



Addis Ababa University
College of Business and Economics
School of Commerce

Department of Marketing Management
Graduate Studies Program

**The Impact of Advertising on Purchase Intention: Evidence from
the National oil Company in Ethiopia**

By
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**The Impact of Advertising on Purchase Intention: Evidence from
The National oil Company in Ethiopia**

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Approval Sheet

Department of Marketing Management

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Declaration

I, Rahel Wondimu, declare that this research paper entitled “The impact of Advertising on Purchase Intention: Evidence from the National oil Company in Ethiopia” is a work of my own and all references utilized for this study have been accredited. I have formed it on my own with the exception of the assistance and suggestions of my advisor.

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Rahel Wondimu

The Researcher

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ACRONYM

AAF: Advertising Appeal Factor

ACF: Advertising Channel Factor

AIDA: Awareness Desire Interest Attention

AMA: American Marketing Association

AMF: Advertising Message Factor

ANOVA: Analysis of Variance

ASF: Advertising Source Factor

E.C: Ethiopian Calendar

SPSS: Statistical Package for Social Science

PI: Purchase Intention

POP: Point of Purchase

VIF: Variance Inflation Factor

ABSTRACT

Advertising is the most effective marketing tool in the modern era as it is believed to positively influence the buying behavior of consumers. The study of consumer intention became a concern of marketers, as they may learn how consumers choose their Goods and services required to meet multiple needs, which are the factors that are influencing their choice. The main aim of this research was to analyze the impact of Advertisement factors on Purchase Intention in case of the National oil Company in Ethiopia using convenience sampling method. The study tried to answer the effect of selected advertisement factors such as source factors, message factors and channel factors on the consumer purchase intention on the national oil company in Addis Ababa, Descriptive and explanatory research designs were used through questionnaires that were distributed to 384 consumers in Addis Ababa. Statistical Package for Social Sciences was used for Descriptive statistics and multiple regression analysis. Factors such as source factors, message factors and channel factors on consumers buying intention all have a positive and significant correlation with the consumer purchase intention of national oil company of Ethiopia in the study population. It is recommended that due attention to all the factors when taking action to influence more consumers but more attention should be given to the message and channel factors and marketing managers of the company need to give more focus to all the factors that affects significantly the purchase intention in the study population.

Key words: advertisement characteristics, Advertising, Consumer, Purchase intention, consumers buying behavior, message factors, source factors, and channel factors

CHAPTER ONE

INTRODUCTION

This chapter covers the study's background, the organization's background, the problem statement, the research question, the research objectives, the study's relevance, the scope of delimitation, the definition of important terminology, and the study's organization.

1.1 Background of the Study

Advertising is the most effective marketing tool in the modern era as it is believed to positively influence the Purchase Intention. The study of purchase intention became a concern of marketers, as they may learn how consumers choose their goods and services required to meet multiple needs, which are the factors that are influencing their choice. The increasing complexity of economic life, has led to the necessity of knowledge of human economic behavior mechanism which is becoming larger and more complicated, requiring separate study of the two intrinsic components: human behavior as a producer of goods and services and the consumer's purchase intention mentioned that it is the foremost marketing strategies. (Ad juggler 2008, Dinu, G. and Dinu, L. 2012)

Advertising had been a subject discussed over centuries ago, but prior to the 20th Century, this subject was not as important as it seems now. The reason been that, in the 19th century, economist was busy trying to develop the theory of perfect competitive markets, this theory assumed that, there was perfect information in the market and that, consumers had fixed preference for their products which were homogenous in nature. Through advertising all marketers communicate with their target markets. however, the approach of the information and communication enclosed in the advertising to attract the attention of the consumers is not well positioned on their products or services to have an influence on Purchase intention (Mittal, & Pachauri, 2013).

Advertisement has great importance, since it is one of the key media strategies used by different businesses to engage with the target audience and clients of their company. Advertisements for a product or a service are operated with the intention of generating awareness among target audiences, as this is the focus of marketers. Out of the total cost of a product, 34 per cent is

attributed to advertising expenses. This is important because through advertisements, marketers aim to achieve high top of the mind recall (Singh, 2012). Hence, advertisements are a critical part of the marketing strategy, especially in business-to-consumer contexts.

The ultimate objective of any company is how to persuade its target audience to purchase its products. In this era of modern technology, customers' attraction and needs satisfaction is much more complicated than producing the product or services (Sharma, 2016). Due to mass production and presence of different brands in the market, redirecting a consumer to make choice about particular product imposes difficulties and challenges among competing companies in the present time (Ahsan, Shahadat, & Thomas, 2015). Consequently, having knowledge about consumer intention is very important to marketer as they will know much about how consumer make choice on goods/services and factors that affect his choice (Dinu & Dinu, 2012).

Advertising is a communication form which is paid for and impersonal, and is among the ways companies communicate to consumers about their products since it can be used to communicate such messages to masses (McDaniel and Hair, 2012). In the same way, Perreault, et al. (2010) affirmed that advertising is a paid, impersonal way of communication used to pass product qualities to consumers. Advertising is included in media such as television, radio, newspapers, signs and magazines. Pride and Ferrell (2010) added that advertising has a number of benefits and reaches a huge number of people, which makes it cost efficient. Advertisements are repeated often, which works well for the popularity and remembrance of brands or products.

The choice of brands by consumers is influenced by advertising (Latif and Abideen, 2011). Furthermore, (Akhtar, et al., 2013) supports advertising as having an influence on the behavior of consumers, this being achieved by consolidating their brand memories. The formation of brands preference rests so much on advertising that varies, nevertheless, with some methods being eye-catching and complements positively to consumer brand preferences (Moorthy and Madevan, 2014).

Purchase intention comes to mind as when a person makes an attempt such as a well-effort arrangement to buy a product (Spears and Singh, 2004). As per Vineyard (2014), when a person starts looking for products that's when the purchase process begins which in return prompt buying. According to Wei and Yu (2012), a high level of purchase intention results in buying high

involvement products. The product level of involvement and consumer interest in the product is connected such that higher interest in the product will lead to high level of product involvement. According to Zdravkovic (2013), high involvement products are considered expensive and purchase risk is high, so the purchase decision process requires more time and effort. The level of involvement impact on the purchase decision process was explored by different researchers and they stated that the purchase decision process is affected more in the presence of high involvement products because the purchase decision has some risk and requires having some information related to the product (Kotler et al., 2008).

Consumer behavior analysis helps to determine the direction that a consumer's behavior is likely to take and to give preferred trends in product development, attributes of the alternative communication method. (Ramzan Sama 2019, Abdul Ghafoor Awan (2016). The parameters for judging advertising have witnessed a sharp change in Ethiopia and the quality and performance of advertising agencies in our country have also improved. Gradually, advertising has been maturing itself as profession in the country. This has influenced significantly the psychology, sociology and economics of the advertiser, the agency and the media. (Rahmi Kharti 2013). Taking into consideration of this back ground this paper was aimed at exploring the impact of advertising on consumer intention in case of National oil company of Ethiopia.

National Oil Ethiopia (NOC) Plc is the first indigenous major oil marketer of petroleum products with a wide network of modern service stations strategically located across the country. The company focus and continuously strive to improve its product and service offerings and expand our business operations in Ethiopia and other Countries in Africa. Established in April 2004, National Oil Ethiopia Plc (NOC) is registering a sterling growth in the marketing of petroleum products in the Country. Its extraordinary achievements through all the years are testimonies of its passion and commitment in what the company do and demonstrates that the company is gaining momentum for further growth. NOC markets one of the world's leading lubricant brand Chevron-Caltex Lubricants, and maintains a major market share in Ethiopia's Oil Industry with the supply of over 100 different lubricant grades of Industrial and Automotive applications. In addition, NOC markets other Petroleum products such as Bitumen, LPG, Petcock and Chemicals.

1.2 Statement of the Problem

Marketers invest in various media platforms to influence consumer purchase intention. Digitalization has led to changes in consumers' media habits. Hence, a deeper understanding of advertisements on different media platforms and its implications on consumer buying intention need to be established. The ultimate objective of any company is how to persuade its target audience to purchase its products

Nowadays, companies use different media such as print and television media to send their message to prospective consumers so that it has turn out to be the most critical money-making activities that companies allot big budget hoping that consumers will acquire their products as a result of the ads, that convey messages through different channel. (Nirmala & Pais, 2016). scholars like McDaniel et al. (1998) confirmed that advertising for purchase is the greatest prophet that donating to growth and alterations in broadcasting forms.

Among other forms, Advertising medias are valuable for the demonstration of a product's/ services image and also act as announcements for the product positioning. Credible communication in this case, to every consumer via institutions and a thorough assessment of marketing and promotional activities acting the most vital role in advertising medias. (Arens 1996).

Advertising has been a subject for debate either on one pretext or another for decades at the beginning of the 19th century. The researcher was considering petroleum and related products because believing that it satisfies the conditions of commodities on which it is effective to advertise and there are a lot of petroleum products which are differentiated but serve the same purpose. (Ramzan Sama (2019), Abdul Ghafoor Awan 2016)

For decades, Oil Marketing Companies (OMCs) operating in the downstream segment (distributing white petroleum products to service stations and commercial customers), have focused on product and cost. They have packaged their selling messages with ways of improving customers' fuel consumption while optimizing supply, internal operations and go to market models to drive cost efficiency. Unfortunately, what differentiated OMCs in years past like an exclusive product or slightly better price for example, may no longer be enough to influence commercial

customers brand choice (Deloitte, 2018). Many Oil Marketing Companies and Corporation are finding it increasingly challenging to compete solely on a product and price basis (Deloitte, 2018).

The parameters for judging advertising have witnessed a sharp change in Ethiopia and the quality and performance of advertising agencies in our country have also improved. Gradually, advertising has been maturing itself as a profession in the country. Scholars also suggested that greater emphasis needs to be placed on the gap between the message transmitted and the message actually received when considering advertising as a means of communication in which different factors such as source factors, message and channel factors affects the consumer intention in petroleum products and oil industry.

Unfortunately, there are very few studies in Ethiopia focusing on the impact of advertising on customer intention in the petroleum and oil industry in Ethiopia in general and National oil company of Ethiopia in particular. Most of studies in Ethiopia focused on the effect of advertising on Consumers' Buying Preference in the techno mobile (Hiwot Workneh 2018), purchase intention in food products (Chala Fekadu2018), Passenger Airline Preference (Fitsum Mekonnen 2018), Beer Advertising on Purchase Intention (Maneyazewal D 2018)

Researchers examined and studied different aspects of advertising and its effect on consumers buying purchase intention. Yet, there are some substantial inconsistencies among their aforementioned result as numerous scholars have examined in their own circumstantial developments. there is no abundant complete works available who have put up entirely altogether and have investigates the relationship of all these variables with its effect in of consumer Buying intention in the in-petroleum products and oil industries in Ethiopia. (Hiwot Workneh 2018, Chala Fekadu2018) Understanding of variables such as whether the source factors, message factors and channel factors by the target customers would be able to help further understanding and thereby how these variables affect the consumers' purchase intention.

Hence, in addition to addressing this knowledge gap the findings of the study will point out potential areas that the company need to put more efforts when providing their promotional and ads activities.

This study, therefore, is motivated to assess the impact of advertising in the consumer buying intention in case of National oil company in Addis Ababa specifically the study focused on how the source, the message, and the channel factors of the communication processing of the source, the message, and the channel factors influences the consumers intention of petroleum and complementary products in National Oil company of Ethiopia.

1.3 Research Questions

The main research question was what is the impact of advertising on customer purchase intentions in the case of National oil company of Ethiopia PLC?

More importantly, the study attempted the following specific research questions are formulated.

- I. To what extent do the source factors influence consumers' purchase intention in the case of National Oil Company of Ethiopia PLC?
- II. Do the message factors influence consumers' purchase in the case of National Oil Company of Ethiopia PLC?
- III. To what extent do the channel factors influence consumers' purchase intention in the case of National oil company Ethiopia PLC?

1.4 Research objectives

1.4.1 General objective

- To evaluate the effect of advertising on customer purchase intentions in National Oil Ethiopia PLC.

1.4.2 Specific objective

- To analyze the effect of source factors on consumers' purchase intention in the case of National oil Ethiopia PLC.
- To examine the effect of message factors on consumers' purchase intention in the case of National oil Ethiopia PLC.
- To see the effect of channel factors on consumers' purchase intention in the case of National oil Ethiopia PLC.

1.5 Significance of the Study

This study describes the effect of advertisement variables that influence the consumers' purchase intention of National oil company products consumers. Understanding of variables such as whether the source factors, message factors and channel factors by the target customers would be able to help further understanding and thereby how these variables affect the consumers' purchase intention.

Hence, in addition to addressing this knowledge gap the findings of the study will point out potential areas that the company need to put more efforts when providing their promotional and ads activities.

More importantly the research would support the promotional and marketing activities to better rearrange its advertising strategies and enhancement of sales. Not the least, the study is expected to add on the area of policy issues on advertisement and consumers' purchase intention.

1.6 Scope and Limitations of the study

There may are many factors of advertisement positively effects on consumers' purchase intention in the study population, this study provide emphasis on effect of source factors, message factors and channel factors on consumers purchase intention in the study population after review of related literature and observed empirical gap in the area.

This study also methodologically delimited to data sources on questionnaire and secondary sources. Moreover, geographically the study was conducted in the capital city of Addis Ababa city owing to its vicinity and more of the consumers were available in the study area. Constraints and inadequate time and financial support were the other limitation.

1.7 Organization of the study

The paper is prepared in five chapters. The introduction is the first chapter comprising background, problem of statement, objective, significance, scope and limitation. The second chapter is about

literature review which is the third chapter followed by the methodology, data presentation and analysis and conclusions and recommendations in chapter four and five respectively.

1.8 Definition of key terms

Advertising: a marketing tactic involving paying for space to promote a product, service, or cause (Kotler, 2012).

Advertisements are messages paid for by those who send them and are intended to inform or influence people who receive them, (Advertising Association of the UK.)

Channel: The method or medium by which communication travels from a source or sender to a receiver (Belch and Belch, 2003).

Marketing communication mix: Advertising, sales promotion, events and experiences, public relations and publicity, direct marketing and personal selling (Kotler, 2012).

Marketing communication: Marketing communications (also known as marcom) is the messages and media that marketers use to communicate with target markets. (Kotler, 2012).

Message: A communication containing information or meaning that a source wants to convey to a receiver (Belch and Belch, 2003).

Promotion: The coordination of all seller-initiated efforts to set up channels of information and persuasion to sell goods and services to promote an idea (Belch and Belch, 2003).

Purchase intention: is the willingness of a customer to buy a certain product or a certain service. (Belch and Belch, 2003).

Source: The sender person, group or organization of the message (Belch and Belch, 2003).

Chapter Two

Review of Literatures

Relevant concepts and theories and empirical reviews about regarding consumers purchasing intention and advertisement and the conceptual framework of the study were presented.

2.1. Theoretical Framework

Psychological theory to the field of advertising was first applied by Scott and Watson. they validated the advertising technique of a direct command to the consumer and of course changed their attention towards advertising there they applied the concepts of behaviorism into advertising that focused on alluring to the basic emotions of the consumer and This type of advertising proved to be extremely effective as it suited the changing social context which led to heavy influence of future advertising strategy and cemented the place of psychology in advertising. (Benjamin and Baker, 2010, Eden Getachew 2018)).

Advertisement Models

Different models of advertisements were are reviewed below.

2.1.1. AIDA Model

The AIDA model, the earliest models, (attention, interest, desire and action,) all of them relevant to the relationship between consumer behavior and advertising.

Attention, it is the stage in which the brand manages to gain the attention of the consumer through the advertisement creating them of their products in the market to reach the mass market using appropriate channels of communication so that creating intention of purchasing of products. This model can be designed under four interrelated stages of communication: (awareness, comprehension, conviction and action). (Aaker and Joachimsthaler, 2000)

Awareness is the first step of hierarchy of AIDA model, in which people get awareness about products. that advertisers familiarize their products, services and information about the usage of products. Awareness is the cognitive stage to attract customers and is the first step of communication process. (Baca et al., 2005)

Creating interest, the second AIDA model is the primacy of advertisers that displays continues buying of a specific product shows consumers’ interest (Ghirvu, 2013) (Baca, 2005). (Rowley, 1998; Broeckelmann, 2010). Companies invest in varied marketing activities to generate consumers’ purchase intention that further explained by a common case of creating interest through advertisement that it represented the mood change (Baca et al., 2005, Broeckelmann, 2010).

The third step of hierarchy of AIDA model is desire that deals with the hope of target customers to buy a product or service/ It is the intense level of wanting a product where they explain the features and benefits of their products that how much value it had. (Richardson, 2013).

The fourth level of hierarchy of AIDA model is action that on the part of a customer is taken which is actually purchasing a product or service. It is at this stage that customers are ready to pay for the products to fulfill their intense desire for a particular product or services. (Rawal, 2013). action is the behavior stage involving actual purchasing that effective advertising creates positive feelings that lead to actual purchase of advertised products. (Ashcroft and Hoey (2001)



Figure 1: Advertisement Model (AIDA/DAGMAR) (Colley and RusselH 1984)

2.1.2. Foote, Cone and Belding (FCB) Model

FCB denoted for Foote, Cone and Belding is a strategy matrix, saying that advertising works differently depending on the product involved. It permits promoters to choose the communication method based on the type of product or service they are advertising, and the attitudes that consumers are likely to have towards the product. The purpose of strategy planning is to identify

the information, emotion or action leverage for a particular product, build the appropriate advertising model and then and there execute it. Consumers in this case could need one, but not both; and sometimes a purchase may occur with little or no information and emotion.

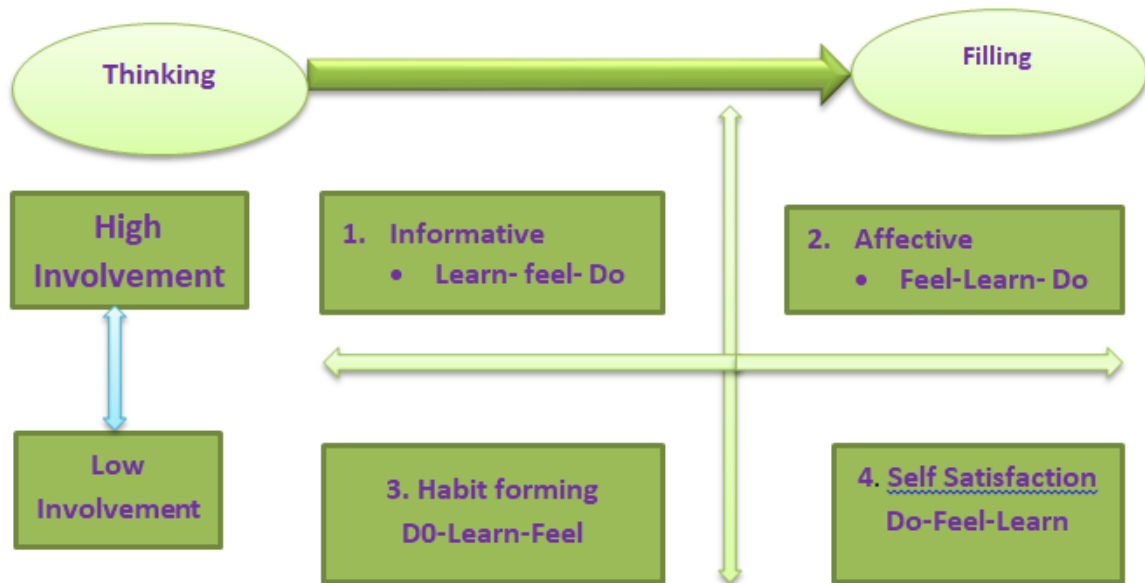


Figure 2: Advertisement Model (FCB) (Source: Richard Vaughn 1980)

The advertising strategy in this matrix splits into two attributes based on thinking versus feeling and low involvement versus high involvement suggests there are purchase intention where thinking is most involved and others were feeling dominated; there are situations that require more involvement and those that require less. For the reason that it accommodates different types of the learn-feel-do succession and proposes different advertising strategies for each of the four quadrants the FCB model is powerful.

Theory of Reasoned Action

Attitude towards behavior is one of the important predictors of behavioral intention in the theory of reasoned action. According to this theory attitude is defined as an internal evaluation of an object such as branded product established that consumer attitude towards the advertisement affects consumer exposure, attention and reaction to the individual advertisement through a variety of cognitive and affective processes. In Consumer intention research, attitude towards the

advertisement, the brand and purchase intention are commonly used to constructs for predicting the effectiveness of marketing communications on different media (Trivedi, 2017, Ajzen and Fishbein (1980) Lutz (1985)

2.1.3. DAGMAR Model

Russell Colley created DAGMAR when he prepared a report for the Association of National Advertisers. This report was entitled (Defining Advertising Goals for Measured Advertising Results), shortened down to DAGMAR, and thereof the name, Belch & Belch, (1995) and was later in 1969 published as a book with the same title Mackay, (2005). DAGMAR was created to encourage measurable objectives for each stage of the communication Smith & Taylor, (2002) and does not deal purely with the message Mackay, (2005). DAGMAR focuses on the levels of understanding that a customer must have for the organization and on how to measure the results of an advertising campaign Belch & Belch, (1995).

The main conclusions on the DAGMAR theory were expressed in the following quotation: “All commercial communications that weigh on the ultimate objective of a sale must carry a prospect through four levels of understanding:

1. The prospect must first be aware of the existence of a brand or organization
2. He must have a comprehension of what the product is and what it will do for him
3. He must arrive at a mental suspicion or conviction to buy the product
4. Finally he must stir himself to action.” Mackay, (2005, p.25-26) The communication has to be specific and measurable, and is therefore based on a hierarchical model containing the four stages set out above in the quotation Mackay, (2005).

The DAGMAR approach has had a huge influence on the how to set objectives in the advertising planning process and many planners use this model as their base. However, just as the other approaches within advertising, DAGMAR has been met with critique. One of the major criticisms towards DAGMAR is on its reliance on the “hierarchy-of-effects theory”, just as with AIDA.

Customers do not always pass through the stages in a linear way. Another criticism made towards the DAGMAR approach is that it focuses too much on strategies. Many creative people within advertising are looking for the great unique idea that can result in a successful campaign and feels that the DAGMAR approach is too concerned with quantitative measurements on the campaign Belch & Belch, (1995).

2.1.4. Lavidge & Steiners Hierarchy-of-effects model

This model was published during the same period as DAGMAR. The model was named the hierarchy-of-effects model which is the same name as some authors used on the foundation theory, and will therefore go under the name, Lavidge & Steiners Hierarchy-of-effects model in this study. According to this model customers do not switch from being completely uninterested to become convinced to buy the product in one step. Lavidge and Steiners Hierarchy-of-effects model is created to show the process, or steps, that an advertiser assumes that customers pass through in the actual purchase process Barry & Howard, (1990). The model is based on seven steps, which as with the other models must be completed in a linear way. The big difference between this model and the others is not only the steps, but also the view on how to pass them. Lavidge and Steiner, (1961) write that the steps have to be completed in a linear way, but “a potential purchaser sometimes may move up several steps simultaneously” Lavidge & Steiner, (1961, p. 60) which is supported by Munoz (2002) who writes that normally ultimate customers do not switch directly from being interested to become convinced buyers. Lavidge and Steiner identify the seven steps in the following order:

1. close to purchasing, but still a long way from the cash register, is those who are merely aware of its existence.
2. Up a step are prospects who know what the product has to offer.
3. Still closer to purchasing are those who have favorable attitudes toward the product those who like the product.

4. Those whose favorable attitudes have developed to the point of preference over all other possibilities are up still another step.

5. Even closer to purchasing are customers who couple preference with a desire to buy and the conviction that the purchase would be wise. 6. Finally, of course, is the step which translates this attitude into actual purchase. Lavidge & Steiner, (1961, p. 59)

Lavidge and Steiner (1961) also wrote, in their article, that they are fully aware of the impulsive purchases that customers can make, but they mean that for higher economical goods these steps are essential for the advertiser to include. This model also has as a premise that advertising occurs over a period of time, and may not lead to immediate response and purchase. It is rather a series of effects that has to occur, with each step fulfilled on the way towards the next stage Lavidge & Steiner, (1961) Behind this model is according to Belch & Belch, (1998) the premise that “advertising effects occur over time and advertising communication may not lead to immediate behavioral response or purchase, but rather, consumers must fulfill each step before (s)he can move to the next stage in the hierarchy” Belch and Belch, (1998, p. 146).

As with the former models discussed, this model has also been criticized. The criticism on Lavidge & Steiners model is very similar to the one made on DAGMAR and AIDA. There is still no evidence on the fact that awareness of a products leads to purchase, and the steps are still unclear. Criticism has also been made on each individual step in the model. Critics do not think that the model explains how the customers will go from one step to another and to point out the steps without explaining them further is not seen as enough Palda, (1966).

2.2 Empirical Review

2.2.1 Advertisement Media

Morden (1991) embraces that the Four types of medias for advertisement namely print (consists of Newspapers, Magazines, Journals, Handbills etc. Electronic or broadcast (consists of Radio, Television, Motion Pictures, Video and Internet.; outdoor and others media advertising. Based on their relevance to the study, few of them will be reviewed in this research.

Advertisement Media and Consumers Buying Behavior

Studies conducted in Pakistan on 150 respondents on the impact of consumer perception and advertisement on consumer buying behavior found out that advertisement had strong positive impact on consumer buying behavior that showed an important role in improving consumer buying behavior. In a Similar study Niazi (2011) revealed that there is huge relationship between advertisement and consumer buying behavior on environmental response and consumer buying behaviors. (Muhammad 2014, Niazi 2011)

Television AD and Consumers Buying Behavior

Study conducted by Katke (2007) on the impact of television advertising on child health and family spending showed that violent behavior of children was reported that advertisements change the direct habit of them that manifested by a stress on the parents and hits the family budget, time spent and adverse effect on children and family.

Other study that focused on the background of the consumer and TV advertising influences the buying behavior on teenagers from both the genders from on urban /rural age, education, annual income as factors, revealed that rural teenagers prefer advertisements than their urban people. the urban teenagers watch the advertisements of the products they believe are useful and good. Advertisements influence on male purchase behavior than female consumers. (Bishnoil and Sharma (2009)

Studied done on the effect and influence of TV commercials over illiterate and literate people of Pakistan also showed that illiterate spend more time of Television commercials than literate and likes in contents was 70% of literates prefer content and 68% of illiterates likes content in TV commercials. and illiterates are behaviorally influenced whereas literates are psychologically influenced. Moreover, illiterates believe in the content and try to buy those products and not all the literates believe in the message conveyed in the advertisements are true so they don't try all products listed in TV indicating that Television advertising is most effective means of communication. (Yousuf ,2014) TV advertising has a lasting impact with the varieties of channels and programs, and they have a lot of choice to select the channel and time to advertise. Arshad

(2014) in other study showed that TV advertising is more persuasive than other advert to convince customer to buy product because it shows and makes perception to consumer.

Newspaper AD and Consumers Buying Behavior

Different studies were conducted on the impact of newspaper advertisement on consumer behavior. These studies found that many advertising in newspapers were informational and they were perfect in convincing consumer to buy products of which. Print media is a very commonly used media of advertising that include newspaper, magazines, journals that commonly called press advertising. that Newspapers are a very common medium of advertising. (Bansal and Gupta 2014, Stone 1982)., of course the advantages of newspaper stem from having wide circulation and a single advertisement and cost in the newspaper can quickly reach to a large number of people.

Radio AD and Consumers Buying Behavior

Hubbard, 1978 suggested that the Central Place theory advocates those products with higher price and lower buying frequency influence positively the perception of consumer on the promotional communication of stores delivered through the radio programs and outdoor advertising as the perception of radio as an intimate medium of communication during the non-availability of visual media profoundly affects the way people consider listening to radio programs including commercials, perform information analysis, and make applied decisions. (Sauls and Greer, 2007).

Verhoef, (2000) confirmed that radio advertisements sway listeners on all days of the week and at the time of work so that the positioning of advertisements on radio is precise and well-targeted to consumer segments which drive higher response among listeners. irrespective of gender and age It was observed that short-term effect of radio advertisement towards store level promotions and store choice is significant, though choice is mainly driven by loyalty. (Van Guijel, 2008).

2.2.2 Types of purchasing behavior

The consumer decision differs depending on the type of purchase decision made:

Complex purchasing behavior

Consumers exhibit such behavior when they are deeply involved in the buying process and aware of the significant differences between brands. Consumers are deeply involved in the purchase process when the product is expensive, not commonly used, and presents risks.

Common buying behavior

When there are no significant differences between brands, the buyer is less involved in the buying process. A good example in this respect would be that of "premium" gasoline. This is bought based on a habit and not due to some loyalty to the brand. It is known that consumers are less involved in the purchasing process when products are cheaper and bought on a common basis. Therefore, in such cases, the consumer's behavior does not follow the natural "trajectory": Belief-attitude-behavior. That is, the consumer does not try to get information in relation to a specific brand, does not evaluate its characteristics, and does not seek to find out the consequences of its decision. The marketer calls for price and sales promotion to stimulate product testing by consumers, knowing that consumers are not very loyal to a particular brand. (Liliana Doina Măgdoiu et al (2020)

Some buying situations are characterized by a low level of involvement on the part of consumers and by frequent changes in customers' preference for specific brands, in conditions when there are significant differences between the brands. A relevant example in this respect would be that of bottled engine oils. The consumer chooses an oil brand without an analysis of its characteristics, taking into account only the time period in which the use of that type of oil is guaranteed. At the next exchange of the oil, the consumer can choose another brand. The transition from one brand to another would not necessarily reflect dissatisfaction with the product that was used previously; instead, it might reflect the preference for variety. (Kotler P (2000)

Therefore, the marketing strategy is different in this case for the market leader and for the minor brands. The market leader will try to encourage the common buying behavior, by taking full advantage of the store's display space, avoiding stock depletion and focusing on advertising aimed at refreshing memory in relation to the product, while competing companies will try to encourage the attitude of searching for variety, offering price reductions, coupons, free samples and focusing on the importance of trying a new product. (Liliana Doina Măgdoiu et al (2020)

Customers will focus on understanding the process of making the decision to purchase petroleum products, complementary products, and LPG cylinders. The Marketing Service will have to find out from consumers when they became aware of the existence of the products that their agent sells, what is their degree of involvement with them, what criteria they take into account when choosing a product, and how satisfied they are with it. Consumers differ in terms of their purchasing behavior. In the case of "premium" petrol, some consumers will spend more time collecting information and making comparisons. Other consumers will probably enter the first distribution station and buy any kind of petrol that will be recommended. (Liliana Doina Măgdoiu et al (2020)

Each of these methods presents a specific image of the consumer during the different stages of the purchasing process. Marketers need to gather this information and identify, for the product in question, one or more typical purchasing processes.

Before actually buying a product, consumers go through five stages, as presented in Fig. 3. It is obvious that the buying process begins well before the actual time of purchase and has effects after the purchase was made. Basically, things can take place in a different way, especially in the case of purchases with minimal involvement. In such cases, buyers may go through specific stages or follow the stages mentioned above in a different order. (Kotler P (2000)

Once the consumer identifies a problem, the buying process begins and then activated by internal or external stimuli. The external stimulus appears when a driver passes by a fuel distribution station or when he/she looks at the fuel level indicator. The marketer must identify the elements that trigger a certain need and, by collecting information from consumers, can identify the most frequent factors that determine consumers' interest for petroleum products, complementary petroleum products, and LPG cylinders, thus being able to develop an appropriate strategy for generating the consumer's interest. (Liliana Doina Măgdoiu et al (2020)

A consumer is interested in petroleum products, complementary petroleum products, or LPG cylinders will intend to find out more information about such products. As part of this stage, two distinct levels may be identified: increased attention (the "premium" gasoline buyer becomes receptive to information about this type of gasoline) and active information (the "premium" gasoline buyer pays close attention to advertisements, comments made by other buyers, etc.).

Figure 3: Steps in buying process



The five stages of the buying process in the case of petroleum products

In the evaluation stage, the buyer sets his preference for a specific brand in the selection set, and then intends to buy the product she/he chose. There are two factors that influence customers in the period between the generation of the purchase intention and the decision to purchase. Fig. 4 shows the factors that act in the evaluation of alternatives when making a decision to buy petroleum products. The first factor that determines the decision to purchase is the attitude of those forming the entourage of the buyer. For example, a colleague might recommend the purchase of unleaded "premium" petrol; the natural consequence will be that the probability of buying normal "premium" petrol will be lower. (Kotler P (2000))

The extent to which a person's attitude may influence the choice made by the buyer depends on two elements: The intensity of the negative attitude of the buyer's colleague towards his/her alternative and the reason that determines the buyer to comply with his/her colleague's recommendation.

The intention to purchase can also be influenced by certain unforeseen situations: The anticipated family income, the price of the product, the expected benefits associated with the product. When the consumer is about to act, a number of unforeseen factors may change his/her intention. For example, the buyer might become annoyed, either because the purchase of a petrol tank would involve spending less money if the product were bought from the competition, or because the purchase of some other product is significantly urgent; in other situations, the opinions of friends, dissatisfied with the product, might hinder the adoption of a decision to buy. (Kotler P (2000))

Therefore, preferences and even the intention to buy are not predictive factors that provide a total guarantee on purchase behavior. A consumer's decision to modify, delay, or avoid making a decision to purchase is largely determined by the risk perceived in association with a product. Marketers need to be aware of this and provide consumers with the information and support they need to reduce their perceived risk.

After buying a product or service, the consumer will show a certain degree of satisfaction or dissatisfaction in relation to the products/services purchased. He/she will also be involved in a series of post-purchase and product use actions, which are of particular interest to the marketer.

2.2.3 Relationship between Consumers purchase intention and Source, message and Channel factors

Source Factor

As it has been known intention to buying begins in the mind. Prabakaran (2012), established that in order to buy the product the crucial task of advertisement is to differentiate the product advertised, customer's attention and attract and impress them to brings customers and venders together. The person involved in communicating a marketing message, either directly or indirectly is the term used to source. A direct source is the one that delivers a message and/or demonstrates a product or service, and an indirect source is the one that doesn't actually deliver a message but draws attention to and/or enhances the appearance of the ad. Some ads use neither a direct nor an indirect source; the source is the organization with the message to communicate. To develop an effective advertising and promotional campaign, a firm must select the right spokesperson to deliver a compelling message through appropriate channels or media. Source, message, and channel factors are controllable elements in the communications model. The persuasion matrix helps marketers see how each controllable element interacts with the consumer's response process. (Manyazewal 2018)

Receiver/comprehension: *Can the receiver comprehend the ad?* To make their messaging clear and accessible, marketers must first understand their target market. A person with less education

may have more difficulty deciphering a complex message. Some recipients may be unfamiliar with jargon. The more information marketers have about their target market, the more words, symbols, and expressions they can identify. (Belch and Belch 2003)

Channel/presentation: Which media will increase presentation? What matters is that they reach the marketer's target audience.

Message/yielding: What kind of communication will elicit positive feelings or attitudes? Marketers strive to produce messages that are pleasant and elicit good attitudes toward the product or service. Consumers are typically placed in a good mood by humorous messaging, which elicit positive sensations that may become associated with the marketed brand. Music evokes emotion in the audience, making them more receptive to the message. Some marketers make comparisons between their brands and those of their competitors. (Belch and Belch 2003)

Source/attention: Who will be most successful in capturing the attention of consumers? Advertisers find it tough to break through the clutter due to the sheer number of commercials we are assaulted with every day. Marketers address this issue by employing sources that will pique the interest of the target audience, such as actors, athletes, or beautiful models.

Credibility of Source: It refers to how much the recipient believes the source has relevant expertise, talent, or experience and that the source will provide unbiased, objective information. Credibility has two fundamental dimensions: expertise and trustworthiness. Because attitudes and beliefs are formed and become part of an individual's belief system through an internalization process, marketers want to hire communicators with a high level of credibility. Because of their experience, knowledge, and competence in a given product or service sector, experts are typically favored. (Kotler and Armstrog, 2012, Mayazewal 2018)

Use of trustworthiness: While expertise is necessary, the target audience must also believe the source. Obtaining celebrities with a trustworthy image can be difficult, therefore promoters employ a variety of ways to overcome the notion that their sources are reliable. When message recipients are opposed to the stance promoted in the communication, a very credible source is more effective. When the audience is neutral, however, a very trustworthy source is less necessary, and such a source may even be less successful than a moderately credible source when the receiver's initial

attitude is favorable. The other factor that promoters consider is source attractiveness, which encompasses resemblance, familiarity, and likability between the source and the message receiver, knowledge of the source through exposure and as a result of, behavior, physical appearance, and other personal characteristics, as well as fondness for the source. (Kotler and Armstrong, 2012, Mayzewel 2018)

Use of similarity: Companies hire salespeople that have traits that are similar to those of their consumers. Foreign nationals are frequently hired as salesmen by global marketers so that clients may relate to them more easily. Similarity is also utilized to elicit empathy from the consumer for the individual depicted in the commercial, with the goal of eliciting the response "I can see myself in that scenario."

Use of Likability: Celebrities have stopping power, and promoters recognize the benefit of exploiting the source to draw attention to advertising messages in a cluttered media environment, and believe that celebrities can improve a product's image and/or performance in the eyes of the target audience.

Source Power: The source power is the final characteristic in Kelman's classification scheme. When a provider can genuinely administer rewards and punishments to the recipient, he or she has power. The source may be able to persuade another person(s) to respond to the request or stance he or she is promoting as a result of this ability. The source must be viewed as having the ability to impose positive or negative punishments on the receiver (perceived control), and the receiver must believe the source is concerned about the receiver's compliance (perceived concern). It's also vital to include the receiver's assessment of the source's capacity to monitor conformity (perceived scrutiny). In an on-personal influence situation like advertising, power as a source attribute is extremely difficult to utilize. Using a person with an authoritative personality as a spokesperson is an indirect means of wielding authority. (Kotler and Armstrong, 2012, Mayzewel 2018)

Order of Presentation: The order in which the arguments are presented is an important element in the construction of a convincing message. Presenting the most powerful arguments at the start of a message requires that a primacy effect is in effect, in which information provided first is most effective. The use of strong points at the conclusion assumes a recency effect, in which the most compelling arguments are those delivered last. When presenting a long, thorough message with

numerous points, the order in which they are given can be crucial. Strong selling points open and end most effective sales presentations, whereas weaker arguments are buried in the middle. The order may be less important for short communications, such as a 15- or 30-second TV or radio commercial. Consumers, on the other hand, receive countless product and service messages with little involvement and interest. To improve remember and retention, an advertiser may wish to include the brand name and key selling points early in the message and then repeat them at the end. (Kotler and Armstrong, 2012, Belch and Belch 2003)

Conclusion Drawing: Marketers must decide if their messages should draw a strong conclusion or leave it up to the audience to form their own judgments. Is the marketer hoping for a quick response or a longer-term effect from the message? If immediate action is the goal, the message should come to a clear conclusion. This is a frequent political advertising tactic. An open-ended message can be employed when instant effect is not the goal and frequent exposure will allow audience members to develop their own conclusions. Many marketers believe that allowing customers to form their own conclusions enhances the message's arguments. (Belch and Belch 2003)

Message Sidedness: Only positive traits or benefits are mentioned in a one-sided message. A two-sided communication has both positive and negative aspects. When the target audience already has a good attitude of the topic, one-sided messages are most effective. When the target audience has a strong opposing viewpoint or is well informed, two-sided messaging are more successful. The source's credibility may be enhanced via two-sided messages. While there are many ways to provide marketing communications, the two main types are personal and non-personal media. The contrasts between personal and non-personal communication channels are numerous. In general, information obtained through personal influence channels is more persuasive than information obtained through the mainstream media. **Difference in Information Processing:** Self-paced print medium allows the message recipient to comprehend a long, complex message at their own leisure. When advertisers want to convey a complex message with a lot of information, they frequently utilize print ads. Broadcast media are better for sending short messages or, in the case of television, conveying pictorial information alongside words. (Belch and Belch 2003)

Effects of Context and Environment: The advertising message can be modified by the context environment in which it is displayed. The influence of the medium on a message is referred to as a qualitative media effect. The image of the media vehicle can have an impact on how people react to the message.

Examining different types of message structures and appeals that can be used to develop a promotional message, as well as how the channel or medium used to deliver a promotional message influences the communication process and the considerations involved in selecting a source or communicator of a promotional message, and examining different types of message structures and appeals that can be used to develop a promotional message. The source factor, the message factor, the appeal factor, and the channel element of advertising were all analyzed in different companies in Ethiopia in order to measure the effect of advertising on consumers' buy intentions. (Kotler and Armstrong, 2012, Manyazewal 2018)

Message Factor

No matter how big the budget, advertising can succeed only if advertisements gain attention and communicate well. Good advertisements are especially important in today's costly and cluttered advertisement environment (Kotler and Armstrong, (2012)). The first step in creating effective advertising message is to plan a message strategy which is the general message that will be communicated to consumers. The purpose of advertising is to get consumers to think about or react to the product or company in a certain way. People will react only if they believe they will benefit from doing so.

Thus, developing an effective message strategy begins with identifying customer benefits that can be used as advertising appeals (Kotler and Armstrong, (2012)). Ideally, the message strategy will follow directly from the company's broader positioning and customer value strategies. Message strategy statements tend to be plain, straight forward outlines of benefits and positioning points that the advertiser wants to stress. The advertiser must next develop a compelling creative concept that will bring the message strategy to life in a distinctive and memorable way. The creative concept will guide the choice of specific appeals to be used in an advertising campaign. Advertising appeal should have three characteristics: Meaningful, believable and distinctive (Kotler and Armstrong, (2012)).

Media Factor

These are the channel through which message can be delivered. Message can be delivered through a variety of ways. According to Kotler and Armstrong (2012), the major steps in advertising media selection are: Determining on reach, frequency, and impact; Choosing among major media types; Selecting specific media vehicle; and Choosing media timing. A. Determining Reach, Frequency, and Impact to select the media, the advertiser must determine the reach and frequency needed to achieve the advertising objectives. Reach is a measure of the percentage of people in the target market who are exposed to the ad campaign during a given period of time. Frequency is a measure how many times the average person in the target market is exposed to the message. The advertiser also must determine the desired media impact - the qualitative value of message exposure through a given medium. Choosing among major media types the major media type is television, newspaper, the internet, direct mail, magazines, radio and outdoor. Advertisers can also choose from a wide array of new digital media such as cell phones and other digital devices, which reach consumers directly. Advertisers want to choose media that will effectively and efficiently present the advertising message to target customers. Thus, they must consider each medium's impact, message effectiveness, and cost. (Manyazewal D 2018, Tigist 2018)

Findings of this studies were found out that the source, the message, appeal and channel of advertising have positive and significant effects on the consumers' purchase intention of up to 70.6% showing that marketing managers of the company need to give more focus and in line for responsiveness since they impact' purchase intention significantly. (Getachew J 2021 Tigist W.2018, Hiwot W 2018, Chala Fekadu 2018, Fitsum M 2018 and Maneyazewal D 2018)

Research showed that advertising is one of the marketing strategies that apply media to promote their product usually through different types of media namely TV, Internet and print as the main aim this research was to explore that whether there is a significant impact on promotion sales and to find out which type of media advertising are the most effective in promotion sales in media advertising, result showed that customers are more prejudiced mainly by online advertising followed by television advertising and print advertising these in returns suggested the significant of implications that support promoters to produce better local ads and offers some explanations to apply media advertising efficiently. (Kiandokht and Mahmoud, (2015)

Aschalew, (2018) was tried to demonstrate the key factors that have an impact on the marketing effectiveness of the real estate companies operating in Addis Ababa. using both quantitative and qualitative research approaches and purposive sampling technique. And thereby conclude that there was a positive and significant effects relationship between those factor and market effectiveness. Similarly, Dereje, (2019) also confirmed that there are positive and significant relationship between factors such as Message, Advertising Media, Source, brand Preference on beer products more often television advertisement have an impact on consumers“ beer brand preference.

Tigist W (2020) on her paper entitled Advertising impacts on consumers Buying Preference in the GM Furniture She tries to explain the link between the channel factor, the message factor, and the third source component in her findings. And she came to the conclusion that the channel element has a substantial link to customer purchasing preferences. The message component is the second most correlated variable, but the source factor has a lower correlation coefficient.

She also advised GM furniture marketing managers to evaluate these elements, since they are the major factors that impact consumers' purchasing decisions and might determine the company's market share. The company needs to focus more on identifying the right source person for the product, and there needs to be a product-celebrity and audience-celebrity match during advertising to get target audiences' attention; otherwise, consumers may not notice, and the company may not achieve its predetermined goal of selling more GM furniture and gaining a larger market share.

Amandeep (2017) the Impact of Advertising on Consumer Purchase Decision with Reference to Consumer Durable Goods in Oman. He interprets that there are four factors: ad recall, ad persuasiveness, ad attitude, and ad attractiveness, all of which contribute significantly to ad effectiveness, with ad persuasiveness contributing the most to ad effectiveness and ad persuasiveness and ad attractiveness contributing heavily to purchase intention. He came to the conclusion that all of the aforementioned criteria are coupled to produce a strong purchasing intention among clients.

Muhammad Salman (2019) on his study on Impact of Advertisement on Consumer's Purchase Intentions discovered that advertising is a critical marketing communication technique for merchants in attracting customers to their goods and services. In this situation, advertising was

critical in raising awareness of the organization's products among potential customers. For the goal of promoting ads, the advertisement medium is quite significant. Advertisers' most current and prominent advertising weapon is celebrity endorsement, and the purchase intents resulting from such approaches must be investigated.

In a similar study Eden (2018) was undertaken to investigate the effect of media advertising on consumer buying behavior., her findings revealed that easy to remember advertisement scored the highest effect on customers buying behavior followed by Eye catching advertisement. whereas simple advertisement had not significant effect to influence the consumer buying behavior during the study period. Meron (2017), on the other hand, established; that television had been very significant while Print Media, social media, Word of-mouth, and display were positively inclined in the frequency analysis in Media Advertisements. customers service choice decisions were related with high quality and price of the product rather Best-selling and well-known brands and of course when the customer personal characteristics and their brand choice were significantly influenced by occupation and Monthly Income

Similar study was conducted TECNO Mobile in Addis Ababa by Hiwot Workneh (2018) in this study, she was able to discover that there is a substantial link between channel variables, message factors, and customer buying preferences. She advised TECNO Mobile's marketing managers to evaluate these elements because they are the major factors that impact consumers' purchasing decisions and might decide the company's market share. The corporation should focus more on locating the correct source person for the product and be cognizant of the source person's potential to overshadow the product.

Chala Fekadu (2018) also confirmed thatthe top three characteristics that have a significant impact on purchase intention are ad repetition, message substance, and attitude toward television advertising. He discovered a favorable association between attitudes toward advertising in general, attitudes toward television advertising, attitudes toward radio advertising, advertising message substance, and advertising language, repetition of advertising, and celebrity endorsement and purchase intent Effect of Advertising on Consumer Purchase Intention in the Case of Ada food complex s.co.

Fitsum Mekonnen (2018) also showed that advertising has a positive and substantial impact on passenger airline choice, and that this is the most important element that has a positive and significant impact on passenger airline preference and media, message, and source factors, have a positive and substantial association. and had direct impact on passenger airline preference, namely.

Therefore, the following hypotheses are pertaining to this study:

H₁: There is statistically significant relationship between source factors and consumers' purchase intention.

H₂: There is statistically significant relationship between Message factors and consumers' purchase intention

H₃: There is statistically significant relationship between channel factors and consumers' purchase intention.

2.3. Research Gap

As shown in the empirical review in the literature part of the study several researchers assessed and studied advertising factors and its effect on purchase intention of the consumers. But there are some substantial inconsistencies in findings, concepts and theories of science. Moreover, most of the scholars conducted in their own perspectives and mythologies. This research, therefore, stresses on the consumer's purchase intention in growing cities like Addis Ababa as they agree advertisement is a must and should be a continuous activity in order to exceed the profit and positioning of the product in the market of the company and forward strategies that produce conducive consumer's attitude. (Mewoel T 2016, Eden T.2016).

As the subsequent research gap is detected on the category of consumers, that the studies were considered only individual consumers not include organization, failed include other factors of advertisement and few variables that have more effect on consumers purchase intention. Moreover, no studies to this extent so far conducted to these issues pertaining to the petroleum products, complementary petroleum products and LPG gas Cylinder of National oil company of Ethiopia.

2.4. Conceptual Frame Work

A framework is established to conceptualize the interrelation between a dependent variable namely purchase intention and three independent variables source, message and channel factors. As this the conceptual framework will help to comprehend and get answer to specific research questions developed in this research. The dependent and independent variables considered to this research in this conceptual framework are presented below.

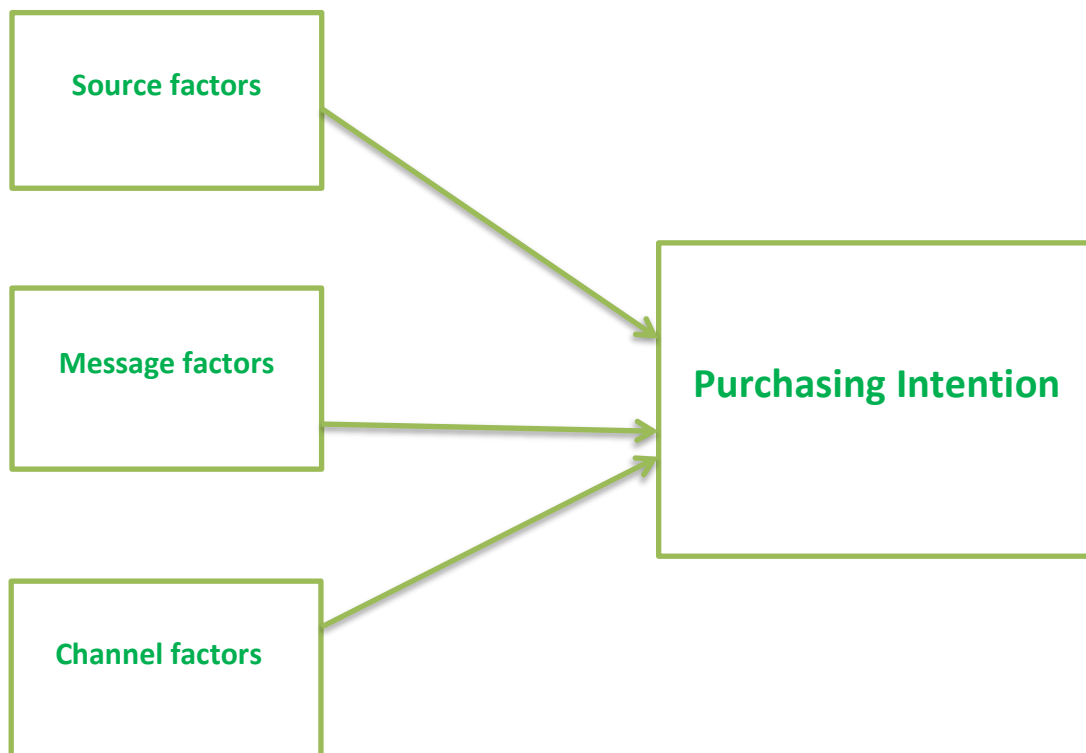


Figure 4: Conceptual Frame Work of the study (Compiled by the Researcher)

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter discusses the study's methodology, including the research approach, research type, sample and sampling methodologies, data collection source, data collection instruments, study reliability and validity, and data analysis method.

3.1 Description of the Study Area

The aim of the research was to analyze the effect of advertising in the consumer purchase intention in case of National Oil Company of Ethiopia in Addis Ababa. National Oil Ethiopia (NOC) Plc is the first indigenous major oil marketer of petroleum products with a wide network of modern service stations strategically located across the country.

NOC markets one of the world's leading lubricant brand Chevron-Caltex Lubricants, and maintains a major market share in Ethiopia's Oil Industry with the supply of over 100 different lubricant grades of Industrial and Automotive applications. In addition, NOC markets other Petroleum products such as Bitumen, LPG, Petcock and Chemicals.

3.2 Research approach

A quantitative research approach was used to this research. Quantitative research emphasizes objective measurements and the statistical, mathematical, or numerical analysis of data collected through polls, questionnaires, and surveys, or by manipulating pre-existing statistical data using computational techniques (Creswell et al, 2012).

3.3 Research Design

Both descriptive and explanatory research designs were employed since this research design is tries to elucidate the behavior is the way as it is and allows the researcher to comprehend the very nature of what the researcher is actually looking at.

This type of research targets in linking issues of factors and elements into general statements and constructing and testing the study variable while the relationship between explanatory variable, explanatory design was used to analyze (Creswell et al, 2012). for demographic and other related variables and for the purpose of determining the relationship among the dependent and independent variables descriptive design and explanatory design were used respectively.

3.4. Population and Sample

Consumers of the National Oil Company of Ethiopia which are found in in the capital city were the target population. There are 26 fuel/ petroleum station of NOC currently found in Addis Ababa

A total of 384 consumers were considered as the Sample size (Cochran,1997). For big target population this formula is used

$$N = \frac{Z^2 p q}{e^2}$$

Where: N= Sample Size, Z= 1.96, e - the desired level of confidence, P - the estimated proportion +/- 5% and q = 1-p

$$N = \frac{(1.96^2) (0.5) (0.50)}{(0.05)^2}$$

$$N = 384$$

A convenience sampling method that is a non-probability sampling method were used (Farhana & Islam, 2012)

3.5 Data source and types

Primary data sources were collected through questionnaire and secondary source such as internet reports and documents were used as the secondary data.

3.6 Data Collection Procedures

Data were collected through questionnaires and secondary source such as internet reports and documents.

The questionnaires had close ended questionnaires that consists of demographic variables such as age, sex, educational background and advertising factors that affects the purchase intention of NOC products in Ethiopia. Questionnaires were filled at the fuel station and some organization at the time of lunch and tea break and some ample times when the respondents were available.

The closed ended questions were entailed background information covering demographic variables institutional and explanatory variables of advertisement characteristics that affects the consumer purchase intention such as source factors, message factors, channel factors and related questions were included. Sources of the secondary data were an official record that was obtained from the company profile annual and quarterly reports of the company.

3.7 Variables of the Research

Customer purchase intention is the dependent variable for this research as source factors, message factors, channel factors are the independent variables.

3.8 Model Specification

The independent variables incorporated in the model are abundantly used in different scholars in the field.

$$\text{PURCHASEINT} = a + \beta_1 \text{SOURCEFACT} + \beta_2 \text{MESSAGEFACT} + \beta_3 \text{CHANNELFACT} + e_i$$

Whereas:

PURCHASEINT – Purchase intention

SOURCEFACT – Source factors

MESSAGEFACT – Message factors

CHANNELFACT – Channel factors

a - is a constant,

β_{1-3} - is the coefficient

e_i - the error term

3.9 Data Analysis

The data that was collected and edited, coded and entries was made into statistical software (Statistical Package for Social Sciences, SPSS version 26). This was involved converting quantitative (nominal and ordinal data) into numerical codes. Descriptive statistics was then run which consist of frequencies, percentages, means and standard deviation to summarize the data.

The study was adopted multiple linear regression and Pearson correlation analysis to establish the relationship between variables of interest.

3.10 Reliability and Validity of the Instrument

Yilmaz (2013) and Denscombe (2014) described the term „validity“ as the appropriateness and accuracy of collected data. Yilmaz (2013) defined reliability as, consistency or the degree to which a research instrument measures a given variable consistently every time it is used under the same condition.

Construct validity

This ensures that the most accurate and rich information is collected after a rigorous review of previous documents, an academic literature review and the conducted interviews; however, accuracy can be achieved through a focused use of different techniques/tactics, which include referring to multiple sources of evidence and establishing a chain of selections.

Internal Validity

This criterion refers to the appropriateness of the data analysis techniques utilized to analyze the collected data. It is therefore important that the theoretical propositions are linked with the data accurately in addition to the appropriate application of the analytical strategies. For this research, to increase the internal validity, a careful and comprehensive review of the literature related to the topic of choosing a research design to enable the selection of an accurate data analysis technique was conducted, and the analysis steps were followed precisely.

Reliability

Reliability means that the process (such as data collection procedures) of the study can be repeated to obtain the same results (Yin, 2014). For this research, reliability was achieved by selecting and following an appropriate research methodology model to ensure that the aim and objectives were fulfilled. In order to measure the consistency of the questionnaire and the overall reliability of constructs that it is measuring, the reliability test was carried out based on Cronbach's Alpha coefficient. Cronbach's Alpha can be interpreted like a correlation coefficient. Its coefficient range lay on the value from 0 to 1. A reliability coefficient (alpha) higher than or equal to 0.7 is considered as acceptable. That means the targeted questions raised in the questionnaires are capable to meet the objective of the study. In general, a score of more than 0.7 is usually okay.

Coefficient of .90 or greater are nearly always acceptable, .80 or greater is most situations and .70 may be appropriate in some explanatory studies for some induces. By tracing this literature, the researcher tested the reliability of the items which were developed for respondents.

3.11 Ethical Consideration

Voluntary participation, confidentiality, anonymity was considered to guarantee ethical consideration by evidently introduced the aim of the study and participating in this research was only voluntarily and permission would be granted for refusal and/ or withdrawing from participating in the research.

CHAPTER FOUR

DATA ANALYSIS, RESULTS AND DISCUSSION

The results and analysis of the findings are discussed in this chapter. The response rate, reliability analysis, and demographic data of the respondents are presented in the first three sections. The findings are analyzed and interpreted using descriptive and inferential statistics. Descriptive statistics are used to interpret the frequency and percentage of the findings, whereas inferential statistics are used to predict the relationship between the customer purchasing intention and the various independent variables of the advertisement, such as the source factor, message factor, and channel factor. There was also a correlation analysis and hypothesis testing test for assumptions, as well as a regression analysis and discussion.

4.1. Response Rate

250 respondents were responded accurately and timely out of 384 questionnaires distributed that made up a response rate of 65 %. the response rate of 52.7 percent and above is tolerable for the study as revealed by Baruch & Holtom (2008).

4.2. Reliability test

For this study, the Cronbach's Alpha values were tested from the variables described in the framework, namely source factors, message factors, channel factors, and purchase intention. The value of the variables, both independent and dependent, can be seen in Table 4.1 below. the finding showed the high Alpha value ($\alpha=0.832$). and since the Alpha value was greater than 0.70. it was consistent and reliable.

No.	Study Variables	Cronbach's Alpha	Number of items
1	Source factor	.739	5
2	Message factor	.863	6
3	Channel factors	.883	4
4	Purchase intention	.845	4

Total	.832	19
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Table 1: Reliability test

Source: SPSS output 2022

4.3 Categories of questionnaire items

The questionnaires that were presented in the Likert scale are categorized in to four groups for as shown in table 2,

No.	Study Variables	Symbol	Number of Likert items
1	Source factor	SOURCEFACT	5
2	Message factor	MESSAGEFACT	6
3	Channel factors	CHANNELFACT	4
4	Purchase intention	PURCHASEINT	4
Total			19

Table 2: Study Variables by Categories of questionnaire items

Source: SPSS output 2022

4.4 Descriptive analysis

The demographics of the respondents are presented below:

4.4.1 Gender

Based on the data gathered, out of 250 respondents, it was found out that sample was made of 155 male (62%) and 95 women (38%). Male respondents were outweighed in the study.

	Frequency	Percent	Valid Percent	Cumulative Percent
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Valid	Male	155	62.0	62.0	62
	Female	95	38.0	38.0	100
	Total	250	100	100	

Table 3: Gender of the respondents

Source: SPSS output 2022

4.4.2. Age

Most of the respondents are between categories of 25 to 35, it was 35.6 percent. Moreover, 32.4 percent are under the age of below 36 -45 and 26 percent were 46 - 55 and 6% were above 55 years of age of respondents respectively. This indicates that the majority of the respondents were between 25 to 45 years of age.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 25-35	89	35.6	35.6	35.6
36-45	81	32.4	32.4	68.0
46-55	65	26.0	26.0	94.0
> 55	15	6.0	6.0	100
Total	250	100	100	

Table 4: Ages

Source: SPSS output 2022

4.4.3 Educational qualifications

Majority of the respondent's 49.6 percent were qualified as BA/BSc degree ,39.2 percent were qualified as diploma, and 11,2 were had a Master's degree in educational qualifications showing that majority of respondents qualified at BA/BSC degree.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Diploma	98	39.2	39.2	39.2
BA/BSC	124	49.6	49.6	88.8
MA/ MSC	28	11.2	11.2	100
Total	250	100	100	

Table 5: Academic qualifications

Source: SPSS output 2022

4.4.4 Work experience

7.6 % of the respondents were had < 5 years work experience, 30 percent were between 5 to 10 years, 48 percent 10 to 15 years and 14.4% percent were above 15 years respectively. This shows that the majority of the respondents were between 10 to 15 years.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid < 5 years	19	7.6	7.6	7.6
5-10 years	75	30.0	30.0	37.6
10 -15 years	120	48.0	48.0	48.0
>15 years	36	14.4	14.4	100
Total	250	100	100	

Table 6: Work experience

Source: SPSS output 2022

4.5 Comparison by categories

Study variables were grouped by the determinant's factors on customer intention on National Oil Company of Ethiopia which were discussed above. These are source factors, message factors, channel factors and customer purchase intention in Addis Ababa.

Four variables namely source factors, message factors and channel factors were employed to examine their degree on the factors on customer purchase intention on national oil company of Ethiopia. An average mean score shown on channel factors has high interest (4.0), message factors ((3.5) mean score and 3.21 mean score from source factors respectively during the study.

No.	Study Variables	Mean	Std deviation
1	Source factor	3.21	0.803
2	Message factor	3.50	0.754
3	Channel factors	4.00	0.614
4	Purchase intention	3.76	0.861
Total		3.61	0,736

Table 7: Mean value by categories

Source: SPSS output 2022

4.6 Source factors

Table 8 showed five criteria that were used to measure the source factors in in customer intention of National Oil Company of Ethiopia. Out of five items developed to see the extent of source factors for the purchase intention factors, NOC advertising is more visible than the source person

had a large score of 3.51, followed by NOC advertising source person is less exposed. (3.45), NOC advertising source person is trustworthy. (3.48) and with the lowest mean score of 3.02 to NOC advertising source person is attractive. In general, a 3.21 mean value taken as this variable has near average mean score in contributing the purchasing intention of National oil company of Ethiopia.

Sr. No	Description	Mean	SD
1	NOC advertising source person is trustworthy.	3.48	0.843
2	NOC advertising source person is attractive.	3.02	1.021
3	NOC advertising is more visible than the source person.	3.51	0.782
4	NOC advertising source person is less exposed.	3.35	0.751
5	I believe the endorsement of NOC have fitting with the brand.	3.21	1.001
Total		3.32	0.903

Table 8: Mean score and Standard deviation of Source factors

Source: SPSS output 2022

4.7 Message factors

The mean and the standard deviation of message factors were presented in table 9 six items were used to measure the message factors. Out of six items developed to see the extent of message factors in purchasing intention of National oil company of Ethiopia, The grand mean which is 3.5 for responses on National oil company of Ethiopia NOC 3.65 of mean value was for advertising message is rationally appealing by attempting to communicate information regarding the product features and/or the benefits of owning or using it., following by the visual message (TV, Internet, print media, outdoor media) of NOC advertising is attractive. 3.51 the third rank mean is I can say that the messages of NOC advertising are sound and clear which is 3.35 and 3.42 and with the lowest score of the visual message (TV, Internet, print media, outdoor media) of NOC advertising is attractive. (3.51). In conclusion, the statement of criteria set for indicates that mean values are highly contributing the purchasing intention of National Oil Company of Ethiopia.

Sr. No	Description	Mean	SD
1	In my opinion, NOC advertising message is clear.	3.31	0.625
2	NOC advertising message is rationally appealing by attempting to communicate information regarding the product features and/or the benefits of owning or using it.	3.45	0.819
3	NOC advertising message is emotionally appealing by highlighting emotional factors of the product.	3.65	0.625
4	The visual message (TV, Internet, print media, outdoor media) of NOC advertising is attractive.	3.50	0.701
5	The verbal message of NOC advertising is attractive.	3.63	0.901
6	I can say that the messages of NOC advertising are sound.	3.35	0.734
Total		3.46	0.734

Table 9: Mean and Standard deviation of Message factors

Source: SPSS output 2022

4.8 Channel factors

Table 10 showed that the average score for the channel factors in purchasing intention of National Oil Company of Ethiopia in the study area was 3.80 with a standard deviation of 0.875 in the study population and from the media of advertising that NOC is using, broadcast media (TV, Radio, and Internet) influence me to consider the product. the mean value was 3.92 with a standard deviation of 0.813, NOC is using, Outdoor media (Billboards, Shop banners, Interior design of the shop) influenced me to consider the product. the mean value is 3.87 with a standard deviation .898. The Outdoor media program content in which NOC using for advertising is attractive the mean value

is 3.74 with a standard deviation of .845, and the broadcast media program content in which NOC using for advertising is attractive 3.68 with a standard deviation 0.946 of the study population.

Sr. No	Description	Mean	SD
1	From the medium of advertising that NOC is using, broadcast media (TV, Radio, and Internet) influence me to consider the product.	3.92	.813
2	From the medium of advertising that NOC is using, Outdoor media (Billboards, Shop banners, Interior design of the shop) influenced me to consider the product.	3.87	.898
3	The broadcast media program content in which NOC using for advertising is attractive.	3.69	.946
4	The Outdoor media program content in which NOC using for advertising is attractive.	3.74	.845
Total		3.80	.875

Table 10 :Mean and Standard deviation of Channel factors

Source: SPSS output 2022

4.9 Purchase Intention

As revealed in table 11 the purchasing intention in National Oil Company of Ethiopia is determined by, I prefer NOC because I was influenced by the message in the advertisement and I prefer NOC because I was influenced by the medium that NOC chooses for advertisement. Showed larger mean score of equally 3.76 respectively. However, the mean score of the statement that I prefer NOC because I was influenced by the source person scored moderate 3.01 mean value respectively. This indicates that the purchasing intention of National oil company of Ethiopia is highly determined by the message and the medium that NOC chooses for advertisement.

Sr. No	Description	Mean	SD
1	I prefer NOC because I was influenced by the source person.	3.01	0.625
2	I prefer NOC because I was influenced by the message in the advertisement.	3.76	0.819
3	I prefer NOC because I was influenced by the medium that NOC chooses for advertisement.	3.76	0.625
4	NOC advertisement influenced me to choose the brand.	3.54	0.701
Total		3.80	0.734

Table 11: Purchasing Intention

Source: SPSS output 2022

4.10 correlational analyses

The study applied a correlation analysis to ascertain the relationship between the independent variables – source factors, message factors and channel factors and the dependent variable, namely purchase intention. Table 12 illustrates the test results. Based on the results illustrated in the in Table 11 the study found out that there is a positive relationship between the independent variables (source factors, message factors and channel factors) and the dependent variable (purchase intention)

VARIABLES	PURCHASIN T	SOURCEFACT	MESSAGEFACT	CHANNELFACT
PURCHASINT	1			
SOURCEFACT	.510***	1		
MESSAGEFACT	.682***	.701***	1	
CHANNELFACT	.616***	.677***	.701***	1

Table 12: Correlations between the variables

Source: SPSS output 2022

N.B: Correlation is significant at (r) weak 0.1 – 0.3; moderate 0.31 – 0.50; and strong > 0.5 is considered

4. 11 Assumptions of Regression analysis

4.11.1 Normality Test

The results of the Normality test carried out has presented in table 13. A p-value of lower than 0.05 was , which is 0.00 is achieved which means that the questionnaires were distributed normally.

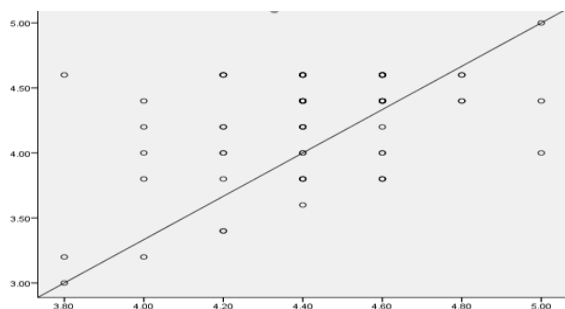
Variables	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	Df	Sig.
Purchasing intention	.278	250	.000	.801	280	.000

Table 13: Tests of Normality

Source: SPSS output 2022

4.11.2 Linearity Test

scatterplots were used to test the linearity assumption. The figure below shows that there is a randomised pattern indicating that the linear test results are normal.



Independent variables

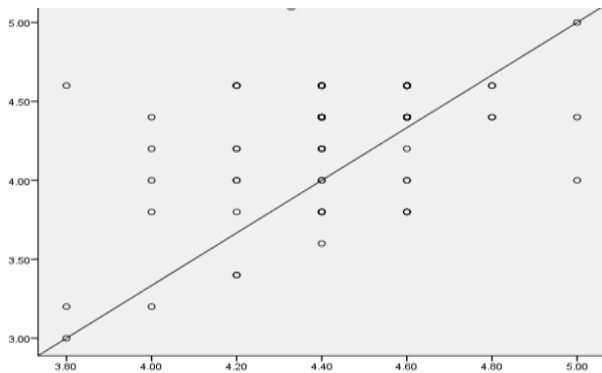
Figure 5: scattered Plot – Independent variable

4.11.3 Homoscedasticity Testing

The scatter plot below should show a fairly even rectangular shape along its length indicating that the assumption of no heteroscedasticity and the assumption of and is nearly met.

The Graph above shows that the assumption of homoscedasticity is met as the the results are scattered.

Dependent Variable Purchasing intention



Regression Standardized Residual

Figure 6: Scatter plot dependent variables

4.11.4 Test of Autocorrelation

Value between 1.5 and 2.5 is considered to be acceptable of the Durbin Watson. The Durbin Watson test value in this study as indicating in table 14 was 1.98 showed the absence of correlation between error terms.

Variables	Durbin-Watson
Purchasing Intention	1.98

Table 14: The Durbin-Watson statistic

Source SPSS output 2022

4.11.5 Test for Multicollinearity

table 15 showed the Variance Inflation Factors values were less than ten and the tolerance value also above 0.1 indicating that no multicollinearity problem.

Variables	Collinearity Statistics	
	Tolerance	VIF
Source factors	.295	3.56
Message factors	.342	4.89
Channel factors	.451	2.76
Purchasing Intention	.425	6.01

Table 15: Tolerance and VIF

Source: SPSS output 2022

4.12 Model Summary

Table 16 shows the model summary. R^2 value was .549. this indicate that 54.9 percent of the model of this research were explained 54.9 % of the variance of purchase intention are explained by the independent variable collectively. The analysis indicates that a moderate coefficient and showed that's 54.9 % variation in purchase intention are explained by changes or the nature of independent variable implemented in the study population. The remaining 43.1% of the variation in purchasing intention is explained by stochastic error term (e) meaning that 54.9% of changes in purchasing intention making changes are explained by factors that are not explained in the model.

Model	R	R square	Adjusted R square	Standard of the estimates

1	.741 ^a	.549	.532	.54232
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Dependent Variable: purchasing intention b. Predictors: (Constant), source factors, message factors, and channel factors

Table 16: Model Summary

Source: SPSS output 2022

4.13 ANOVA F test

The regression model considered customers purchase intention as dependent variable and the source factor, message factor and channel factor of the advertisement score as the independent variables. The regression analysis is conducted to evaluate how well the source factor, message factor and channel factor of the advertisement predict customers purchase intention. As it is described under the model summary table, the linear combination of the three factors significantly related to customers' buying behavior ($R^2 = 0.549$, $F = 64.502$ and $P = 0.000$). Hence, we concluded that this model is a fit where the independent variables included in this model collectively have a significance correlation to the dependent variable.

Model	Sum of square	Df	Mean square	F	Sig.
Regression	51.078	5	10.216	64.502	.000b
Residual	43.029	245	.175		
Total	94.107	250			

a. dependent Variable: b. Predictors: (Constant), source factors, message factors, and channel factors

Table 17: ANOVA F test

Source: SPSS Output, 2022

4.14 Regression coefficients

Under the Beta Coefficient table below, the researcher highly emphasized on the values of the standardized Beta coefficient in order to figure out the relative importance of each independent

variable, in predicting the dependent variable and on the unstandardized Beta coefficient in order to formulate the linear regression equation as presented below in table 18

	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
(Constant)					
Constant	.241	.105		2.790	.000
Source factors	.327	.041	.032	9.156	.000
Message factors	.018	.295	.274	0.460	.001
Channel factors	.210	.242	.231	5.971	.000

Table 18: Regression Coefficients

Source: SPSS 2022

From table 18 one may infer that, message factor of the advertisement in determining the variation in customers purchasing intention which accounted for 27.4 % of the beta coefficient. The second most important element of channel factor of the advertisement that contributed most, to the positive variation in the dependent variable customers purchasing intention is accounted for 23.1% of the beta coefficient, followed by, source factor of the advertisement, which had a beta coefficient share of 3.2%. In the case of garment industries, source factor of the advertisement contributed least to the variance in the response variable among the others, accounted for only 3.2% and it is statistically significant at p-value less than Alpha, (0.00

Therefore, the model specification equation becomes

$$\text{PURCHASEINT} = a + \beta_1 \text{SOURCEFACT} + \beta_2 \text{MESSAGEFACT} + \beta_3 \text{CHANNELFACT} + e_i$$

$$\text{PURCHASEINT} = .241 + .032 \text{SOURCEFACT} + .274 \text{MESSAGEFACT} + .231 \text{CHANNELFACT} + .105$$

The positive value for the constant intercept is simply means that, the expected value of the

dependent variable customers purchasing intention was greater than zero when all independent variables are set to zero. Findings from the equation

- For every unit increase in the value of source factor of the advertisement, setting all other predictor variable to zero, the value of response variable customers' purchasing intention will increase by 3.2%.
- For every unit increase in the value of message factor of the advertisement, setting all other predictor variable to zero, the value of response variable customers' buying behavior will increase by 27.4%.
- For every unit increase in the value of channel factor of the advertisement, setting all other predictor variable to zero, the value of response variable customers' purchasing intention will increase by 23.1%.

The under- mentioned hypothesis tests were presented by comparing with the regression the standardized coefficient beta results:

H₁: Source factors have a positive and significant effect on consumers' purchase intention

Table 4.17 above shows that the source factors have a positive coefficient regression is .032, which means every unit increase in source factors a .032-unit increase is expected in purchase intention, holding all other variables constant

H₂: Message factors have a positive and significant effect on consumers' purchase intention

The coefficient of regression for message factors is also positive, which a value of .274. It implies that every unit increase in message factors, a .274-unit increase is expected in purchasing intention, holding all other variables constant.

H₃: Channel factors have a positive and significant effect on consumers' purchase intention

The coefficient of regression for channel factors is also positive, which a value of .231. It implies that every unit increase in channel factors, a .231-unit increase is expected in purchasing intention, holding all other variables constant. Hence the alternative **hypothesis (H₁, H₂ and H₃)** are supported.

Hypothesis	Results	Implications
H ₁ : There is statistically significant relationship between source factors and consumers' purchase intention.	supported	This implies that There is a significant relationship between source factors and purchase intention, other things held constant
H ₂ : There is statistically significant relationship between Message factors and consumers' purchase intention	supported	This implies that There is a significant relationship between message factors and purchase intention, other things held constant
H ₃ : This implies that There is a significant relationship between source factors and purchase intention, other things held constant	supported	This implies that There is a significant relationship between channel factors and purchase intention, other things held constant

Table 19: Summary of Hypothesis Test Result

CHAPTER FIVE

Findings, Conclusions and Recommendations

The findings, conclusions, and recommendations are discussed in this chapter.

5.1 Major Findings

The impact of advertising on customer purchase intentions in National Oil Ethiopia PLC had been assessed in this research. The study identified factors which influence consumer's purchasing intention specifically the influence of, source factors, message factors and channel factors on customer purchase intention in case of National Oil company of Ethiopia.

The model, selected for evaluating factors influencing the purchase intention in National Oil company of Ethiopia in Addis Ababa. This model was among the most recent researches done on purchasing intentions in other countries and in Ethiopia.

250 respondents were responded accurately and timely out of 384 questionnaires distributed that made-up a response rate of 65 %. the response rate of 52.7 percent and above is tolerable for the study as revealed by Baruch & Holtom (2008).

For this study, the Cronbach's Alpha values were tested from the variables described in the framework, namely source factors, message factors, channel factors, and purchase intention. The value of the variables, both independent and dependent, can be seen in Table 4.1 below. the finding showed the high Alpha value ($\alpha=0.832$). and since the Alpha value was greater than 0.70. it was consistent and reliable.

Based on the data gathered, out of 250 respondents, it was found out that sample was made of 155 male (62%) and 95 women (38%). Male respondents were outweighed in the study.

Most of the respondents are between categories of 25 to 35, it was 35.6 percent. Moreover, 32.4 percent are under the age of below 36 -45 and 26 percent were 46 - 55 and 6% were above 55 years of age of respondents respectively. This indicates that the majority of the respondents were between 25 to 45 years of age.

Majority of the respondent's 49.6 percent were qualified as BA/BSc degree ,39.2 percent were qualified as diploma, and 11,2 were had a Master's degree in educational qualifications showing that majority of respondents qualified at BA/BSC degree.

7.6 % of the respondents were had < 5 years work experience, 30 percent were between 5 to 10 years, 48 percent 10 to 15 years. and 14.4% percent were above 15 years respectively. This shows that the majority of the respondents were between 10 to 15 years.

For this study, the Cronbach's Alpha values were tested from the variables described in the framework, namely source factors, message factors, channel factors, and purchase intention. The finding showed the high Alpha value ($\alpha=0.832$). and since the Alpha value was greater than 0.70. it was consistent and reliable.

All the variables listed on the questionnaires were categorized by the factors that affect purchase intentions in National Oil company of Ethiopia in Addis Ababa. Generally, the groups mean value of source factors is 3.21, message factors are (3.5), and channel factors (4). which is interpreted as this variable has above average mean score in contributing the purchasing intention in the study population.

As result shown in regression analysis in the study the results of the multiple regression analysis showed that source factors, message factors, and channel factors have a positive and significant relationship with the purchasing intention of National Oil company of Ethiopia ‘

Results were had similarities and differences with other studies conducted on source factors message factors and channel factors on purchasing intention in Techno mobile, (Hiwot Workneh 2018), purchase intention in food products (Chala Fekadu2018), Passenger Airline Preference (Fitsum Mekonnen 2018), Beer Advertising on Purchase Intention (Maneyazewal D 2018)

5.2 Conclusion

At present most companies not only produce products and sell them, but switch to consumers to meet their needs and wants. The purchasing intention plays a major role in marketing to predict customers' purchasing intention. Petroleum and oil products are no exception. In a competitive

market, it is important for advertising managers to grab consumers' attention through advertisements and sales promotion that is why a sizable marketing budget is spent on advertising and the trend of using digital media platforms for advertisements is growing. This study intends how consumer decided to purchase and what factors are much more needs as a rigorous consideration while using advertisements.

Purchasing a petroleum and oil products in oil and petroleum industry are a decision-making problem that illustrates customers' preferences and attitudes towards a product. so that considering factors impacting customer purchasing intention in the decision process of purchasers has given a great attention by the scholars, researchers and manufacturers in the marketing specialties. In the era of digital revolution, consumers are bombarded with plenty of advertising messages that brings the need for managers to design a media mix strategy, which will break through the confusion and create the necessary impact. When a medium is selected for showcasing advertising, it should be carefully chosen to ensure the achievement of the advertiser's goals

From these research results one can conclude that factors such as source factors, message factors and channel factors have a positive and significant effect on purchase intention of National oil company of Ethiopia in the study population.

5.3 Recommendations

Based on the findings the study the researcher would recommend that:

- A firm must select the right spokesperson to deliver a compelling message through appropriate channels or media as the result shown the source factors is the lowest factor compare to the other two factor.

- Due consideration should be given on comprehension of the message whether the receiver comprehend the advertisement *and* the company must know their target market to make their messages clear and understandable as A less educated person may have more difficulty interpreting a complicated message as. the more marketers know about the target

market, the more they see which words, symbols, and expressions their customers understand in their products.

- The company should also give due consideration on Channel/presentation whether Which media will increase presentation of its product and how well they reach the marketer's target audience and what Message/yielding, what type of message will create favorable attitudes or feelings to increase their purchase intention and should try to create agreeable messages that lead to positive feelings toward the product or service.
- Finally, Source, message, and channel factors are controllable elements in the communications model. so that the company could use the persuasion matrix that helps the marketers to see how each controllable element interacts with the consumer's response process and purchase intention towards.

5.4 Guidelines for the forthcoming study

By paying attention to the results of the analysis that has been done where the consumer's purchasing intention lied in advertisement industries other factors that affect purchasing intention should be considered and studied. Similar research can also be conducted considering other aspects of consumer purchasing intention like product attributes, color, taste, quality, ingredient to name a few. Future researchers can focus on each of the digital channels, namely, Facebook, Twitter, Google, and so on and suggest the most effective channel to influence consumers

As these studies limited in size sample size and geographical locations, methodology and diversification and market mix further researches are vital on consumer purchasing intention taking in to consideration all the factors that in the petroleum and oil industries in general and National oil company of Ethiopia in particular.

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Addis Ababa University

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School of Commerce

APPENDIX-1: Questionnaire

Data Collection Form

Collected By

Dear respondent,

My name is Rahel Wondimu. I am doing research with the title “The Impact of Advertising on Purchase Intention: Evidence from National oil Ethiopia Plc. in Addis Ababa” for the partial fulfillment of MA in Marketing Management at Addis Ababa University School of Commerce. I kindly request your cooperation in filling this questionnaire. Your willingness in giving genuine information is well appreciated. The information you provide will only be used for the study and it is highly confidential.

Thank you for your cooperation!

Part I: Demographic profile

Please answer by putting a thick mark in the space provided.

1. Gender A. Male B. Female
2. Age 18-30 31-40
- 41-49 50 years and above
3. Education level A, below high school D. Diploma
- B. 2nd Degree & above E. High school
- C. 1st Degree
4. Work experience <5 years 5-10 years
- 10-15 years >15 years

Part II: Communication elements related questions

Source factor	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
NOC advertising source person is trustworthy.					
NOC advertising source person is attractive.					
NOC advertising is more visible than the source person.					
NOC advertising source person is less exposed.					
I believe the endorsement of NOC have fitting with the brand.					
Message factor	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
In my opinion, NOC advertising message is clear.					
NOC advertising message is rationally appealing by attempting to communicate information regarding the product features and/or the benefits of owning or using it.					
NOC advertising message is emotionally appealing by highlighting emotional factors of the product.					
The visual message (TV, Internet, print media, outdoor media) of NOC advertising is attractive.					
The verbal message of NOC advertising is attractive.					
I can say that the messages of NOC advertising are sound.					
Channel factor	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

	Agree		Sure		Disagree
From the medium of advertising that NOC is using, broadcast media (TV, Radio, and Internet) influence me to consider the product.					
From the medium of advertising that NOC is using, Outdoor media (Billboards, Shop banners, Interior design of the shop) influenced me to consider the product.					
The broadcast media program content in which NOC using for advertising is attractive.					
The Outdoor media program content in which NOC using for advertising is attractive.					
Purchase intention	Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree
I prefer NOC because I was influenced by the source person.					
I prefer NOC because I was influenced by the message in the advertisement.					
I prefer NOC because I was influenced by the medium that NOC chooses for advertisement.					
NOC advertisement influenced me to choose the brand.					

Thank you for your cooperation Again!