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**School of Commerce
College of Business and Economics
Marketing Management Department**

**Effect of Social Media Advertising on Customer Buying
Behavior in case of Addis Ababa University School of
Commerce Current Students**

By:

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March, 2024

Addis Ababa, Ethiopia

DECLARATION

I **Haregeweyn Kassa**, do hereby declare that this thesis is my original work and that it has not been submitted partially; or in full, by any other person for an award of degree in any other university/institution.

Submitted by:

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ENDORSEMENT

I confirm that this thesis has been produced as per the standards of higher institutions and submitted to Addis Ababa University for examination approvable as a university advisor.

Name of Advisor

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Date

APPROVAL SHEET

The undersigned certify that they have read and hereby recommend to Addis Ababa University to accept the Thesis submitted by **Haregeweyn Kassa**, entitled “**Effect of Social Media Advertising on Customer Buying Behavior in case of Addis Ababa University School of Commerce Current Students**” in partial fulfilment of the requirements for the award of a Master of Art Degree in Marketing Management.

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LIST OF ACRONYMS

AAU	Addis Ababa University
AMA	American Marketing Association

ANOVA	Analysis of Variance
CBB	Consumer Buying Behavior
EUEE	Ethiopian University Entrance Examination
HRM	Human Resource Management
ICT	Information Communication Technology
IT	Information Technology
OLS	Ordinary Least Square
SMM	Social Media Marketing
SPSS	Statistical Package for the Social Sciences
US	United States
VIF	Variance Inflation Factor

ABSTRACT

The objective of this study was to investigate the effects of social media advertisement on consumer buying behavior in case of current students of school of commerce, Addis Ababa

University (AAU). The study adopted descriptive as well as explanatory research design. The study collected primary data through a questionnaire. The study sample in terms of the respondents covered 194 students, which were selected based on convenience sampling method. The data was analyzed using Statistical Package for Social Sciences (SPSS) version 22. The study found that perception of respondents concerning their buying behavior has a grand mean score of 2.94, indicating that most of respondents had moderate level of buying behavior. More so, the findings of the study revealed that there is positive and high correlation between the four social media advertisements constructs (entertainment, familiarity, social imaging and advertisement spending) and buying behavior. The result of regression also indicates that all four predictor variables have statistically significant effect on buying behavior. The four independent variables studied were explain 64.3% of variation in buying behavior as represented by the R^2 value. Thus, it can be concluded that social media advertising has a positive influence on consumer buying behavior. Therefore, in order to successfully influence consumer buying behavior, the study recommend social media marketer to give particular attention to the quality of entertainment, familiarity, social imaging and advertisement spending of social media advertising campaign.

Key Words: Consumer Buying Behavior, Entertainment, Familiarity, Social Imaging, Advertisement Spending

CHAPTER ONE

1. INTRODUCTION

1.1. Background of the Study

In recent years, social media has revolutionized the way businesses connect with consumers, offering unparalleled opportunities for engagement, brand building, and targeted advertising. With its vast reach and diverse user base, social media has become an indispensable tool for companies seeking to enhance their marketing efforts and foster meaningful relationships with their target audience (Jade & Jacinto, 2021). As a result, social media advertising has emerged as a dominant force in the contemporary business landscape, reshaping traditional marketing strategies and driving innovation across industries (Powers et al., 2019).

Social media advertising is the practice of promoting products, services, or brands on social media platforms to engage with existing customers, reach potential customers, and increase brand awareness, website traffic, and sales. It involves creating and sharing content on various social media platforms such as Facebook, Instagram, Twitter, LinkedIn, Pinterest, TikTok, and others. Effective social media marketing requires a combination of creativity, strategic planning, analytics, and continuous optimization to engage with your audience effectively and achieve your business objectives (Kostov, 2020).

Marketers can now use social media as a platform for promoting and selling their products and services because of advancements in technology. Marketers take advantage of this in order to develop a strategy to help them attract more customers (Sampson, 2021). Social media advertising gives a company the ability to manage the way its content is shared, engages in conversation with prospective customers, and increase customer interaction (Powers et al., 2019). Companies that operate within it are becoming more aware of how society views it and how it affects public opinion. The social media involvement of a business may affect the decisions that customers make about what to buy (Buffer, 2019).

Consumer buying behavior refers to the process individuals go through when purchasing goods or services (Peters, 2017). It involves various stages, influences, and factors that ultimately shape the decision-making process. Understanding these aspects of consumer buying behavior enables businesses to develop effective marketing strategies tailored to their target audience,

leading to increased sales and customer satisfaction. Consumers typically go through a series of stages when making a purchase decision, including problem recognition, information search, evaluation of alternatives, purchase decision, and post-purchase evaluation (Datareportal 2022). Understanding these stages helps businesses identify opportunities to influence consumers at each step of the process.

Given the increasing prominence of social media platforms as marketing channels, there is a pressing need to understand the extent to which social media advertising initiatives impact the consumer behavior. Due to this, there have been numerous studies examining the relationship between social media advertising and consumer behavior. Hajli (2014), explored how social media usage by businesses affects customer engagement and, ultimately, business performance. It found a positive relationship between social media usage and customer engagement, which, in turn, led to improved business performance metrics such as sales and profitability. Kumar, et al. (2016), investigates how firm-generated content on social media platforms influences consumer behavior and purchase outcomes. It finds that engaging content created by firms positively affects consumer attitudes, intentions, and purchase behavior. These studies collectively demonstrate the significant impact of social media advertising on consumer behavior, including its influence on brand perceptions, and purchase intentions (Datareportal 2022). They provide valuable insights for businesses seeking to leverage social media platforms effectively influence consumer buying behavior.

This study focuses on examining the relationship between social media advertising and consumer behavior among students of school of commerce, Addis Ababa University. The School of Commerce represents a unique demographic group with specific characteristics and preferences. As a leading academic institution in Ethiopia, the School of Commerce attracts a diverse student body with a keen interest in business, marketing, and related fields. These students represent the next generation of consumers and professionals who will shape the future of the Ethiopian market. As students pursuing education in business and commerce-related fields, they are likely to be tech-savvy and actively engaged on social media platforms. Therefore, studying the effects of social media advertising on their buying behavior can provide valuable insights for businesses targeting this demographic. This study will analyze the effect of

media advertising on customers' buying behavior in the case of current students of school of commerce Addis Ababa University (AAU).

1.2. Statement of the Problem

In spite of the growing significance of social media advertising in the business landscape, there is a dearth of empirical research specifically focused on the relationship between social media advertising and consumer behavior within the context developing countries in general and our country in particular. The influence of social media on consumer behavior has been studied by various scholars internationally each having its own different set of arguments. A study done by Alsubagh (2015) as well analyzed the effects of social media advertising to give insights into consumer behavior on the popularity of brands. Other studies have shown that social media is an effective platform for gathering information and advice (Kostov, 2020; Sony 2021) and for meeting specialized consumer needs (Khanna, 2016). Social media advertising has become an important source of information for consumers, providing comfort, effectiveness, and credibility (Perumal, 2018). Jade & Jacinto (2021) also found that social media has also been found to have a significant impact on consumer buying behavior by increasing participation and providing social and viral capabilities. However, most these researches on the impact of social media advertising on consumer buying behavior has been conducted in developed countries (Ertemel & Ammoura, 2016; Kostov, 2020; Jade & Jacinto, 2021), and there is limited research on the topic in developing countries like Ethiopia.

Regarding the literature gaps identified, the researcher was able to realize that even if a lot of attention has been given in exploring the extent of the relationship between social media advertising and consumer behavior (Iddrisu, et al. 2015; Khanna, 2016; Ertemel & Ammoura, 2016; Shapoval & Ellis, 2016; Kumar, et al. 2016; Kostov, 2020; Jade & Jacinto, 2021; Sony 2021), there is inconsistent result on the relationship between two variables. A number of studies have addressed the relationship between social media advertising and consumer behavior and many of the studies have linked social media advertising and consumer behavior as having direct relationship (Ertemel & Ammoura, 2016; Kumar, et al. 2016; Kostov, 2020; Jade & Jacinto, 2021). This shows that social media advertising is influential to attain consumer behavior. However, some other studies have depicted weak and insignificant link (Iddrisu, et al. 2015; Khanna, 2016;). Consequently, the cause of these mixed results needs further research.

Furthermore, even though some studies were conducted concerning the relationship between social media advertising and consumer behavior (Ertemel & Ammoura, 2016; Shapoval & Ellis, 2016; Powers et al., 2019); these studies have not been done in a comprehensive approach. It came out strongly that there was of lack of comprehensive analysis of multiple dimensions of social media advertising as the previous literature missed some important dimensions like social imaging, and advertising spendings, which are considered in the present study.

The study therefore aimed to fill aforementioned gaps in the literature by examining multiple dimensions of social media advertising by taking current students of school of commerce Addis Ababa University (AAU) as case. The study will present a combination of different variables and tried to investigate their impact on consumer behavior. This study aims to determine which of these variables are more important in terms of influencing consumer behavior and which of these variables have less influence. This will help marketers focus on the right factors and get more from their ads. What are the effects of social media advertisement on consumer buying behavior in case of current students of commerce AAU?

1.3. Research Question

1.3.1. General Research Question

What are the effects of social media advertisement on consumer buying behavior in case of current students of commerce AAU?

1.3.2. Specific-Research Questions

The study was guided by the following questions:

- What are the effects of entertainment on consumer buying behavior?
- What are the effects of familiarity on consumer buying behavior?
- What are the effects of social imaging on consumer buying behavior?
- What are the effects of advertisement spending on consumer buying behavior?

1.4. Objectives of Study

1.4.1. General Objective

The aim of this study was to investigate effects of social media advertisement on consumer buying behavior in case of current students of school of commerce AAU.

1.4.2. Specific Objectives

Based on the general objective highlighted above, the following specific objectives were developed.

- 1) To examine the effect of entertainment on consumer buying behavior.
- 2) To investigate the effect of familiarity on consumer buying behavior.
- 3) To analyze the effect of social imaging on consumer buying behavior.
- 4) To determine the effect of advertisement spending on consumer buying behavior.

1.5. Significance of Study

This study examines investigate effects of social media advertisement on consumer buying behavior in case of current students of school of commerce AAU. In doing so, the results of the study have several benefits. Primarily, the study is significant to management of business organizations in showing the importance of a veritable social media advertisement presence aimed at convincing consumer about their product quality. The study is also significant to management of business by allowing them understand the importance of marketing through social media advertisements and building consumer trust therein which instigates their preference before buying products. This in turn would increase brand loyalty as well as increase profitability. The study also helps as a secondary source for further study on the area.

1.6. Scope of the Study

The scope of this study was delimited in terms of subject (concept) and area (geography). The conceptual scope of this study focused on analyzing the effect social media advertisement on consumer buying behavior. are the variables of the study. In view of that, the study comprises four major social media advertisement components, namely: entertainment, familiarity, social imaging and advertisement spending. Regarding the geographical area coverage, the study was

limited to the current students of school of commerce at Addis Ababa University not all campuses. More so, in term of time scope, the study was intended to cover views of current students of school of commerce at Addis Ababa University. Methodically, the study only employed quantitative approach via survey questionnaire.

1.7. Definition of Terms

The following definitions are provided to ensure uniformity and understanding of these items throughout the study.

- ➔ **Social media** is any technology that facilitates the dissemination and sharing of information over the internet (Robbins & Singer, 2014).
- ➔ **Customers** are actors in the market (Solomon et al., 2012).
- ➔ **Consumer behavior** is defined as “the study of processes involved when individuals or groups select, purchase, use, dispose of products, services, ideas or experiences to satisfy needs and desires” (Solomon et al., 2012).
- ➔ **Entertainment** is defined as “marketing optimized for entertainment-specific media and contexts. This can include campaigns that run within movies and video games, as well as at events and on the social media feeds of performers, celebrities and influencers.” (Bearden et al., 2001).
- ➔ **Familiarity** is the quantity of product- or service-related experiences a customer has accumulated (Perumal, 2018).
- ➔ **Social imaging** is “new technologies to identify and represent social interactions such as facial expressions, and emotions by making use of those signals” (Perumal, 2018)
- ➔ **Advertisement spending:** “is the amount of money spent on social media every year includes paid advertising appearing within social networks, social network games and social network applications; excludes spending by marketers that goes toward developing or maintaining a social network presence (Kostov, 2020).

1.8. Organization of the study

The study is organized into five chapters. Chapter one discusses the introduction part. It contains the background to the research study, presents the statement of problem, and research objectives. Also, the chapter has the significance, scope, and limitations of the study. Chapter two contains theoretical review, empirical review of previous studies and conceptual framework of study. Chapter three outlines the research methodology adopted in this study. Chapter four discusses about the data analysis and interpretation of the outputs. Chapter five outlines the summary of the finding, conclusions, recommendations and further research suggestions.

CHAPTER TWO

2. LITERATURE REVIEW

2.1. Theoretical Literature Review

2.1.1. Defining Social Media

Social media has become the go-to place when it comes to searching for something. Early in the new millennium, consumers started to move from traditional media to social media (Mangold & Faulds, 2009). Furthermore, social media platforms are thought to be more trustworthy than conventional media outlets. According to Mangold and Faulds (2009), this is because customers feel more in control of what they see. As a result, social media advertising should be a part of any business' marketing mix (Mangold & Faulds, 2009). Traditional media, however, should still be taken into account and is still significant. This is the reason to include a good mix of traditional and social media advertising in your portfolio (Kaplan & Haenlein, 2010, p. 65).

Social media is made up of two words: "social" and "media". The first word "social" is just what it says, because you are literally social on social media sites. The second word "media" comes from the fact that everything is stored on the Internet, which is a form of media. As a result, social media is a fitting term for a platform that facilitates interpersonal communication. Collins (2015). "Social media refers to any technology that facilitates the dissemination and sharing of information on the Internet," according to Robbins & Singer (2014, p. 387). This concept aligns perfectly with the definitions provided by Smith (2009) and Huang & Chang (2020).

Table 1; Table 2.1-Social Media Sites and Users

Social Media Site	Users worldwide
Total	4.62 billion
Facebook	2.91 billion
Instagram	1.478 billion
Twitter	0.436 billion
YouTube	2.562 billion
TikTok	1 billion
Snapchat	0.557 billion
WhatsApp	2 billion
Weixin / WeChat	1.263 billion
Telegram	0.55 billion
Reddit	0.43 billion
Pinterest	0.444 billion
LinkedIn	0.774 billion

(Datareportal, 2022; Statista, 2022)

Social media is a collection of Internet-based applications that serve as the technological and ideological cornerstone of Web 2.0 and facilitate the production and dissemination of User Generated Content. Content produced in any media by members of the public or "ordinary" people is referred to as user-generated content (Daugherty et al., 2008). These applications include Facebook, Instagram, Twitter, YouTube, etc. Companies, influencers, and "regular" individuals can all benefit from the possibilities that are accessible, whether they are for creating communities, disseminating ideas, or creating and sharing material. (Smith, 2009; Huang & Chang, 2020).

2.1.2. Social Media Advertising

According to Khanna (2016), social media advertising is a form of digital marketing strategy that targets a specific demographic with sponsored advertisements by using social networks like Instagram, TikTok, LinkedIn, and YouTube. It is a rapid and efficient approach to explain your

value proposition and connect with more people. Campaign objectives and audience preferences for social media advertising can be customized across platforms (Perumal, 2018). Understanding the various ad formats, selecting the appropriate audience to target, producing aesthetically appealing content, skillfully managing budgets, and utilizing platform-specific requirements are all necessary to build a successful social media advertising strategy (Sony 2021).

Facebook: Let's start with Facebook, the biggest social media platform with almost 3 billion users (Statista, 2022). Mark Zuckerberg founded Facebook in 2004 as a way to connect friends and acquaintances. India is the nation with the most consumers, with 330 million, nearly twice as many as any other (Statista, 2022). Every day, around 2 billion people use Facebook (Statista, 2022). Another thing that can be done is to bring together opinion buyers, whether private for specific people or public for all, to discuss topics or promote your products and services. As users, the most common thing we encounter is embedded advertising. This can be defined and determined by the degree to which you reach the target group (Coles, 2015). Facebook provides sponsored stories, corporate advertising programs, and other features (Treadaway & Smith, 2012).

Twitter: Twitter has carved out a distinct niche for itself as a social media platform. American businessman Jack Dorsey is credited with creating the social media platform Twitter. The 'tweeter' concept, which was limited to 140 characters at first, has attracted over 0.436 billion users (Statista, 2022). The character limit was set at 260 at the start of the program in 2006. It has also been able to create a "continuous thread" that enables users to link different tweets since the start of the pandemic. There are 260 characters in all (Bode, 2022). It soon became evident that any business, regardless of size, could benefit from using Twitter to advertise its goods, either through their own tweets or through sponsored ads that appear in users' feeds when they visit (Coles, 2015). Furthermore, one can monitor consumer opinions about the brand and company by following the hashtags that the majority of users include in their tweets (Thomas, 2010). The relevance of the content to the user determines the association between that person and hashtags or themes (Haenlein et al., 2020). Based on user interests, there are always certain subjects and hashtags when it comes to search (Weinberg et al., 2012). For a more straightforward method, the organization can learn more about by opening the search bar and entering keywords (Weinberg et al., 2012.). Lastly, a corporation can use a few, but not too

many, hashtags in their tweets to promote their product or provide information, making it more accessible to both their followers and other users (Thomases, 2010). (Coles, 2015).

LinkedIn: It differs greatly from other social networking platforms in that its sole goal is to assist users in finding employment, not to interact with users. Additionally, it enables connections with various businesses and individuals (LinkedIn, 2022). Under the leadership of Ryan Roslansky, LinkedIn is a multifaceted business that makes money from the sale of advertising, membership fees, and recruiting services. When Microsoft closed its acquisition of LinkedIn in December 2016, the world's greatest professional cloud and the top professional network in the world united. The "working community" is more essential to it than other groups of individuals, such teenagers. The organization has numerous ways to show itself to its market because of its business emphasis (Prodromou, 2015). The corporation and its communication abilities are given greater weight than the product itself. But you can also advertise your product through sponsored advertising (Coles, 2015). LinkedIn is a better tool for businesses to use as a blog than as a location to advertise products (Elad, 2014). As an organization, LinkedIn should place a great premium on interacting and enlightening individuals on a regular basis. The second choice is to advertise your job opening on the firm website or conduct your own hiring.

Instagram: With a plethora of filters, hashtags, and other features to enhance the visual appeal of your submitted images or videos, Instagram is often regarded as the greatest photo-sharing app for smartphones (Coles, 2015). The phrase "a picture is worth a thousand words" perfectly captures Instagram's mission Instagram, the largest photo-sharing platform in the world (1.478 billion users as of 2022; originally launched in 2010 as a photo-uploading platform that eventually expanded to include video (Coles, 2015). Similar to Facebook, the data shows how many users each country has: India has 230.25 million users, the largest of any country (Statista, 2022). You can use these images or videos to promote anything you'd like. As more people turn to social media platforms for visual communication instead of text, video advertising is becoming more and more effective (Gupta, 2013). This creates a new avenue for businesses to showcase themselves through videos in addition to images, creating more opportunities (Munoz & Towner, 2017). As an illustration, Munoz and Towner (2017) cite behind-the-scenes material, articles on current affairs or trends, and pictures from recent business events. As was stated in the outset, images have always been a significant part of Instagram in addition to videos (Coles,

2015). Anybody can upload pictures of themselves or other objects, such as meals or scenery. Companies can use these images to promote their company or promote their new products. For example, one can see the latest burger of the month from Bastard Burgers.

Using a campaign to encourage people to snap photos and share them on Instagram with a designated hashtag is another approach to leverage the platform to promote your business (Munoz & Towner, 2017). Such campaigns benefit both businesses and consumers. Both stand to gain even though they have nothing to lose. Influencers and celebrities are key components of Instagram's design, which prioritizes cooperation and communication (Haenlein et al., 2020). Influencers like Charlie D'Amelio (48.1 million followers) and Cristiano Ronaldo (433 million followers) offer businesses a solid foundation for growing their followings or running effective campaigns (Instagram, 2022). Instagram's primary tool for businesses and brands to promote and showcase themselves is this.

TikTok: Founded in 2016, TikTok is a rising star in the world of social media that has existed in its current form since 2018 (D'Souza, 2021). Chinese internet entrepreneur Yang Imming. He started Byte Dance in 2012 and also established Toutiao, a news service, and TikTok, a platform for sharing videos. With one billion users, the US, Indonesia, and Brazil are its three most popular countries (Statista, 2022). Instagram's similarity makes it nearly hard for the business. In fact, the two can be combined. Posting TikTok videos on Instagram has been incredibly successful (Stephens, 2022). This is particularly true in the instance where TikTok was launched subsequent to Instagram, as Instagram has a larger following in this scenario (Stephens, 2022).

YouTube: Among the "oldest" and most significant social media platforms available today is YouTube. Worldwide, people utilize it (Haenlein et al., 2020). With 2.562 billion users as of right now, it has one of the biggest audiences of any social media site, having been created in 2005 (Statista, 2022). India has nearly twice as many users as the United States, making it the nation with the most users overall (Statista, 2022). As of 2022, the United States possesses twice as many than Indonesia, which is ranked third. YouTube exists to provide its viewers with entertainment (Haenlein et al., 2020). The majority of visitors to YouTube do it to pass the time, educate themselves, or just for fun (Haenlein et al., 2020).

Companies need to set themselves out from the competition when making videos. This company is loving, sorrowful, hilarious, and so forth. This is accomplished by appealing to the feelings of

the target consumer demographic that you wish to connect with (Coles, 2015). YouTube is a better venue for longer videos than Instagram or TikTok, such as ones that showcase your new factory or the behind-the-scenes production process (Haenlein et al., 2020). The ability to simply explain complicated things through YouTube videos is their greatest benefit, and the low-cost production procedure lends the product some individuality (Coles, 2015). YouTube brought up a whole new avenue for businesses to market their goods when paid advertising was introduced in August 2006 (Jarboe, 2012, p. 8). Advertisements consist of sponsorships, banner advertising, and overlays that are extended below the video via In Video advertising (Jarboe, 2012). The business can use all of these advertisements to its advantage by drawing more visitors to your website or channel in order to provide additional information.

Telegram: Telegram, a popular messaging app, has emerged as a powerful advertising tool for businesses engage with their target customers. Telegram channels are a great way to broadcast messages to a large audience, making them an excellent platform for sharing announcements, updates, and promotional offers. Channels providing an opportunity for targeted advertising and customer engagement (Sony, 2021). Telegram groups are a great tool for organizations trying to engage with their consumers and team members since they encourage communication and collaboration among members. Businesses can promote consumer loyalty and engagement by sharing images, videos, and other information about their goods and services through the creation of public or private groups (Perumal, 2018). Telegram is an affordable approach to connect with potential clients because it provides an advertising tool that enables companies to communicate their clientele. Businesses can use this capability to directly market their goods and services to their target market, increasing sales and client involvement (Jade & Jacinto, 2021). To sum up, Telegram has a big impact on advertising since it gives companies a lot of tools and channels to use to connect with customers, reach their target market, and advertise their goods and services. With features like groups, channels, cloud storage, advertising tools, and segmentation, it's a great asset to any marketing plan (Sony, 2021).

WhatsApp: WhatsApp is a big part of advertising since it gives companies a direct and efficient means to interact with their target market. WhatsApp is an effective tool for direct marketing that enables companies to build a direct, personal relationship with their target market. This can involve giving out information about new items, interacting with customers, and providing

special offers (Kostov, 2020). WhatsApp is a safe, quick, and affordable communication channel that helps businesses engage and keep in touch with their customers. WhatsApp is the perfect channel for client involvement because more than half of consumers expect firms to respond to them instantly (Alsubagh, 2015). Companies can use WhatsApp ads to open up new lines of communication with customers and other stakeholders. This covers helping customers shop, reminding them about abandoned carts, broadcasting promotional offers, and more. WhatsApp advertisements have the potential to dramatically boost user engagement and make companies stand out in the marketplace (Jeenefa, et al., 2022). Another important platform for messenger marketing is WhatsApp, which gives companies access to a wide audience, helps them forge close bonds with clients, and boosts revenue. Additionally, it makes it possible for companies to offer 24/7 customer service, enhancing customer care and providing excellent customer service (Kostov, 2020).

To flourish as a business, it's critical to understand why clients are using all of these social media platforms. We need to know why individuals watch a certain video (Coles, 2015), "snap" on a picture (Cario, 2013), tweet about something (Thomas, 2010), etc. These days, businesses can even connect all of these social media platforms to develop a comprehensive social media marketing strategy.

2.1.3. Consumer Buying Behavior

Businesses are becoming more and more concerned with customer behavior since it influences the way that customers feel, think, and select items. It is the process of individuals select, purchase, utilize, or discard goods, concepts, or experiences in order to satiate their needs and desires is (Kostov, 2020). In addition to examining what and why customers purchase, consumer research also looks at how customers utilize goods and services and how marketers affect them. The American Marketing Association also defines consumer behavior as "the dynamic interplay of affective and cognitive, behavioral, and environmental phenomena that result in the exchange aspects of people's lives" and includes individual consumers, consumer groups, and society. Schiffman & Kanuk (1997) define consumer behavior as: "The behavior consumer's exhibit in seeking, purchasing, using, evaluating, and disposing of products, services, and ideas."

The term was created by Schiffman & Kanuk (1997) through an analysis of consumer behavior, which is the process by which individuals choose to allocate their available resources (money,

time, and energy) to consumer-related activities. This entails finding out what, why, where, when, and how frequently people purchase goods, as well as how they use them. With the advancement of marketing concepts, consumer behavior has gained significance as a field of study from a marketing standpoint.

Batra and Kazmi (2004), define consumer behavior as “the cognitive processes and the observable behavior that consumers undergo while during pre-consumer as well as post-consumer of products and services”. Therefore, we can say consumer behavior is the complex and dynamic process of product purchase decisions, timing, purchase steps, locating products, securing products, usage, or disposal to meet the needs of individuals, groups, or organizations. Basing on social media, this tells us of what we can see physically by observing what students at Addis Ababa University, the School of Commerce prefer most in social media through specific platforms, the time they are most active, the reasons for use and how well their needs are satisfied by their choices and if not, what is the next available option.

Consumer behavior is the culmination of all the economic actors' evaluation, acquisition, use, and disposal of goods and services (Rafiq & Javeid, 2014). It is made up of two main components: the decision-making process and final buying behavior. Unlike the decision-making process, which is carried out under a variety of circumstances and considerations that are hidden from us, the purchasing behavior is evident. Because it is primarily a mental process, it is invisible. Consumer decisions, which we cannot see but have an impact on, ultimately determine their purchasing behavior (Jade & Jacinto, 2021). For this study, consumer behavior is the usage of social media by the students at School of Commerce depending on the choice of the platform they opt for and thus a result of what they use most as compared to other available social media platforms options.

2.1.4. Theoretical Foundations

Theoretical foundations surrounding this concept include the Hierarchy of Effects theory and the attribution theory. On one hand, the hierarchy of effects theory is a model of how advertising influences consumer decision making when it comes to purchasing or not to purchase a product. On the other hand, the attribution theory addresses the various models and concepts which have been applied to assign value to the interactions with the consumer in the social media marketing value chain.

2.1.4.1. Hierarchy of Effects Theory

The Hierarchy of Effects theory was introduced by St. Elmo Lewis in the late 1880s as an AIDA model (AIDA) model, as it tried to explain the process through which a sales agent pushes the consumer to decide on purchasing a product. The theory attempted to describe the process by which a salesperson persuades a customer to buy a product. For over a century, the Hierarchy of Effects models have been present in marketing literature. The idea was first presented in 1961 in a paper titled "A model of predictive measurements of Advertising Effectiveness" by Robert J. Lavidge and Gary Steiner (Alsubagh, 2015). They made an effort to gauge the suggested advertising's efficacy and consider advertising from a different angle. At the moment, it informs advertising strategies meant to raise awareness of companies that are changing in terms of application and structure (Jade & Jacinto, 2021).

The theory outlines how customer decision making is influenced by advertising when it comes to purchasing certain products and brands. The term "hierarchy" refers to the fact that as one moves up the hierarchy, fewer consumers are there. It considers customer flow to be orderly. The stages that customers may go through from a state of ignorance to the actual purchase action are represented by the hierarchy of effect model (Belch & Belch, 2004).

Based on behavioral psychology, the idea contains three main stages that advertisers can utilize to influence consumer behavior, from raising awareness to making a final purchase. The foundations of human thought are these three main stages of behavior: emotive, cognitive, and behavioral. The theory is that the effects of advertising happen gradually rather than all at once. Advertising communications may not immediately result in purchases; instead, they will happen when certain requirements are met. When the processes are completed, the customer can advance to the next level of the hierarchy (Kostov, 2020).

As evidenced by the AIDA model's presentation in advertising literature as a framework for management, it instructs us on how to develop and apply various social media platforms and techniques, keeping in mind that advertising is still the cornerstone of all marketing. Advertising benefits greatly from the use of the Hierarchy of Effects theory because it offers a systematic

framework for comprehending and influencing consumer behavior during the whole purchasing process. The phases consist of conviction, like, preference, knowledge, awareness, and lastly, the actual purchase (Jade & Jacinto, 2021). Through comprehension and utilization of this framework, marketers can devise focused and efficacious promotional tactics that mentor customers throughout every phase of the purchasing procedure, culminating in a transaction. This method aids in defining exact advertising goals, developing strong marketing plans, and raising the general efficacy of advertising efforts. In order to develop powerful and convincing advertising messages that affect customer decision-making and increase sales, the Hierarchy of Effects theory is frequently applied in the marketing and advertising industries (Khanna, 2016).

2.1.4.2. Attribution Theory

The attribution theories have been extensively applied in marketing research and promotion. They serve as the cornerstone for understanding, stimulating, and satisfying demands in consumer behavior. Kotler & Keller (2014) developed the economic man model by drawing on the Marshallian economic model. According to this idea, consumers are logical beings who always try to optimize the advantages of the transaction process. The customer also assesses all available information regarding the possibilities in order to inform their ultimate purchase choice. The information is further divided into internal and external variables by the stimulus-response model. To describe the decision-making process of consumers, a number of concepts have been developed (Jade & Jacinto, 2021).

The process of assessing the marketing touchpoints a customer experiences before to making a purchase is known as attribution marketing. This enables marketers to adjust and modify their marketing plans for better outcomes by identifying which channels and messages had the biggest influence on the decision to convert or take the intended next step. Marketers can optimize their marketing budget by focusing on the most successful channels and tactics by determining which messages and touchpoints have the biggest influence on consumer decisions (Alsubagh, 2015).

Advertising can better understand how consumers evaluate products based on their past experiences, build opinions about a product, manufacturer, or country of origin, and apply attribution theory to new situations. For the purpose of developing focused and successful advertising campaigns, this knowledge is essential (Rafiq & Javeid, 2014). According to the theory of attribution, people make decisions about future purchases based on prior experiences

and draw from them when confronted with new circumstances. Advertisers can produce advertising that connect with their target demographic and increase sales by knowing this influence (Khanna, 2016).

Advertiser credibility and attribution theory are closely associated. Confidence rose and value expectations matched those of the superior product when superiority was denied for specific product attributes (Rafiq & Javeid, 2014). Advertising professionals can produce more convincing and credible advertisements by comprehending the connection between attribution and advertiser credibility. Khanna (2016) claims that because attribution models—like marketing attribution—offer a person-centric method of assessing marketing touchpoints and their influence on customer decisions, they are frequently used in digital marketing.

The theory allows advertisers understand consumer behavior, influence purchase decisions, evaluate marketing touchpoints, optimize marketing spend, enhance advertiser credibility, and adopt a person-centric approach to marketing. By leveraging the insights provided by attribution theory, advertisers can create more effective and persuasive advertising campaigns that drive sales and customer engagement.

2.1.4.3. McLuhan’s Media theory

McLuhan’s is a Canadian philosopher and educator, the author of famous quote “the media is the message”

He argued that the media itself, rather the actual content of the media, will transform people ad society. The actual messages peoples are communicating won’t be any different on the new media: the interactivity and frequency of new communication patterns will change our behavior forever.

The social media theory landscape is fast changing due to the low cost of innovation in the era of open-sources movement. The disconnection of academia from the industry and the slow process of the formal publishing cycle pose a challenge for researchers in academic institutions.

Many social media and online marketing agencies actually are more innovative and ahead

2.1.4.4. Social penetration theory

Social penetration theory explains how human exchange forms relationships. However, the latter focuses more on the individual and dyadic levels while the former could explain behavior at aggregated and organization levels.

Social exchange theory states that human beings form closed relationship thorough self-disclosure. Using an analogy of peeling of the layers in an onion, one must disclosed him or herself through the continuing process of exposing one inner self and identity

2.2. Empirical Literatures

Nick (2013) did a study on how social media affects consumers. The findings indicate that purchase intention is significantly influenced by trust. One further contributing aspect that has been uncovered is a site's perceived usefulness (PU). The results demonstrate how trust and the inclination to purchase through social networking sites are influenced by social media and social factors.

In Kenya, a study by Samar and Samreen (2015) examined the effects of social media advertisements on consumers' purchasing decisions in the cosmetics industry in Karachi City. In order to investigate how commercials affect consumers' purchase decisions and to build impressions, 200 young men and women who use different brands of cosmetics participated in the study. The results demonstrated that although advertisements are highly successful in increasing public awareness, they are unable to make a lasting impact on the people they are intended for. The buyer will be motivated to buy a specific product because of the positive association between these two variables—customer perceptions and awareness.

A related study, Targeted Social Media Advertising and Consumer Decision Making in Online Buying Behavior, was conducted by Siiri (2015) in an effort to determine the ways in which online buying behavior is influenced by targeted social media advertising. The purpose of the study was to determine how online purchasing behavior is influenced by targeted social media advertising. The impact of targeted social media marketing varies based on the stage of the process. Targeted advertisements, when done well, can generate a range of reactions and positively influence the inclination to make an online purchase. The study's findings deepen our

understanding of online consumer purchase behavior and increase our awareness of the consequences of targeted social media marketing.

Adnan and Ahmed (2016) found that there is no correlation at all between social media advertising and information search, a strong correlation with evaluating the alternatives, a moderate correlation with buying decision and post-purchase behavior, and a weak correlation with consumer need recognition. The study looked at the impact of social media advertising on consumer purchasing behavior in Istanbul's retail industry. The five steps need recognition model in customer purchasing behavior is matched by these processes. Additionally, the data showed that there were no changes in this association based on the consumer's age and educational level. However, there were disparities between the sexes when it comes to identifying customer wants and searching for information.

More recently, in Nigerian context, John and Kenrich (2023), conducted study to determine the influence of social media marketing (SMM) on the customer purchasing behavior (CPB) of senior high school (SHS) students. Using validated questionnaires and the nonexperimental quantitative research method, the data analysis was done using statistical tools such as Mean, Person Product-Moment Correlation Coefficient (Pearson-r), and Multiple Linear Regression Analysis. The results showed that social media marketing and customer purchasing behavior through the perspective of SHS students are at high levels, indicating that these two variables are frequently manifested. The purchasing behavior of customers and social media marketing are positively correlated. Additionally, it was discovered that the most effective way to influence customers' purchase behavior on social media is through high-quality content.

2.2.1. Entertainment and Consumer Buyer Behavior

One of the primary requirements for advertising is now entertainment. Attraction of customers is the aim of entertainment. Engaging and interesting advertisements are more likely to stick in the minds of consumers than boring ones. Thus, one may argue that entertainment increases the effectiveness of advertising. As a result, many companies spend a lot of money-making amusing advertisements (Mandan & Furuzandeh, 2013).

According to earlier studies, advertisements that are entertaining increase consumer satisfaction (Chang, 2006). Later empirical research examined this claim. For instance, a study on the effects

of amusement in advertising on customers was carried out by Duncan and Nelson in 1985. They discovered that customers can be influenced by engaging commercials after analyzing 157 responses to them. impact on product adoption and usage by consumers (Duncan & Nelson, 1985). Chang (2006) discovered intriguing commercials and their influence on consumer happiness and intentions to behave. According to a 152-person poll, interesting advertising can boost customer happiness and thus affect sales.

Using humor in advertising could be risky because not everyone will find the same idea appealing. In their book, Kulas and Weinberger argue that trying to make ads interesting is a wasted opportunity to interact with readers. It could even annoy clients so much that they get disinterested. They took a chance in 1999 when they aired its "For feet only" Super Bowl commercial. This depicted a group of Caucasian individuals behind a black Kenyan runner who had been drugged and forced against his will to forgo wearing shoes. This advertising caused a great deal of ire (Gulas & Weinberg, 2006). Funny advertisements do not always equate to interesting adverts. Ads that are thrilling and suspenseful might be enjoyable. An iconic example from that era is the 1984 Apple Super Jam commercial. It caught people's attention right away and impressed many. This is a great way to introduce people to the new computer era. Additionally, it is crucial to the company's ability to generate sales (Rafiq & Javeid, 2014).

"Why, When, and How Much Should Consumers Do in Communication?" is the title of an intriguing study on this subject that was carried out by Harvard professor Teixeira. In a paper, he said. Face tracking exercises—software that monitors facial expressions in response to television—are the foundation of this study. According to Teixeira, Picard, and Kaliouby (2013), this is the first and most recent study. Teixeira discovered that there might be conflict or collaboration depending on the type of entertainment (such as the place of advertising). When combined, they serve as a persuasive tool for piqueing attention, providing entertainment, and encouraging brand involvement. Perumal (2018) posits that non-branded entertainment primarily functions as an attraction tactic during the interest phase, directly opposing rather than advancing the main objective of advertising.

Mixed results on the impact of entertainment on customers have been found in earlier studies. It draws attention and leaves a lasting impression on customers, which benefits them (Perumal, 2018). But occasionally, the outcome is detrimental. In this study, we aim to investigate whether

our consumers' purchase intention is indeed influenced by their varied perceptions of this fascinating advertisement.

→ *H-1: Entertainment has a positive and significant effect on consumer buying behavior.*

2.2.2. Familiarity and Consumer Buyer Behavior

Alba & Hutchison (1987) define the amount of experience a consumer has with a product or service. Johnson and Russo (1984) said that knowing was the same as being familiar. According to Johnson and Kellaris (1988), familiarity is influenced by experience. A survey of the literature demonstrates that information is accessible and that familiarity and experience are closely connected. Brand familiarity is the linked experience that customers have with a brand (Ballester, et al, 2012).

Product categories or pertinent brand subcategories are frequently intriguing. Customers might want "fruit juice" to go with their meals. Scholarly investigations into the categorization process have acknowledged the significance of "prototypicality" as a gauge of the degree of correlation between category concepts and members (Rafiq & Javeid, 2014). The way a brand portrays its product category is known as its prototypicality. In practical terms, prototypicality is determined by how "good an example" a person finds a certain object inside a category. It is probable that consumers will recall archetypal brands more quickly and often (Nedungadi & Hutchinson, 1985; Barsalou, 1985; Rosch & Mervis, 1975).

Regardless of contextual connection or cognitive assessment, Khanna (2016) showed in a study that exposure to a stimulus might increase one's affection for it. This line of inquiry essentially verifies that the effect is a linear function of frequency logarithm. As a result, the brand's emotive response gets better the more people are exposed to it. A brand receives increased exposure from commercials and campaigns, which eventually raises its level of brand awareness.

According to Rafiq & Javeid (2014), familiarity with products or services can result in favorable effects. Customers may have a feeling of comfort and familiarity while interacting with a well-known brand or service. The consumer gains trust in the brand because of their familiarity with it. Previous research has shown that brand familiarity causes psychological shifts in customers' thoughts (Ertemel & Ammoura, 2016; Kostov, 2020; Jade & Jacinto, 2021). Familiarity mainly

evokes positive feelings about a brand in the minds of consumers. This study will try to ascertain whether this psychological change ultimately leads to consumer purchases.

→ *H-2: Familiarity has a positive and significant effect on consumer buying behavior.*

2.2.3. Social Imaging and Consumer Buyer Behavior

Advertising frequently shapes our perception of the world around us. through a variety of commercials, particularly those on television, that depict how a certain product's user ought to behave. The affiliation, way of life, and attitude of the user are sometimes reflected in the product. The idea is frequently found in cosmetics. According to Russel (2009) study, people's perceptions of beauty and attractiveness are among the most powerful concepts propagated by the media. There are really muscular males and gorgeous women everywhere.

In the era of smartphones, this product isn't always the greatest one available, nor does it really improve people's lives all that much. But millions of people saw it thanks to strategic ad placement. They include members of clubs and exceptional athletes in their advertisements. Consider the perfect client for your product—their lifestyle, place of residence, places of socialization, etc. They set the standard for how a man should live by giving the false impression that only the wealthy and well-educated can afford a Rolex watch—something that sets a guy apart from the common man.

Empirical studies shows that imaging plays a significant role in consumer buying behavior, as it influences their purchasing decisions through various factors such as storytelling, emotional connections, and visual experiences (Perumal, 2018; Kostov, 2020). This study aims to investigate why the advertisement's "social image" effectively evokes a desire for product purchase by appealing to people's sense of social class.

→ *H-3: social imaging has a positive and significant effect on consumer buying behavior.*

2.2.4. Advertising Spending and Consumer Buyer Behavior

Advertising spending can influence people's purchasing decisions in terms of advertising quality and advertising frequency, the more they spend. It has the power to leave a lasting effect on the customer. Spending a lot of money on advertising, in the opinion of Milgrom and Roberts (1986), indicates that a company has a significant amount of cash and is therefore able to

manufacture higher-quality items. Furthermore, research has shown that advertising spending is a good indicator of both purchase and quality (Rafiq & Javeid, 2014).

Yoo, Donthu, and Lee (2000) investigated the relationship between various marketing mix components and consumer behavior. The investigation focuses on these characteristics' indirect impact on brand loyalty. Instead of directly influencing brand loyalty, advertising expenditures have an indirect impact on consumers' expectations about the quality of products or services (Yoo, Donthu & Lee, 2000).

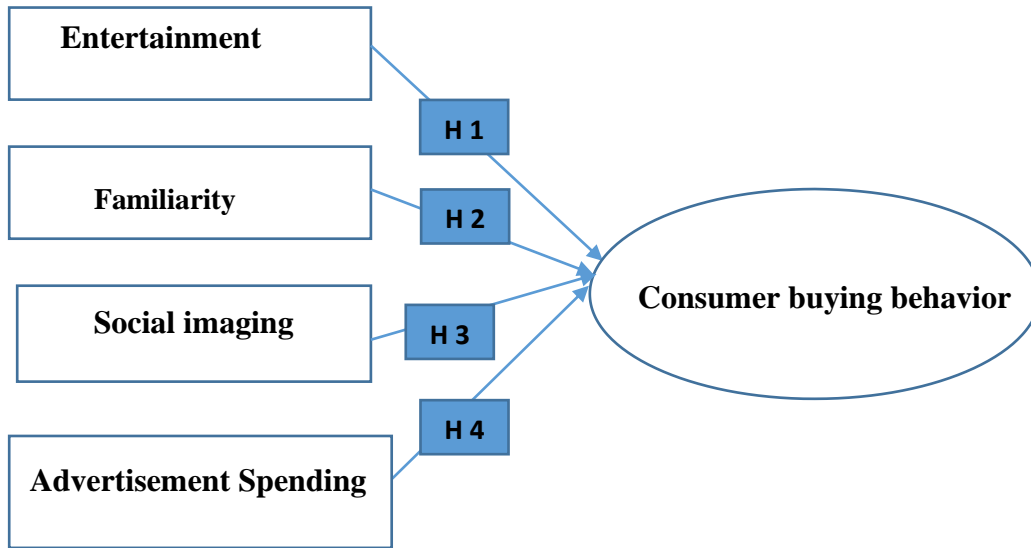
Research from the past (Ertemel & Ammoura, 2016; Kostov, 2020; Jade & Jacinto, 2021) has demonstrated that when a brand spends a lot of money on marketing campaigns and advertising, customers expect more from the company. It develops and envisions a higher caliber of brand goods or services (Perumal, 2018). The purpose of this study is to determine how consumers' associations with the brand influence their purchasing decisions. Put another way, our goal is to learn how consumers feel about advertising spending and how, in the end, it influences their product purchases.

➔ *H-4: Advertising budget /ad spending has a positive and significant effect on consumer buying behavior.*

2.3. Conceptual Framework

The researcher develops the following conceptual framework for the study based on reviews of the theoretical and empirical literature.

Figure 2.1 Conceptual Framework



Source: (Ertemel & Ammoura, 2016; Kostov, 2020; Jade & Jacinto, 2021)

In this framework, the four social media advertisement dimensions are independent. The independent variable social media advertisement dimensions are operationalized through: entertainment, familiarity, social imaging and advertisement spending.

CHAPTER THREE

3. RESERCH METHODOLOGY

3.1. Area of the Study

The College of Commerce at Addis Abeba University was the subject of the study. The Addis Ababa University College of Commerce was founded as an Addis Ababa University branch in 1943. In the 1970s, the school changed its status with the desire to pursue a junior high school degree and in 1979, it led to higher education. In Ethiopia. During that time, students studied accounting, secretarial science, banking and finance, and purchasing and supply management. It has a distinguished history of making substantial, enduring, and demonstrable contributions to Ethiopia's leading edge of business education and training. The school of commerce works with the country's largest organizations, such as the Commercial Bank of Ethiopia and Ethiopian Airlines, to train talented professionals and provide short-term training for them. The current campus population is approximately 5,000 regular, distance and extension students.

3.2. Research Approach

In terms of research methodology, the study used a quantitative approach since it needed to analyze the aspects of social media advertising that have an impact on College of Commerce students' purchasing decisions. The statistical testing of the correlations between the variables necessitated a quantitative method to ascertain the relationship between the research variables. The quantitative approach is suitable for examining how social media advertisements affect the purchasing decisions of current AAU School of Commerce students because it allows for precise measurement and statistical analysis of the relationship between variables. By using quantitative methods, researcher can quantify the extent of influence that social media ads have on students' purchasing decisions, offering a clear and objective understanding of the relationship.

Moreover, quantitative analysis enables researcher to establish correlations and statistical significance between social media advertising and purchasing decisions. By conducting regression analysis or other statistical tests, researchers can determine the strength and direction of the relationship between exposure to social media ads and actual buying behavior among AAU School of Commerce students. This methodological rigor ensures the reliability and

validity of the study findings, offering robust insights into the impact of social media marketing on consumer choices.

3.3. Research Design

This study's main goal was to look into how social media advertisements affected the purchasing decisions of current AAU school of commerce students. To do this, the study used an explanatory style of research design in conjunction with a survey questionnaire. An explanatory study design aims to provide an explanation for patterns of correlations between variables by examining a specific scenario or issue. Finding out the causes and effects of social media advertisements on customer purchasing behavior is the goal of explanatory study. The purpose of using explanatory research is to know the cause and effect of social media advertisement on consumer buying behavior.

3.4. Population and Sample Design

3.4.1. Target Population

The target population for the study consists all students that are currently undertaking their study in School of Commerce. According to College Registrar (2023), the total number of current students in School of Commerce is 5000.

3.4.2. Sample Size

The Nassiuma (2000) sample size determination model was applied. As a result, the sample size was calculated using the formula below.

$$n = \frac{NC^2}{C^2 + (N-1) e^2} = \frac{5000 (0.3)^2}{0.3^2 + (5000) (0.02)^2} = 215$$

Where C stands for coefficient of variation, e for standard margin of error, N for population size, and n for sample size. A coefficient of variation of 20% to 30% and a margin error of 2% to 5% are advised by Nassiuma (2000). A sample size of 215 is obtained for this study with N = 500 personnel, C = 30%, and e = 0.02

3.4.3. Sampling Technique

The method of sampling selection employed in this investigation was non-probability sampling. Convenience sampling strategies were explicitly employed in the study to obtain voluntary responses to the structured questionnaire. There are two arguments in favor of convenience sampling, which are as follows: First off, not all of the target population is easily accessible. Second, it produces superior results while sticking to a tight budget and schedule.

3.5. Data Source and Type

Both primary and secondary sources of data were employed in this investigation. A questionnaire was the main tool used in the study to gather primary data. Kothari (2004) claims that questionnaires have several advantages, such as the capacity to reduce interviewer bias, low cost even for sizable and widely distributed populations, plenty of time for respondents to provide thoughtful answers, simplicity in contacting respondents who are hard to reach, and the capacity to use large samples to boost the dependability and reliability of the results. Given the advantages and the need for further information, a questionnaire was distributed to students to collect their thoughts on how social media marketing affects consumer purchase behavior.

In order to make further changes, the questionnaire was thoroughly constructed and tested with a small sample of the population. Every component was thoughtfully created to fulfill research goals, collect the needed information, and address the central research topic. Based on the literature, conceptual framework, and research question, a questionnaire was developed. The majority of the study's questions were closed-ended. This is due to the fact that closed-ended survey questions are more beneficial and typically get higher response rates. Furthermore, closed-ended questions are particularly useful when trying to show the statistical significance of survey data because they are easy to code and analyze. In addition, in order to gather secondary data that will support the study's conclusions, a variety of published materials.

3.6. Data Analyzing

The main source of data for this study was a distributed questionnaire. Following the collection of the questionnaire, the data needed to be edited, cleaned, encoded, and checked for errors. This

was the question of data processing. This made it easier to examine and analyze the data by compressing and grouping it into smaller chunks. Following collection and processing, descriptive and inferential statistical analyses were performed on the primary data obtained from the questionnaire. The properties of the study's variables of interest were described using descriptive statistics, which included mean scores, percentages, frequency distributions, and standard deviations. Additionally, inferential statistics like multiple linear regression analysis and correlation were employed to assess the associations between variables and ascertain the proportional significance of every independent variable in elucidating the fluctuations in the purchasing behavior.

3.7. Instrument Reliability and Validity

3.7.1. Instrument Validity

According to Sounders et al. (2003), validity pertains to whether the results truly address the topics they seem to be discussing. In order to assure result validity, survey questions are based on an empirical literature study and frame of reference, which are sourced from current School of Commerce students who are active users of various social media platforms. Additionally, five experts, including the advisor, tested the content validity of the pilot questionnaire to determine the relevance of each question to the variables being measured and to make sure the instrument's content addressed the study's goals and its hypotheses.

3.7.2. Instrument Reliability

Using the Statistical Package for Social Sciences (SPSS) software, the Cronbach's alpha correlation coefficient was used to assess the questionnaire's reliability. As a result, the variables under investigation were examined and all the variables was fall within the stated range and concluded that there is consistency among each question in the questionnaire as shown in Table 3.3 below.

Table 2; Table 3.3; - Reliability Test Result

Variables	Cronbach Alpha	No. of Items
Entertainment	0.761	5
Familiarity	0.799	5
Social Imaging	0.732	6
Advertisement Spending	0.843	4
Consumer buying behaviour	0.765	8

3.8. Ethical Consideration

In terms of informed permission, secrecy, and privacy, the researcher did her best to meet ethical considerations. The administrative staff of the company granted consent following an explanation of the study's significance. Every participant in the study was made aware of its objectives, and prior to any data collection, the verbal consent of every study subject was sought. It was also explained to participants that they might choose to stop participating in the study at any time or not to. The interviewee's name was left off of the questionnaire to maintain confidentiality.

CHAPTER FOUR

4. DATA PRESENTATION, ANALYSIS AND INTERPRETATION

4.1. Response Rate

A sample of 215 respondents received questionnaires from the researcher. Table 4.1 displays the questionnaire response rate.

Table 3;-Table 4.1; - Response Rate

Response rate	Sample size	Percentage (%)
Returned questionnaires	194	90.2
Un-returned questionnaires	21	9.8
Total	215	100

Source, (Own Survey, 2024)

194 of a total of 215 questionnaires were filled out and returned. This gives a response rate of 90.2%. A response rate of 50% is regarded good, while one of more than 70% is considered very good, according to Mugenda & Mugenda (2003). As a result, the 90.2% response rate is regarded as a very excellent representation of respondents, giving ample data for analysis and drawing conclusions.

4.2. Demographic Characteristics of Respondents

This section provides about main demographic information of respondents, including their sex, age, educational level, and social media channel used. This helps researcher to know the ability of the respondents to analyses the subject under examination. Table 4.2 provides the sociodemographic data collected from respondents via the survey questionnaire.

Table 4;-Table 4.2: General Information of the Respondent

Main factor	Factor level	Frequency	Percentage
Gender	Male	102	52.6
	Female	92	47.4
	Total	194	100
Age	15 – 29 years	55	28.4
	30 - 40 years	97	50.0
	41 - 50 years	40	20.6
	Over 50 years	2	1.0
	Total	194	100
Educational qualification	First Degree Student	74	38.1
	Degree holder & Master Degree Students	92	47.4
	Master and above	28	14.5
	Total	194	100.0
Which social media channel for do you use?	Facebook	183	94.3
	Telegram	188	96.9
	YouTube	172	88.7
	TikTok	127	65.5
	WhatsApp	122	62.9
	Instagram	87	44.8
	LinkedIn	78	40.2
	Twitter	68	35.1
	Total	194	100.0

Source: (Own Survey, 2024)

The gender distribution of the study participants is displayed in Table 4.2 above. Table 4.2 indicates that 92 (47.4%) and 102 (52.6%) were females and males, respectively. The results demonstrated that the sample had a good representation of both sexes.

Students of various ages were represented among the respondents. The age distribution of the respondents was as follows: 97 (or 50%) were between the ages of 30 and 40, 55 (or 28.4%) were between the ages of 18 and 29, 40 (20.6%) were between the ages of 40 and 50, and the remaining 2 (or 1%), were over the age of 50. In the study, each age group was fairly represented..

In terms of educational background, 92 respondents (47.4%) had completed their undergraduate degrees and were enrolled in a master's program; 74 respondents (38.1%) were enrolled in an undergraduate program (having completed their first degree); and the remaining 28 respondents (14.5%) had completed their master's degree. This indicates that the majority of respondents were able to provide their opinions on how social media advertising affected their intention to make a purchase by responding to the questionnaire.

Respondents were also asked about the types of social media channel they use. Accordingly, in terms social media channel they used, 188 (96.9%) are using Telegram, 183 (94.3%) are using Facebook, 172 (88.7%) are using YouTube, 127 (65.5%) are using TikTok, 122 (62.9%) are using WhatsApp, 87 (44.8%) are using Instagram, 79 (40.2%) are using LinkedIn and 68 (35.1%) are using Twitter. This shows most of respondents are using more than types of social media platforms.

4.3. Descriptive Analysis of Study Variables

Four social media advertising dimensions were identified from the literature. Sample students were then asked to rate their degree of agreement with the statements on a five-point Likert scale. The study identified four elements of social media advertising: expenditure on advertisements, familiarity, entertainment, and social image. The grand mean of every independent dimension is used to make the interpretation. The study was utilized as a guide to understand the findings, which is shown in Table 4.3 (Shrestha, 2015).

Table 5;-Table 4.3: Descriptive statistics result interpretation guide

Interval of Means	Interpretation
1.00 – 1.80	Very Low
1.81 – 2.60	Low
2.61 – 3.40	Medium
3.41 – 4.20	High
4.21 – 5.00	Very High

Table 6;-Table 4.3.1 Summary of descriptive statistics for study variables

	N	Min.	Max.	Mean	Std. Deviation
Entertainment	194	1.40	4.00	2.8990	.44579
Familiarity	194	1.81	4.10	3.1624	.44829
Social Imaging	194	1.74	4.00	3.0707	.56818
Advertisement Spending	194	1.43	3.75	2.8323	.44382
Consumer Buying Behavior	194	1.36	4.00	2.9451	.68326
Valid N (listwise)	194				

Source: (Own Survey, 2024)

4.3.1. Entertainment

The first social media advertising dimension that study examined is entertainment. Ads that are interesting and entertaining will be remembered by consumers rather than boring ones. Social media advertising campaigns that incorporate entertainment factors, such as infotainment content, live shopping, and try-on hauls, can positively influence consumer buying behavior. Given this, the purpose of the study was to assess how students felt about the entertainment value of social media advertising. Table 4.4 illustrates that the grand mean score for entertainment as a whole was 2.89, indicating that for most of respondents' social media advertising campaigns are moderately entertaining. Additionally, the aggregate total standard deviation was determined to be 0.44, suggesting that respondents generally agreed when it came to how entertaining social media advertising is.

4.3.2. Familiarity

The second social media advertising dimension that study assessed is familiarity. Familiarity with a brand or product can increase the likelihood of a consumer making a purchase. In recognition of this fact, the study was intended to evaluate the perception of student towards familiarity of social media advertising. As shown in Table 4.4, familiarity as whole received the grand mean score of 3.16 which is considered moderate, indicating that most of respondents' have a modest familiarity with social media advertising campaigns. Additionally, the overall standard deviation aggregate was determined to be 0.448, suggesting that respondents'

assessments of how familiar social media advertising is were generally in accord.

4.3.3. Social Imaging

Social imaging is another dimension that the study examined in relation to social media advertising. Social imaging refers to the influence of the actions and preferences of peers and social networks on consumer behavior. Social media advertising can influence consumer buying behavior by creating a sense of social imaging, where consumers are influenced by the actions and preferences of their peers and social networks. Thus, social media advertising campaigns that incorporate social imaging factors can positively influence consumer buying behavior. Given this, the study determines how students felt about social imaging of social media advertising. As shown in Table 4.4, social imaging as whole received the grand mean score of 3.07 which is considered moderate. This indicate that for most of respondents' social media advertising campaigns moderately creating a sense of social imaging, where students are to some extent influenced by the actions and preferences of their peers and social networks. Additionally, the overall standard deviation aggregate was determined to be 0.56, suggesting that respondents' perceptions of social media advertising's social imaging were generally in agreement.

4.3.4. Advertisement Spending

Advertisement spending is the last dimension that the study examined. Social media advertising campaigns that incorporate limited-time offers, flash sales, and exclusive promotions can compel consumers to make swift purchase decision. Taking this into consideration, the study evaluated the perception of students towards advertisement spending of social media. As shown in Table 4.4, advertisement spending as whole received the grand mean score of 2.83 which is considered moderate. This indicates that for most of respondents' social media advertising appeared moderately-funded. Additionally, the overall standard deviation aggregate was determined to be 0.44, suggesting that respondents' perceptions of the advertisement spending were generally in agreement.

4.3.5. Consumer Buying Behavior

The study also investigates the perception of students towards their buying behavior in social media advertisement campaign. The result shows that perception of respondents concerning their

level of buying behavior has a grand mean score of 2.94 and standard deviation of 0.68 indicating that the most of respondents were moderate level of buying behavior. Overall, the result showed that there is moderate level of purchase intension in social media advertisement campaign.

4.4. Correlation Results

The study conducted correlation analysis in order to identified the strength of relationship or association between the variables. The findings of the study in Table 4.4 shows that there is positive relationship between the four constructs (entertainment, familiarity, social imaging and advertisement spending) and consumer buying behaviors. The results show that familiarity was positively correlated to consumer buying behaviors with $r = 0.732$. The results also revealed that social imaging was positively correlated to consumer buying behaviors with $r = 0.629$.

Table 7;-Table 4.4: Correlations Analysis of Study Variables

		Entertainment	Familiarity	Social Imaging	Advertisement Spending	Consumer Buying Behavior
Entertainment	Correlation	1	.583**	.581**	.561**	.617**
	Sig. (2-tailed)		.000	.000	.000	.000
Familiarity	Correlation	.583**	1	.522**	.641**	.732**
	Sig. (2-tailed)	.000		.000	.000	.000
Social Imaging	Correlation	.581**	.522**	1	.461**	.629**
	Sig. (2-tailed)	.000	.000		.000	.000
Advertisement Spending	Correlation	.561**	.641**	.461**	1	.622**
	Sig. (2-tailed)	.000	.000	.000		.000
Consumer Buying Behavior	Correlation	.617**	.732**	.629**	.622**	1
	Sig. (2-tailed)	.000	.000	.000	.000	
N		194	194	194	194	194

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

Source: (Own Survey, 2024)

Similarly, advertisement spending was positive and significant relationship with consumer buying behaviors with $r = 0.622$. Lastly, entertainment was also positively correlated to consumer buying behaviors with $r = 0.617$ and at level of significance of 0.000. In general, all

social media advertising dimension that were examined in the study had positively and highly correlated with consumer buying behaviors.

4.5. Regression Analysis

4.5.1. Assumptions Test

Outlier, leverage and influential points: The first assumption of multiple regressions is that there should be no major outliers, high leverage points, or very influential points in order to make accurate inferences on multiple linear regressions. Outliers leverage, and influential points, according to Rousseeuw et al. (1990), is observations in a data set that are uncommon in some way and can influence the output that statistical software produces, reducing the prediction accuracy of results as well as statistical significance. As a result, detecting any outliers, high leverage points, and highly influential points is critical before employing a multiple regression analysis. The residual analysis is used to do this. Table 4.7 contains summaries of residual statistics.

Table 8;-Table 4.7: Residuals Statistics

	Minimum	Maximum	Mean	Std. Deviation	N
Std. Residual	-2.492	2.520	.000	.990	194
Stud. Residual	-2.574	2.568	.000	1.002	194
Mahal. Distance	.200	16.881	3.979	3.144	194
Cook's Distance	.000	.089	.005	.010	194
Centered Leverage Value	.001	.072	.021	.016	194
a. Dependent Variable: Consumer Buying Behavior					

Source: (Survey data, 2024)

An outlier, according to Wilcox (2001), is a data point whose response y does not follow the overall trend of the data. The standardized residual (also known as the studentized residual) is a value that quantifies the size of the residuals in standard deviation units, making it easy to spot outliers. In principle, an observation with a Standardized residual (studentized residual) value greater than 3 in absolute value is referred to as a "outlier" (Rousseeuw, et. al, 1990). The

dependent variable consumer buying behavior has standardized residual values ranging from -2.492 to 2.520 in all cases, indicating that there are no outliers in the dataset.

A data point has high leverage if it has "extreme predictor x values," according to Wilcox (2001). The incredible part about leverages is that they can assist in identifying extreme x values that may have an impact on regression analysis (Rousseeuw, et. al, 1990). According to Wilcox (2001), any observation whose leverage value, h_{ii} , is more than 3 times more than the mean leverage value $(3(k+1)/n)$ should be flagged. According to this algorithm, any observation with a leverage value more than 0.077 is deemed a high leverage point in this investigation. Table 4.7 reveals that the leverage value for the dependent variable Consumer Buying Behavior ranges from 0.001 to 0.072, which is less than the 0.077 cut-off point, which is an indication that the data is free from high leverage points.

A data point is influential if it "unduly influences any component of a regression analysis, such as the expected responses, the estimated slope coefficients, or the hypothesis test findings," according to Wilcox (2001). Cook's distance is a measure of how much the residual of all records would vary if a certain record was removed from the model coefficients calculation (Rousseeuw, et. al, 1990). A popular rule of thumb, according to Wilcox (2001), is that a cook's distance higher than one should be scrutinized and possibly eliminated. Table 4.7 shows that a cook's distance for a dependent variable consumer buying behavior range from 0 to 0.089, which is lower than the cut-off points of 1. This suggests that no data point unduly influences the estimated regression function.

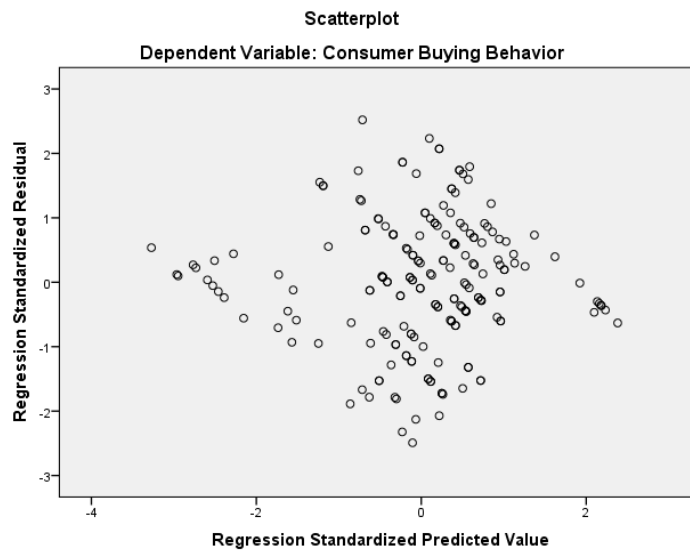
Multicollinearity: When two or more independent variables exhibit a high degree of association with one another, multicollinearity arises. Because of this, it becomes more challenging to determine which independent variable influences the variance in the dependent variable that can be explained (Simon, 2004). One way to determine whether study variables are multicollinear is to use the Variance Inflation Factor (VIF). Multicollinearity was confirmed when all of the Variance Inflation Factor's numerical values were considerably lower than the Neter et al. (1996) suggested cut-off value of 5. Based on this general rule of thumb, Table 4.8 indicates that there was no collinearity among the independent variables because all of the independent variables' VIF values were below 2, which was below the cut-point value of 5.

Table 9; Table 4.7: Residuals Statistics

Variable	Tolerance	VIF
Entertainment	.520	1.922
Familiarity	.493	2.028
Social Imaging	.607	1.647
Advertisement Spending	.532	1.878

Source: (Own Survey, 2024)

Heteroscedasticity: According to Tabachnic and Fidell (2007), heteroscedasticity in research happens when there are differences in the variance of the errors across data. Making scatter plots and visually assessing them for heteroscedasticity is the most common way to assess heteroscedasticity. Figure 4.1 displays a horizontal band of points in the figures suggests that heteroscedasticity was not a concern.

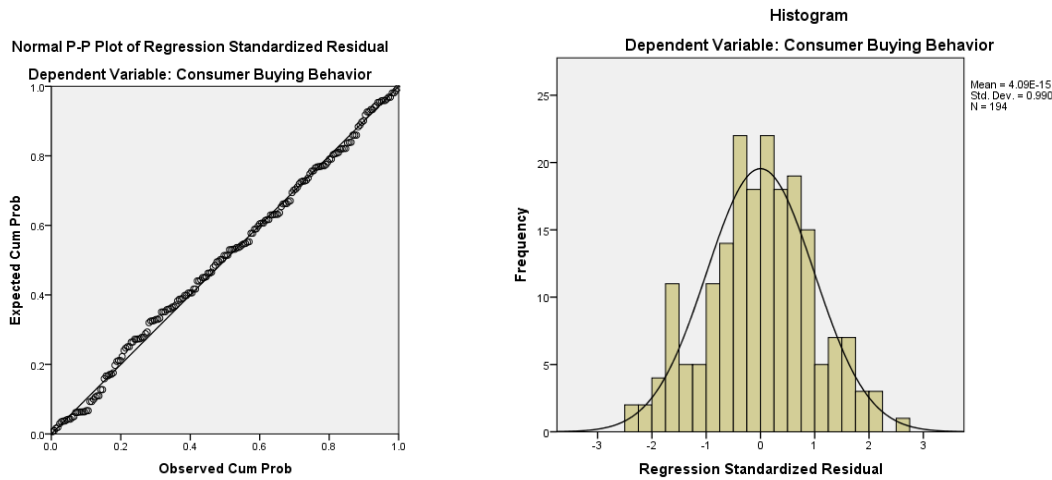


Source: (SPSS Output, 2024)

Figure 1;-Figure 4.1: Scatter plot for Heteroscedasticity

Normality: In multiple regressions, the normality assumption makes a claim that residuals (errors) are almost regularly distributed. Regression analysis requires that the residuals follow a normal distribution in order to yield meaningful conclusions. Plotting a normal P-P or histogram for the dependent variable to support the reported result is an easy way to confirm this

assumption (Asghar & Saleh, 2012). The Y-axis shows the expected probabilities derived from the normal curve, while the X-axis plots the cumulative probabilities (numbers ranging from 0 to 1). The points would be on a straight diagonal line if the sample had an exact distribution of normalcy. The data is normally distributed if there is a straight line that connects the points in the histogram and normal P-P plots shown in Figure 4.2.



Source: (Survey data, 2024)

Figure 2;-Figure 4.1: Scatter plot for Heteroscedasticity

Autocorrelation: In multiple regressions, the assumption of autocorrelation (serial correlation) is a critical assumption that the error terms are independent of one another. This is especially true for time series data, which are organized chronologically. The Durbin-Watson test is one of the most widely used methods for determining if there is autocorrelation, or a linear connection between the error terms for one observation. If the value of d is between 1.5 and 2.5, there is no autocorrelation, according to Cochrane (1997). As may be seen in table 4.9, the outcome revealed that there is no autocorrelation.

Table 10;-Table 4.9: Durbin-Watson Test for Autocorrelation

Test	Dependent variable	Value
Durbin-Watson	Consumer buying behavior	1.561

Source: (Survey data, 2024)

4.5.2. Analysis of Regression Results

The main objective of study was to investigate effects of social media advertisement on consumer buying behavior in case of current students of school of commerce AAU. This was done through regression analysis.

4.5.2.1. The Model Summary (Multiple Coefficient of Determination R²)

The coefficient of determination provides an explanation for the percentage of variance in the dependent variable (consumer buying behavior) that can be attributed to each of the four independent variables (financial marketing spending, familiarity, entertainment, and social image). The model summary result is illustrated in Table 4.10.

Table 11;-Table 4.10: Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.807 ^a	.651	.643	.40797	1.561

a. Predictors: (Constant), Advertisement Spending, Social Imaging, Entertainment, Familiarity

b. Dependent Variable: Consumer Buying Behavior

The simple correlation between the four independent variables (entertainment, familiarity, social imaging, and advertisement spending) and consumer purchasing behavior is represented by R, which has a value of 0.807 in Table 4.10. Conversely, R-square provides an explanation of the proportion of variance in consumer purchasing behavior that can be accounted for by the four independent variables. The R² score indicates that 64.3% of the variation in consumer buying behavior can be explained by the four independent variables that were studied: entertainment, familiarity, social imaging, and advertisement spending. The explanatory factors included in the study are unable to explain 35.7% of the variability in consumer purchasing behavior.

4.5.2.2. ANOVA Interpretation

ANOVA results are shown in Table 4.11. Table 4.10 indicates that the combined significant test result is [F (4,189) = 88.087; p =.000]. and the significance value is 0.000, less than 0.05, making it statistically significant. It illustrates that the overall model is statistically significant and

predicts the dependent variable. Further table revealed that of the entire 90.100 sums of squares, 58.643 can be described by regression, and 31.457 can be explained by the residual. This imply that the independent variables considered were relevant in explaining the variability of consumer buying behavior.

Table 12;-Table 4.11: ANOVAa

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	58.643	4	14.661	88.087	.000 ^b
	Residual	31.457	189	.166		
	Total	90.100	193			

a. Dependent Variable: Consumer Buying Behavior

b. Predictors: (Constant), Advertisement Spending, Social Imaging, Entertainment, Familiarity

4.5.2.3. Regression Coefficients

The findings in Table 4.12 show the coefficients of the regression. According to the findings, all four independent variables (entertainment, familiarity, social imaging and advertisement spending) are significant in predicting consumer buying behavior since the p values were less than 0.05.

Table 13;-Table 4.12: Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	-1.314	.232		-5.655	.000
	Entertainment	.204	.091	.133	2.233	.027
	Familiarity	.633	.093	.415	6.786	.000
	Social Imaging	.314	.066	.261	4.735	.000
	Advertisement Spending	.248	.091	.161	2.731	.007
a. Dependent Variable: Consumer buying behaviors						

The beta (β) and significance (p) values for each independent variable are shown in Table 4.11. The highest beta value of 0.633 is attributed to familiarity. Second, social imaging has a significant on consumers' purchasing decisions, as evidenced by its beta value (0.314). Thirdly, spending on advertisements significantly influences consumer purchasing behavior with a beta value of 0.248. Furthermore, entertainment has a significant impact on consumers' purchasing decisions, as seen by its beta value of B=.204.

When these beta coefficients are substituted in the equation, the model becomes

$$Y = 0.204X_1 + 0.633X_2 + 0.314X_3 + 0.248X_4 - 1.314$$

Where: Y is the consumer buying behavior X_1 is entertainment, X_2 is familiarity, X_3 is social imaging and X_4 is advertisement spending. This means that holding others factor constant:-

- While other variables are constant, one unit increase in entertainment of social media advertising result in 0.204 unit increases in consumer buying behavior.
- While other variables are constant, one unit increase in familiarity of social media advertising result in 0.633 unit increases in consumer buying behavior;
- While other variables are constant, one unit increase in social media advertising campaigns that incorporate social imaging factors result in 0.314 unit increases in consumer buying behavior.
- While other variables are constant, one unit increase in advertising spending of social media result in 0.248 unit increases in consumer buying behavior.

4.6. Hypothesis Test and Discussion of Findings

The study was an objective to investigate effects of social media advertisement on consumer buying behavior in case of current students of school of commerce AAU. To address the objectives, the study used multiple linear regression analysis to determine the statistical relationship between the independent and dependent variables. All the four null hypotheses as stated in chapter two of this study were tested using multiple linear regression models. The summary of hypotheses tests is presented in Table 4.13.

Table 14;-Table 4.13: Summary of hypotheses testing

Hypotheses	Beta	t-statistics	Sig.	Decision
H1: Entertainment has a positive and significant effect on consumer buying behavior.	.204	2.233	.027	Accepted
H2: Familiarity has a positive and significant effect on consumer buying behavior	.633	6.786	.000	Accepted
H3: Social imaging has a positive and significant effect on consumer buying behavior.	.314	4.735	.000	Accepted
H4: Advertising budget has a positive and significant effect on consumer buying behavior.	.248	2.731	.007	Accepted

Source: (Own Survey, 2024)

Hypothesis 1: Entertainment has a positive and significant effect on consumer buying behavior

The t-statistics for entertainment are 2.233, which was significant at 0.027 and has a positive beta coefficient ($\beta=.204$), as shown in Table 4.12. Therefore, the formulated hypothesis is accepted. This indicates that the entertainment value of social media marketing campaigns significantly

influences consumer purchasing decisions. This result is consistent with that of Akhter et al. (2011), who discovered that a social media advertising campaign's entertainment value significantly influences consumers' intentions to make purchases. Perumal (2018) discovered that the entertainment component of social media advertising campaigns has a noteworthy impact on customer purchasing behavior. Yoon (2009) discovered, however, that in the context of the Chinese fast fashion business, consumer purchase intention is not much impacted by the entertainment value of social media advertising campaigns.

Hypothesis 2: Familiarity has a positive and significant effect on consumer buying behavior

Accepted the hypothesis since, as Table 4.12 demonstrates, the familiarity t-statistic is 6.786, significant at 0.00, and has a positive beta coefficient ($\beta=.633$); so approved the hypothesis. This indicates that customer purchasing behavior is significantly & favorably impacted by social media advertising campaign familiarity. This result is consistent with that of others who discovered that familiarity has a favorable impact on goods or services. Customers might experience warmth and familiarity when they interact with a well-known brand or service. The consumer perceives the brand as credible because of their familiarity with it. Prior research (Ertemel & Ammoura, 2016; Kostov, 2020; Jade & Jacinto, 2021) has discovered that customers' perceptions of brands shift psychologically.

Hypothesis 3: Social imaging has a positive and significant effect on consumer buying behavior

Accepted the hypothesis since, as Table 4.13 demonstrates, the social imaging t-statistic is 4.735, which is significant, and has a positive beta value ($\beta=.314$). This indicates that social media advertising efforts that take into account social image elements influence customer purchasing behavior in a major & favorable way. This result is in line with multiple studies conducted in different national situations. Wu (2011) discovered that social media advertising campaigns that use social image elements have an impact on customer purchasing behavior in China, both directly and indirectly. Social media advertising efforts that take into account social imaging characteristics not only improved customer loyalty by raising perceived service quality, but they

also directly increased customer buy intention and boosted re-visit intention. In a similar vein, Dudung et al. (2015) discovered that brand image creation influenced consumer purchasing habits in the Indonesian environment.

Hypothesis 4: Advertising budget has a positive and significant effect on consumer buying behavior

Accepted the hypothesis since, as Table 4.15 demonstrates, the advertising budget's t-statistics are 2.731, which is significant and have a positive beta coefficient ($\beta=.248$). This indicates that customer purchasing behavior is significantly & favorably impacted by advertising spending. This outcome is consistent with several research that have been carried out in various national contexts. Muhammad et al. (2020) reported that consumer purchasing behavior for bank products was highly influenced by advertising spending in the Indonesian environment. Spending on advertisements also influences how consumers see products, leading to a rise in rationality and sound purchasing decisions. In a similar vein, Adhi (2018) discovered that, in the Indian context, spending on advertisements had a favorable and noteworthy effect in moderating the impact of service quality on customer purchasing decisions. Patawayati et al. (2013) discovered, however, that the spending on social media advertisements had no discernible impact on the purchasing habits of consumers for fast-moving goods in Southeast Sulawesi, Indonesia.

CHAPTER FIVE

5. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.1. Summary of Findings

The purpose of the study was to look into how social media advertisements affected the purchasing decisions of current AAU, School of Commerce students. In order to address the objective, literatures on social media advertisement dimensions that can affect customer purchase intention were reviewed and four factors (entertainment, familiarity, social imaging and advertisement spending) were identified based on the review and then the survey questionnaire was prepared accordingly. This is where the main findings were summarized.

- ➔ According to the survey, students at the school of commerce who were evaluated for this study had a modest level of interest in buying goods and services advertised on social media. The findings indicate that most respondents had moderate levels of buying behavior, with a grand mean score of 2.94 and a standard deviation of 0.68 for respondents' perceptions of their level of buying behavior. The overall outcome demonstrated a moderate degree of buy intention in the social media advertising effort.
- ➔ Furthermore, the study's results showed that consumer purchasing behavior and the four constructs—entertainment, familiarity, social imaging, and advertisement spending—have a positive association. With a Correlation Coefficient of 0.732, familiarity and consumer purchasing behavior were found to have the highest relationship, while entertainment and consumer purchasing behavior showed the lowest relationship ($r = 0.617$).
- ➔ The result of regression also indicates that all four predictor variables have statistically significant effect on consumer buying behavior. The four independent variables entertainment, familiarity, social imaging and advertisement spending that were studied explain 64.3% of variation in consumer buying behavior as represented by the R^2 value. This mean that all the independent variables, namely: entertainment, familiarity, social imaging and advertisement spending, considered were relevant in explaining consumer buying behavior, and hence all formulated hypotheses were accepted.

5.2. Conclusion

Overall, it can be concluded that social media advertising has a positive influence on consumer buying behavior. All social media advertising dimensions examined in this study, namely: entertainment, familiarity, social imaging and advertisement spending are significantly affecting consumer buying behavior. The improvements of these factors have a higher potential of improving customers intension to products and services. Social media advertisements can influence consumer perception in various ways. Therefore, the enhancement of entertainment, familiarity with social media advertising, use of social media advertising campaigns that incorporate social imaging factors, and increased spending on social media advertisements are all becoming increasingly crucial tools for increasing the intention of customers to purchase products and services.

5.3. Recommendation

Based on the findings and conclusions of the study, the researcher provides the following recommendations for enhancing customers intension to buy products and services.

- ➔ According to the study's findings, understanding social media advertising is one of the most important variables in influencing consumers' purchasing decisions. Therefore, by using consistent branding—including logos, color schemes, and visual elements—across all marketing channels—including social media, email marketing, and advertising—marketers may increase consumer familiarity with social media advertising. An additional effective strategy for fostering a feeling of familiarity is messaging repetition. Marketers should also make sure that social media advertising enables them to provide interesting and customized content that appeals to target audiences and influences their purchasing decisions. According to the survey, companies may increase their target audience's familiarity with social media advertising by repeating their messaging across several platforms and producing individualized, consistent content that speaks to them.
- ➔ Social imaging is the second most important factor to boost consumer buying behavior. In order to influence customer purchasing behavior, the study advises marketers to include social imaging elements in social media advertising. In order to enhance consumer purchasing behavior and integrate social imaging elements into social media advertising, companies should use eye-catching material to draw in and keep their target audience.

High-quality pictures, movies, and graphics that complement the brand's values and messaging can be included in this. Furthermore, User Generated Content (UGC) has the potential to be a very effective instrument for enhancing customer purchasing behavior and social imaging. To foster a sense of community and authenticity, businesses can leverage user-generated content (UGC) in their social media advertising by encouraging customers to share their experiences with the brand. In order to successfully integrate social imaging elements into social media advertising, the study advises organizations to work with social media influencers. Influencers on social media have a big power to change how customers think and behave. Influencers that have the same values and messaging as the brand can help businesses build social media images and increase consumer purchasing behavior. The report also suggests that companies employ consistent branding throughout social media and other marketing channels to foster familiarity with customers and enhance their purchasing decisions. Companies can establish a unified brand by using standardized logos, color palettes, and visual components.

- Advertisement spendings is another essential factor to enhance consumer buying behavior. An effective marketing communication technique for vendors is advertising, which draws customers to the goods and services offered by the businesses. At this point, advertising was essential in bringing potential customers' attention to the company's offerings. The report advises marketers to increase their budgets for social media advertisements and to advertise their goods and services across a variety of social media channels. In order to optimize social media advertising expenditure and increase customer purchasing patterns, companies had to set aside a monthly budget for sponsored content. Sales and exposure can be increased by allocating a monthly budget for sponsored posts or product advertisements. This makes it possible for companies to use sponsored advertising to connect with their target market and increase customer interaction. Businesses can boost their organic reach and customer interaction by using free strategies like adding relevant and trending hashtags to their posts, in addition to paid advertising.
- Entertainment of social media advertising is another essential factor to enhance consumer buying behavior. Therefore, businesses should use intriguing and engaging content and

make interesting and engaging ads, as these are more likely to be remembered and contribute to greater advertising effectiveness, to boost the entertainment value of social media advertising and promote consumer buying behavior. Additionally, social media marketers can use comedy and imaginative storytelling to increase the entertainment value of their social media advertising. These days, the majority of advertisements have consumer-entertaining content, like comedy and imaginative narratives. Companies can use these components to add additional entertainment value and engagement to their advertisements. Additionally, businesses should use visually appealing content—such as excellent photos, videos, and graphics—to capture the attention of the audience in order to increase the entertainment value of social media advertising and influence customer buying behavior.

5.4. Area Further Research

Even though this study offers some important new information about how social media advertisements affect consumers' purchasing decisions in the context of current commerce school students, there is still opportunity to expand on the findings and develop a more thorough understanding. It is advised that a comparable study be carried out in the future with a larger sample size at different institutions across nations. Furthermore, given the possible influence of social media influencers on consumer behavior, a follow-up study can evaluate the impact of student influencers in the commerce school on the purchasing decisions of their peers. This is crucial in order to extrapolate results. Both qualitative and quantitative methodologies can be used with future research devices. The data for this study were found using the Likert scale. Consequently, the researcher recommends include a few open-ended questions or conducting an interview to fully explain and characterize the respondents' points of view on the subjects. Future research should also look at the particular social media sites that have the greatest influence on certain demographics, the kinds of content that appeal to them, and how other aspects of social media advertisement affect their purchasing decisions.

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Appendix I: Research Questionnaire

Please your assistance in completing the questionnaire attached for study entitled: “**Effect of social media advertising on customer buying behavior in case of Addis Ababa University School of commerce current students**” will be highly appreciated. This questionnaire is required to assist in determining the objectives of the study. Any information provided will be used for academic purpose only and will be treated in strict confidence. Just put a tick (√) or cross mark (x) in the appropriate box as you deem fit. Thank you for agreeing to participate in this academic study.

General Instruction: - Circle your response or indicate "√" in the box beneath for closed-ended questions among the provided alternatives. You don't need to write your name.

Section A: Demographic Profile of Respondent

Instruction: Circle your response against any response that applies to you.

1.	Sex:	Male <input type="checkbox"/>	
		Female <input type="checkbox"/>	
2.	Age:	18-25 years <input type="checkbox"/>	41-55 years <input type="checkbox"/>
		26-40 years <input type="checkbox"/>	over 55 years <input type="checkbox"/>
3.	Education level	First Degree <input type="checkbox"/>	PHD <input type="checkbox"/>
		Master Degree <input type="checkbox"/>	
4.	Which social media channel for do you use?	Face Book <input type="checkbox"/>	
		Telegram <input type="checkbox"/>	
		TikTok <input type="checkbox"/>	
		YouTube <input type="checkbox"/>	
		Instagram <input type="checkbox"/>	
		WhatsApp <input type="checkbox"/>	
		LinkedIn <input type="checkbox"/>	
		Twitter <input type="checkbox"/>	
		Other:	

Section II: Logistic Services

This part of the questionnaire measuring entertainment, familiarity, social imaging, and advertisement spending on social media. Evaluate to what extent each statement fits the culture of your organization. Use the following rating scale, and put “√” mark for each rating. **1: Strongly Disagree, 2: Disagree, 3: Neutral, 4: Agree and 5: Strongly Agree**

S.N.	Items	5	4	3	2	1
		(SA)	(A)	(N)	(D)	(SD)
I.	Entertainment					
1	I found the social media ad to be engaging					
2	The social media ad was enjoyable to watch/read.					
3	The social media ad captured my attention effectively.					
4	The content of social media ad I viewed was entertaining.					
5	The social media ads are interesting and engaging.					
II.	Familiarity					
1.	I am familiar with the brand/product featured in the social media ad.					
2.	The social media ad reinforced my familiarity with the brand/product					
3.	I have a history of purchasing the brand/product via social media ad.					
4.	I am comfortable with the social media ad.					
5.	I use social media as the primary source of information when looking for products or services.					
III	Social Imaging					
1.	The social media ad presented the brand/product in an appealing way.					
2.	The social media ad portrayed the brand/product positively.					
3.	The social media ad enhanced the image of the brand/product.					
4	The social media ad influenced my perception of the brand/product					
5.	The brand's social media posts are in line with its desired image and messaging.					

5.	The brand's social media posts are in line with its desired image and messaging.					
6.	The brand's social media efforts contribute to a favorable public perception.					
Advertisement Spending						
1	The social media ad appeared to be well-funded.					
2.	The production quality of the social media ad was high.					
3.	The social media ad seemed to have a significant budget behind it.					
4.	The social media ad conveyed a sense of investment in the brand/product					

SECTION C: Consumers Buying Behavior

This part of the questionnaire measuring Consumers Buying Behavior. Evaluate to what extent each statement fits the culture of your organization. Use the following rating scale, and put “V” mark for each rating. **1: Strongly Disagree, 2: Disagree, 3: Neutral, 4: Agree and 5: Strongly Agree**

S.N.	Items	5	4	3	2	1
		(SA)	(A)	(N)	(D)	(SD)
1	I am likely to make a purchase based on social media ads					
2	Social media ads have influenced my purchasing decisions in the past.					
3	I have made a purchase as a result of seeing the ad on social media					
4	The information provided in social media ads has led me to make a purchase.					
5	I am more likely to buy a product if I see it advertised on social media.					
6	Social media ads have increased my interest in purchasing the featured product or service.					
7	I change my mind sometimes about a purchase after checking reviews about a product or service on social media					
8	I have been satisfied with a product or service after making a purchase on social media.					