than 0.3 were removed. Measurements with Cronbach Alpha being greater than or equal to 0.6 are deployed (Nunnally 1978; Peterson 1994; Slater 1995). As indicted in table IV below the alpha coefficient is acceptable (.717) additionally, it is always useful to look at the corrected item-

total correlations. Low corrected correlations indicate that the particular item is problematic and perhaps it should be removed. It is called corrected item-total correlation because the total is composed of all scale items except the one it is correlated with. Problematic items can also be detected by looking at the new alpha of the scale if an item is deleted. If the alpha increases considerably with the deletion of a particular item, it might be appropriate to delete that item.

Exploratory factor analysis

After assessing the reliability of measurements by Cronbach Alpha coefficient and removing unreliable variables, exploratory factor analysis is used to reduce and summarize the data. This method is very useful in determining the variable set necessary for the research as well as in finding the relationship between variables. The Application of factor analysis under this study involves the following two stages:

- Determining the number of common factors needed to adequately describe the correlations between the observed variables, and estimating how each factor is related to each observed variable (i.e., estimating the factor loadings);
- Trying to simplify the initial solution by the process known as factor rotation (SPSS version 23 manual).

The results presented here are based on prudent sets of variables guided by conceptual and practical considerations: the acceptance of factor loadings of 0.50 and above are considered and cross loadings of above 0.20 since normally this level is considered practically significant by most researchers'. (Hair et al., 1995). The Direct oblimin factor rotation was employed for all the analysis because it represents the clustering of variables more accurately (Hair et al., 1995, p. 382), and because the factors are conceptually linked, keeps them correlated plus, since the study initially hypothesized that the factors are correlated, this technique of rotation is found to be more suitable for this study.

Primarily, (Kaiser-Meyer-Olkin) and *Bartlett's test of sphericity* can be used to examine assumptions relating to the appropriateness of the factor analysis. Accordingly the *KM* is used in the study to measure the sampling adequacy and examines the degree of correlation among the questionnaire items. Values above .60 are considered acceptable. Therefore the result 0.665 tells us that the factor analysis useful in this study data.

Table 5 Exploring factor analysis for service quality scale KMO and Barlett’s Test

KMO and Bartlett's Test		
Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.665
Bartlett's Test of Sphericity	Approx. Chi-Square	963.631
	df	300
	Sig.	.000

Source: researcher’s own compilation of Survey data 2017

Bartlett's test of sphericity tests the hypothesis that the correlation matrix is an identity matrix, which would indicate that the study variables are unrelated and therefore unsuitable for structure detection. Small values (less than 0.05) of the significance level indicate that a factor analysis may be useful with in the study data this tells us that for this study factor analysis is very important since the significance is less than 0.05 (i.e. 0.000) In addition, factor analysis depends on Eigenvalue in determining the number of factors. Only factors with Eigenvalue greater than 1 are kept in the model. Eigenvalue represents the varying element explained by factors(SPSS version 23 manual).

One significant part of the factor analysis result table is the component matrix or rotated component matrix. This component matrix contains coefficients representing standardized variables by factors (each variable is a polynomial of factors). Factor loading coefficients show the link between variables and factors. Those coefficients reveal how close the relationship between variables and factors is. As the research uses factor extraction principal component method, factor loading coefficients must have weights greater than 0.5 (SPSS version 23 manual). Originally the research Model proposes three factors relationship (containing 20 items), 3 Factors representing independent Variable and 1 Factor representing dependent items later on when undergoing the factor analysis 20 items loaded in to only four Components, indicating that some items included under this study are best explained or suited.

Table 6 Total Variance Explained

Comp	Initial Eigenvalues			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumu- lative %	Total	% of Variance	Cumu- lative %

1	2.422	10.093	33.359	2.422	10.093	33.359
2	2.108	8.784	42.142	2.108	8.784	42.142
3	1.911	7.960	50.103	1.911	7.960	50.103
4	1.462	6.090	56.193	1.462	6.090	56.193

Source: researcher's own compilation of Survey data 2017

Table 7 Rotated Component Matrix

	1	2	3	4
MA1	.661			
MA2	.726			
MA3	.640			
MA4	.562			
MA5	.703			
PC1			.640	
PC2			.601	
PC3			.594	
PC4			.717	
PC5			.566	
CPMA1		.732		
CPMA2		.751		
CPMA3		.547		
CPMA4		.655		
CPMA5		.577		
CC1				.712
CC2				.514
CC3				.729
CC4				.629
CC5				.603

Source: researcher's own compilation of Survey data 2017

Comprising 4 main components with 20 observed variables. All 20 variables have passed the reliability test by Cronbach alpha coefficient. Exploratory factor analysis EFA is utilized to reassess the convergence of observed variables around the main components (Table 3).

Applying the extraction method: principal components analysis and varimax rotation method at every level of Eigenvalues greater than 1 and, analyzing variables which has been extracted 5 from 15 observed variables and with cumulative variance is 56.193% (greater than 50%) satisfied. Based on the analysis of the Rotated Component Matrix table, there are 5 Media Advertisement items including, MA1; MA2; MA3; MA4; MA5) all with loading coefficients greater than 0.4 (respectively: 0.661; 0.726; 0.640; 0.562 and 0.703) The second components have 5 observed variables, including: CPMA 1; CPMA 2; CPMA 3; CPMA 4; CPMA 5, with loading coefficients greater than 0.4 (respectively: 0.732; 0.751; 0.547; 0.655 and 0.577). The next components are Personal Characteristics (PC), which have 5 variables: PC1; PC2; PC3; PC4; PC5 all having coefficients greater than 0.4 (respectively: 0.64; 0.61; 0.59; 0.717 and 0.56). Similarly, All Customer brand choice of bank Service; components have loading coefficients greater than 0.4.

In summary, the result of analyzing exploratory factors (EFA) shows that every service quality component remain 5 factors with 20 observed variables, including: Media Advertisement, Customer Perception of Media Advertisements, Personal Characteristics, Customer brand choice of bank Service;

Descriptive statistics

Looking at the table below frequency analysis on Media advertisements shows that the five variables and the customers' choice. Word of mouth, T.V, Print Media, Social Media or Internet ads and Store Display, as per the findings store display 44%, print media 34%, word of mouth 33%, T.V 26% and Social Media and internet 21% of the respondents were influenced on their purchasing decisions. However, the following significance study shows that T.V advertisements have the major influence and Social Media and other variable are followed by less influence.

Table 8 Frequency Analysis – Media Advertisements

Scale	Word-of-	TV %	Print Media %	Social Media/Internet	Store Display
strongly disagree	14	10	6	15	16
disagree	21	15	9	28	16
neutral	56	49	51	60	49
agree	37	26	33	27	44

strongly agree	12	0	1	10	16
Total %	140	100	100	140	140

Source: researcher's own compilation of Survey data 2017

Table 10 shows that the customer brand choice decisions based on quality of products perceived through media advertisements. Well-known brands 42%, customer service 40%, best-selling brands 28%, high quality 24% and high standard is high quality is 17%. It shows that the focus on the quality based message of media advertisements should be on their brand, support service and awareness among the public were important in their purchasing decision makings.

Table 9 Frequency Analysis – Product Quality on Media Advertisements

Scale	High Quality%	Customer Service%	Best-Selling Brand %	High-standard is High Quality %	Well-known Brand %
strongly disagree	5	6	9	21	2
disagree	31	19	19	28	19
neutral	40	35	44	34	37
agree	15	34	18	13	31
Strongly agree	9	6	10	4	11
Total %	100	100	100	100	100

Source: researcher's own compilation of Survey data 2017

Table 11 shows that the frequency analysis on customer perception of media advertisements influences customers' choice of bank service decisions. Low service fee agreed 44%, technologically advanced 42%, fashionable 37%, social status 28% and limited edition 15% respectively.

Table 10 frequency analysis on customer perception of media advertisements

Scale	Low service fee %	Limited Edition %	Social Status %	Tech-Advanced %	Attractive in style & Fashionable %
strongly disagree	6	9	7	4	8
disagree	18	21	19	13	14
neutral	31	55	46	42	41
agree	35	12	22	28	23
strongly agree	9	3	6	14	14
Total %	100	100	100	100	100

Source: researcher's own compilation of Survey data 2017

As the Significant study was taken with cross tabulation analysis based on whether media advertisements influence the customers' choice of bank service decisions, income level of the consumers', occupation, product quality as in media advertisements, customer perception and other relevant cross table analysis, which can be referred in the following significant analysis.

Significance Analysis:

Table 11 Significance Study – Personal Characteristics

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1 ^a	gender	1.020	.856	1.421	1	.233	2.774
	marital status	1.555	1.145	1.845	1	.174	4.734
	education	-.160	.309	.267	1	.605	.852
	occupation	-1.329	.371	12.807	1	.000	.265
	monthly income	-.363	.174	4.361	1	.037	.695

Source: researcher's own compilation of Survey data 2017

Table 12 shows that customers' choice of bank service against their personal characteristics: Occupation and Monthly Income have significance and other Characteristics have no significance.

Table 12 Significance Study – Media Advertisements

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1	word-of-mouth	-.594	.351	2.871	1	.090	.552
	T.V.	2.137	.638	11.212	1	.001	8.477
	printed media	-.020	.509	.002	1	.968	.980
	internet ads (social media)	-.451	.504	.799	1	.371	.637
	store display	-.492	.372	1.752	1	.186	.611

Source: researcher's own compilation of Survey data 2017

Table 12 shows that the relationship between word of mouth and brand choice due to advertisement is not significant. The probability of purchasing product due to advertisement with the lack of word of mouth will fall by 0.552. The relationship between television advertisement and brand choice due to advertisement is significant. An increase in the level of television advertisement will increase the probability of purchasing product due to advertisement by 8.477

Table 13 Significance Study – Advertisements on the Quality of service

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1	high quality service	-.028	.469	.004	1	.952	.972
	good service	-.086	.448	.037	1	.848	.918
	best brand	.367	.353	1.079	1	.299	1.443
	high price	-.732	.367	3.973	1	.046	.481
	Well-known brand	.871	.462	3.548	1	.060	2.389

Source: researcher’s own compilation of Survey data 2017

Table 13 shows that the advertisements on the quality of service influence the customers brand choice of bank decisions in Addis Ababa ns. Advertisements develop self-concepts in order to induce purchase decisions. Among the variables used to test this research hypothesis high price and service quality has a positive significance while customer service, quality of service in the advertisement message and best brand were not significant. Well-known brand is not significant; however the significant level falls just above the acceptance i.e., 0.060, so it can be considered as a positive variable while developing advertisement messages together with price factor.

Table 14 Significance Study – Customer Perception

		B	S.E.	Wald	df	Sig.	Exp(B)
Step 1	Low service fees	.111	.347	.103	1	.749	1.118
	Limited edition	-2.152	.548	15.404	1	.000	.116
	Social status	.239	.470	.259	1	.611	1.270
	Tech advanced	.286	.345	.686	1	.407	1.331
	Fashionable	1.579	.474	11.125	1	.001	4.852

Source: researcher’s own compilation of Survey data 2017

Table 14 shows that Customer’s perception of media advertisements influencing their bank brand choice decisions. The variables limited edition and fashionable media ads and messages were significant. Low service fees, social status and technology and innovation media advertisements were not significant. The influence of media advertisements of customers bank brand choice decisions. the media of choice, personal characteristics, product quality as advertised and customer perceptions on service attributes and images like branding and social status were analyzed in detail and these results are concluded in the following chapter.

4.3 Discussions

The analysis revealed that customers' purchasing decision compared to their personal characteristics and it was found that occupation and monthly income have significance on customers' brand choice related to bank service while other characteristics have found to be having no significance.

Looking at the relationship between the study variables the study found out that there is no significant relationship between word of mouth and brand choice due to advertisement indicating that when customers choose a brand for bank service purely relies on advertisement rather than word of mouth from a friend or family member. On the other hand the study indicated that there is a significant relationship between television advertisement and customers' brand choice due to advertisement, as a result it can be inferred that the increase in the level of television advertisement will increase the probability of customers' brand choice of bank service in Addis Ababa.

The study finding also implicated that the advertisements on the quality of service influences the customers' brand choice of bank service decisions, meaning that advertisements in general develop self-concepts in order to induce customers' brand choice of bank service in Addis Ababa. Furthermore, the study also found that high price/ service charge and service quality has a positive significance while customer service, quality of service in the advertisement message don't influence the customers' brand choice of bank service decisions in Addis Ababa.

Moreover the study finding shows that Customer's perception of media advertisements influencing their bank brand choice decisions especially fancy media ads and messages were found to be major influencers of customers' perception while advertisements that made stressing low service fees, social status and technology and innovation were found to be having no influence on customers' brand choice in Addis Ababa related with bank services. This is an interesting finding because for the banks in Ethiopia one of the main competitive edge is acquiring a latest technology and features with aim to increase customer satisfaction and acquisition on the other hand for customers the level of technology doesn't mean anything at this point. This may indicate that the banks should work on promoting the benefits and features of the technology they have since no customer will say no to any bank service which is flexible and saves time.

Hypothesis Testing

Table 15 Hypothesis Testing

Hypothesis	Proposed Null Hypothesis	Result
H1	Media advertisements influences the customers 'services choice	supported
H2	Media Advertisements on quality services influence customers' choice of service	supported
H3	There is a relationship between consumers personal characteristics and their service choice decisions.	supported
H4	customers' perception of media advertisements influences their 'choice of bank.	supported

Source: researcher's own compilation of Survey data 201

CHAPTER FIVE; SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

Here the findings and conclusions were presented with the aim of reaching the research purpose and answer the research Questions .Also the implications for management, theory and future research were stated.

5.1 Summary of key findings

In summary, the study found that ooccupation and monthly Income have significance on customers brand choice related to bank service. Looking at the relationship between the study variables the study found out that there is no significant relationship between word of mouth and brand choice due to advertisement similarly the study also indicated that there is a significant relationship between television advertisement and customers brand choice due to advertisement. The study also implicated that the advertisements stressed on the quality of service influences, the customers brand choice of bank service decisions. Furthermore , the study also found that high price/ service charge and service quality has a positive significance. Lastly , fancy media ads and messages were found to be major influencers of customers perception of media advertisements influencing their brand choice decisions .

5.2 Conclusions

This research concludes that among the personal characteristics, customers, age, gender, education, marital status, occupation and monthly income the two personal characteristics namely occupation and monthly income are significant with 0.000 and 0.037. The research was carried out to the age group of respondents and their characteristics between 18 to 32 years old. The study concludes that respondent customers has high education levels which were 50.72% of them from undergraduate level, diploma and degree. 37.15% of them from high school certificate and 12.13% of them were having masters and professional qualifications. Furthermore ,mmost of the respondent customers were in single status and they already have their own part-time and full-time jobs which were either employed or self-employed.

The accepted variable media advertisement, it concludes that T.V. media is significant with 0.00. This study also concludes that regardless of the numerous media vehicles now available to advertisers, television continues to be the most powerful influence on consumers' purchasing decisions. The study found that more frequency of television

advertisement increases the product demand because 65% of the respondents agreed that when they observed an advertisement of a product more and more, then they became inclined to purchase that product. The result may be explained by the fact that when people watch continuously the features, benefits, service fees and other facilities of a product, they prone to choose a bank. On the other hand, some were of the opinion that more frequency of television advertisement does not increase the product demand because they might not be receptive to any new products or brands

The other major variable studied was quality of products perceived through advertisements and its influences in customers' choice decisions. The study concludes that quality with high service fee is significant with 0.046. However based on the frequency analysis, it is clear those Well-Known Brands, Best-Selling brands have also high percentage of choice of customers' in making their bank choice decisions. Customer perceptions on the advertisements towards making their purchasing decisions were also studied and the results are concluded that new service in a limited time and fashionable were significant with 0.001 and 0.001 respectively. However the frequency analysis concludes that the low service fee, fashionable and technologically high tech products were agreed by the customers' choice decisions referring to media advertisements.

This research study has shown that the advertisements influence and customer perception significantly affected customer's bank service choice decisions. These findings shown that it is consistent with the findings by Goldsmith (2002) stated that the advertisement helps in influencing consumer's attitudes towards the product until their purchase intent and Perception is the sequence of consumer exposure and attention (Martin,2009) which is stimulated and interpreted individually in marketing process. Finally, there are differences in consumer choice factors when considering gender between media advertisement influence to purchasing decisions of united bank customers in Addis Ababa. Compare to men the women's are influenced by the advertisement promises of products that they will get something special to renovate their life. The reasons for liking the ads was the information regarding different brands, special offers and quality of products. Kaur and Kaur (2002) observed that television was the most important media of information regarding fashion awareness among customer's, while friends were the next important source of information.

5.3 Recommendations

The main purpose and priority of this study is to support united bank SC to more effectively reach its customers in Addis Ababa . In the privatization and globalization era, it is challenge for every marketer from fast moving consumer goods to durable goods and service provided. As now, the consumers are purchasing products and services which influenced by mass media advertisements with their own financial capabilities from their part-time or full-time job but some of them were using credit card and bank or student loan to purchase the products. This research finding will help the united bank SC to identify its right market segment and positioning its service and brand. This study also supports the united bank SC to create appropriate marketing communication and advertisements besides the right media choice. Following the findings above the following recommendation forwarded .

- Media advertisement has high influence in making customers' brand choice decisions, as Television (T.V) has the high influence among other media types and this was positively accepted. Therefore the banks should use more television ads as since TV is one of the most recreation sources for customers of the bank in Addis Ababa because of its audio-visual communication. Television (T.V.) enables the creative man to communicate by combining motion, sounds, words, color, personality and stage setting to express and demonstrate ideas to large and widely distributed audience. Referring to this, the markers need to focus on their T.V advertisements more than other medias.
- Moreover , now-a-days T.V means both the television box and online T.Vs, the banks shouldn't ignore social media and internet T.Vs. as 20.71% of the research respondents have agreed that they purchased based on online and social media advertisements and 52.14% of the respondents were neutral in the response on social media and online media advertisements influence. so as this is the new media and popular among bank customers, united bank need to investigate further. The researcher recommends united bank SC management to focus on the media advertisement selection not only television but also the social media to keep them to be sure on their reach of their market segment and customers.
- The Research was also clearly shown that the quality information in the media advertisements plays the major role influencing united banks customers' service decisions in Addis Ababa. Furthermore, the study also supported that the media

advertisements' clear information on the quality of the service with service fee, as it is revealed that high fee and high quality service have a positive correlation and this study results were accepted the hypothesis.

- Another major finding in this research was shown that majority of the bank customers' make decisions on the influence of media advertisements, customer perception on low service fee, new services, social status, technologically advanced and attractive services. As the new and attractive services with advanced features are the highly influencing features while making their bank service choices. It is recommended that the united bank SC marketing division should focus on its advertisement message and creativity to focus on the above variables so that the bank can be able to reach the right market segment effectively.

5.4 Limitations of the Study

There are limitations that are encountered in this study recognized. Time constraints and lack of financial support limits the study sample size only 140 respondents out of the total population of the bank in Addis Ababa, and the study conducted only in the capital city Addis Ababa, concentrating only on five united banks branches picked by the researcher conveniently out of the total branch the bank has. Further, culture is not included in this study because it was too complex to apply in Addis Ababa, Ethiopia, since there are a wide variety of races and cultural beliefs. This study was carried out with closed ended questions based on a survey questionnaire and this limits the respondents with no other options to selector provide their preferable and honest feedback. This scenario might are the major impacts that limit the research forced to be limited with indirectly cause an effect on the integrity of the collected data.

5.5 Final Conclusion

The objectives and the research questions of the study have been attempted and answered accordingly. It is concluded that all hypotheses were tested and significant levels were presented and conclusions made. The significant variables identified and their relationships between media advertisements influence customer's bank service choice decisions with all mass Medias, product quality and personal characteristics like education, income, and consumer perception were in general positive and significantly affected. On the other hand, the hypothesis was accepted in the differences in consumer purchasing factors when considering income and occupation between customers' choice of

bank decision of service in Addis Ababa, Ethiopia; T.V. Advertisements helped them make better brand choices during decision. Majority of the respondents after viewing advertisements, were motivated to get financial services based on the quality in relation with service fee and customer perception with new and attractiveness of service, with exceptional technological features, which shows that customers brand choice decisions have the mixed combination of their own behavior and social implications which is to bring up their social status in their community.

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Appendix-1

Addis Ababa
University
(Since 1950)



ADDIS ABABA UNIVERSITY

SCHOOL OF COMMERCE

DEPARTMENT OF MARKETING MANAGEMENT

A Questionnaire to be filled by Customers of the United bank S.C

Dear respondent,

I am Meron Nigussie, Marketing Management graduating student from Addis Ababa University School of Commerce.

The purpose of this questionnaire is to collect data from Customers of the United bank S.C for partial fulfilment of Masters of Art Degree in Marketing Management and the title of the thesis is *“The Effect Of Media Advertising On customer brand choice : The Case Of United Bank S.C”*. the aim of questionnaire is to collect information about the effect of media advertising on consumers’ choice in the case of United bank S.C. The information you give is used only for academic purpose and is kept confidential and your honest and objective feedback while filling the questionnaire is greatly appreciated and contribute highly for the success of the study.

Thank you, for your cooperation and timely response in advance

Meron Nigussie

Mob 0920-49-69-88

General Instructions

- Please answer all questions
- The questions are open and closed ended, so please put tick (✓) for close ended.

Part I Demographic Information

1. Gender

Male Female

2. Age

Below 25 25-35 36 - 45

46 – 55 Above 55

3. Marital Status

Single Married

4. Academic qualification

High school complete Diploma
 BA Degree Post graduate Degrees and above

5. Monthly Income

Between 500-1000 birr Between 6001-8000 birr
 Between 1001-2500 birr Between 4001-6000 birr
 Between 2001-4000 birr >8000 birr

6. Your Current Working Status?

Student Junior Manager
 Part-time Employed/ Graduate Trainee Senior Manager
 Employed Entrepreneur / Self Employed

Part II- Please rate these questions based on your opinion

1= Strongly Disagree, 2= Disagree, 3= Neutral, 4= Agree, 5= Strongly Agree

Questions	Rating				
	1	2	3	4	5
I. Media advertisement is influencing customers’ brand choice fir bank service .(Which media source do you trust the most)					
1. I trust Word-of-mouth information mostly to choose a bank to influence my bank service decisions <i>(Word-of-Mouth is the passing of information from person to person by oral communication)</i>					
2. I trust television information mostly to choose my bank service					
3. I trust printed media such as newspapers and magazines mostly to choose my bank					
4. I trust internet social networks or online advertisement mostly to choose and get a service from a bank					
5. I trust office displays mostly to choose and get a service from a bank					
II. Advertisements on the quality of a services influence Customers’ brand choice of bank to get a service .(Advertisements develop self-concepts in order to induce purchase decisions.					
6. I choose only a bank which are of high quality services no matter how expensive they are.					
7. I choose only a bank where I can get good customer service, while getting a service .					
8. I choose only a bank which are having known brands, as advertised their services					
9. I choose only a bank which require high standard, because high standard means good quality.					
10. I choose only a bank which are having well-known brands (as advertised)					

III customers' perception of media advertisements influence their bank choice behavior .						
11. I choose only a bank services which come with low service fees, as advertised.						
12. I choose only a bank which comes with a new service in a limited time , as advertised						
13. I choose only a bank services which improves my social status.						
14. I choose only a bank services which are technologically advanced and innovative, as advertised						
15. I choose only a bank services which are attractive in style and fashion.						

Thank you for your time !!

Annex -2 Reliability test

Reliability Statistics

Cronbach's Alpha	N of Items
.717	4

Item-Total Statistics

	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Media advertisement	21.59	2.088	.650	.606
Personal Characteristics	21.67	2.316	.400	.677
Customers' perception of media advertisements	21.65	2.227	.396	.679
Customer brand choice of bank Service	21.67	2.432	.267	.706

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	2.422	10.093	33.359	2.422	10.093	33.359
2	2.108	8.784	42.142	2.108	8.784	42.142
3	1.911	7.960	50.103	1.911	7.960	50.103
4	1.462	6.090	56.193	1.462	6.090	56.193
5	.842	3.509	74.127			
6	.778	3.240	77.368			
7	.733	3.054	80.422			
8	.673	2.805	83.227			
9	.565	2.354	85.581			
10	.520	2.166	87.747			
11	.488	2.032	89.779			
12	.440	1.834	91.613			
13	.367	1.530	93.142			
14	.356	1.482	94.624			
15	.291	1.212	95.836			
16	.289	1.203	97.040			
17	.252	1.050	98.089			
18	.202	.843	98.932			
19	.150	.624	99.557			
20	.106	.443	100.000			

Extraction Method: Principal Component Analysis.

Annexes - 3 Factor analysis

KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.665
Bartlett's Test of Sphericity	Approx. Chi-Square	963.631
	df	300
	Sig.	.000

Communalities

	Initial	Extraction
I trust Word-of-mouth information mostly to choose a bank to influence my bank service decisions	1.000	.661
I trust television information mostly to choose my bank service	1.000	.726
I trust printed media such as newspapers and magazines mostly to choose my bank	1.000	.640
I trust internet social networks or online advertisement mostly to choose and get a service from a bank	1.000	.562
I trust office displays mostly to choose and get a service from a bank	1.000	.703
I choose only a bank which are of high quality services no matter how expensive they are.	1.000	.640
I choose only a bank where I can get good customer service, while getting a service.	1.000	.601
I choose only a bank which are having known brands, as advertised their services	1.000	.594
I choose only a bank which require high standard, because high standard means good quality.	1.000	.717
I choose only a bank which are having well-known brands (as advertised)	1.000	.566
I choose only a bank services which come with low service fees, as advertised.	1.000	.732
I choose only a bank which comes with a new service in a limited time, as advertised	1.000	.751
I choose only a bank services which improves my social status.	1.000	.547
I choose only a bank services which are technologically advanced and innovative, as advertised	1.000	.655
I choose only a bank services which are attractive in style and fashion.	1.000	.577
I often want a service seen in advertisement	1.000	.712
I feel that exposure to advertisement has enhanced my involvement in bank service choice	1.000	.514
I feel advertisement make bank service choice easier.	1.000	.729
Due to advertisement exposure I have started experimenting new bank services	1.000	.629
I feel my demand for bank service choice is influenced by advertisement	1.000	.603

Extraction Method: Principal Component Analysis.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings ^a
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total
	1	5.614	22.455	22.455	5.614	22.455	22.455
2	2.736	10.944	33.400	2.736	10.944	33.400	3.000
3	2.201	8.802	42.202	2.201	8.802	42.202	2.733
4	1.911	7.642	49.844	1.911	7.642	49.844	3.112
5	1.474	5.894	55.738	1.474	5.894	55.738	1.521
6	1.305	5.221	60.960	1.305	5.221	60.960	2.816
7	1.180	4.720	65.680	1.180	4.720	65.680	2.739
8	1.077	4.307	69.987	1.077	4.307	69.987	1.980
9	.862	3.446	73.433				
10	.792	3.167	76.600				
11	.733	2.932	79.532				
12	.682	2.730	82.262				
13	.572	2.289	84.551				
14	.565	2.259	86.810				
15	.493	1.974	88.783				
16	.449	1.797	90.580				
17	.440	1.759	92.339				
18	.364	1.455	93.794				
19	.345	1.379	95.173				
20	.290	1.160	96.333				
21	.259	1.037	97.370				
22	.212	.847	98.217				
23	.192	.770	98.987				
24	.147	.588	99.575				
25	.106	.425	100.000				

Extraction Method: Principal Component Analysis.

a. When components are correlated, sums of squared loadings cannot be added to obtain a total variance.