

**ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE DEPARTMENT OF
MARKETING MANAGEMENT**



**THE IMPACT OF SOCIAL MEDIA ON THE MARKETING PERFORMANCE: THE
CASE OF COMMERCIAL BANK OF ETHIOPIA**

**A Thesis Submitted To Addis Ababa University School Of Commerce In Partial
Fulfillment Of The Requirements For Masters Of Art In Marketing Management.**

BY: Henok Mesfin

ADVISOR: Temesgen Belaynhe (PhD)

JUN, 2019

ADDIS ABABA, ETHIOPIA.

**ADDIS ABABA UNIVERSITY SCHOOL OF COMMERCE DEPARTMENT OF
MARKETING MANAGEMENT**

**THE IMPACT OF SOCIAL MEDIA ON THE MARKETING PERFORMANCE: THE
CASE OF COMMERCIAL BANK OF ETHIOPIA**

**A Thesis Submitted To Addis Ababa University School Of Commerce In Partial
Fulfillment Of The Requirements For Masters Of Art In Marketing Management.**

BY: HENOK MESFIN

I.D. NO. GSD/3268/09

Approved by Board of Examiners

Advisor Signature

Temesgen Belayneh (PhD)

Internal Examiner Signature

Belaynesh

External Examiner Signature

Asres

Declaration

I, the undersigned, declare that this thesis is my original work and has not been presented for a degree in any other university, and that all sources of materials used for the thesis have been duly acknowledged. Declared by:

Name: _____

Signature: _____

Date: _____

Confirmed by: Name: _____

Signature: _____

Date: _____

Date and place of submission: _____

Acknowledgements

Above all, I would like to thank God, for every blessing upon me and be able to be where I am now. Thank you Father. This thesis wouldn't have come to existence without the help and support of a lot of people. I would like to extend my deepest appreciation to my advisor, Dr. Temesgen Belayneh, for his support, valuable comments and suggestions during the course of this work. Thank you Dr. Special thanks go to my beloved family and friends: Mesfin Denboba, Meskerem Mesfin, Yewebnesh Uge, Mesay Mesfin, Eden Mesfin, Etsegenet Abate, Habtamu, Weldekiros Haftu, Eskindir Cherenet, Solomon Tassisa and to those who are far and near and never ceased to encourage me, help me and pray for me. I love you guys and Thank you. I am also very much indebted and grateful for everyone who are not mentioned by name but contributed to the realization of this work. Thank you.

Table of Contents

DECLARATION.....	III
ACKNOWLEDGEMENTS	IV
TABLE OF CONTENTS	V
LISTS OF TABLES	VIII
LISTS OF FIGURES	IX
ABSTRACT	X
ABREVIATION	XI
CHAPTER ONE	1
INTRODUCTION.....	1
1.1. BACK GROUND OF THE STUDY	1
1.2. STATEMENT OF THE PROBLEM.....	3
1.3. OBJECTIVES OF THE STUDY	5
1.3.1. GENERAL OBJECTIVE	5
1.3.2. SPECIFIC OBJECTIVES.....	5
1.4. BASIC RESEARCH QUESTIONS	5
1.5. SCOPE OF THE STUDY	5
1.6. SIGNIFICANCE OF THE STUDY	6
1.7. LIMITATIONS OF THE STUDY	6
1.8. DEFINITION OF TERMS	7
1.9. ORGANIZATION OF THE STUDY	8
CHAPTER TWO	9
REVIEW OF RELATED LITERATURES	9
2.1. INTRODUCTION	9
2.2. THEORETICAL FRAMEWORK	9
2.2.1. SOCIAL MEDIA	9
2.2.2. THE ROLE OF SOCIAL MEDIA NETWORKS.....	12
2.2.3. MARKETING THROUGH SOCIAL MEDIA	13
2.2.4. THE POWER AND VALUE OF SOCIAL NETWORKS	14
2.2.5. MARKETING PERFORMANCE OF AN ORGANIZATIONAL.....	17
2.3. SOCIAL MEDIA FOR MARKETING PERFORMANCE.....	18
2.3.1. REAL TIME COMMUNICATION.....	20

2.3.2.	REPEAT EXPOSURE	22
2.3.3.	COMPETITIVE ADVANTAGE	23
2.4.	RELATIONSHIP BETWEEN SOCIAL MEDIA USAGE AND ORGANIZATIONAL PERFORMANCE	24
2.5.	EMPIRICAL REVIEW	25
2.6.	CONCEPTUAL FRAMEWORK	28
2.7.	HYPOTHESIS DEVELOPMENT	28
	CHAPTER THREE	30
	RESEARCH METHODOLOGY	30
3.1.	INTRODUCTION	30
3.2.	DESCRIPTION OF THE STUDY AREA	30
3.3.	RESEARCH APPROACH.....	30
3.4.	RESEARCH DESIGN.....	31
3.5.	POPULATION AND SAMPLE.....	31
3.5.1.	POPULATION	31
3.5.2.	SAMPLING TECHNIQUE AND SAMPLE SIZE.....	32
3.6.	DATA SOURCES AND TYPES	33
3.7.	DATA COLLECTION PROCEDURES	33
3.8.	DATA ANALYSIS	33
3.8.1.	VALIDITY	34
3.8.2.	RELIABILITY	35
3.9.	MODEL DESCRIPTION	36
3.10.	ETHICAL CONSIDERATION	37
	CHAPTER FOUR.....	38
	RESULTS AND DISCUSSIONS	38
4.1.	INTRODUCTION	38
4.2.	RESPONSE RATE.....	38
4.3.	ASSUMPTION AND DIAGNOSTIC TEST	39
4.3.1.	NORMALITY TEST	39
4.6.1.	AUTOCORRELATION TEST	40
4.6.1.1.	CORRELATION ANALYSIS BETWEEN DEPENDENT AND INDEPENDENT VARIABLES.....	40
4.6.2.	DURBIN- WATSON TEST	41
4.4.	DESCRIPTIVE ANALYSIS	42
4.4.1.	DESCRIPTION OF RESPONDENTS PROFILE	42

4.4.2.	GENDER OF RESPONDENTS.	42
4.4.3.	AGE OF RESPONDENTS	43
4.4.4.	DO YOU USE SOCIAL MEDIA?	43
4.4.5.	SOCIAL MEDIA RESPONDENTS USE	44
4.4.6.	HOW LONG YOU HAVE BEEN USING SOCIAL MEDIA?	44
4.4.7.	TIME SPEND ON SOCIAL MEDIA PER DAY.	45
4.4.8.	SOCIAL MEDIA EXPOSURE (POSTS, TWEETS, ETC)	46
4.5.	EVALUATION OF SOCIAL MEDIA USAGE OF CBE	46
4.7.	REGRESSION ANALYSIS	48
4.7.1.	REGRESSION ANALYSIS BETWEEN SM AND RTC	48
4.6.1.	REGRESSION ANALYSIS BETWEEN SM AND RE	50
4.6.2.	REGRESSION ANALYSIS BETWEEN SM AND CA	52
4.7.	DISCUSSIONS OF EMPIRICAL FINDINGS OF THE STUDY	53
	CHAPTER FIVE	56
	SUMMARY, CONCLUSION, AND RECOMMENDATION	56
5.1.	INTRODUCTION	56
5.2.	SUMMARY OF MAJOR FINDINGS	56
5.3.	CONCLUSION	58
5.4.	RECOMMENDATION	60
5.5.	FURTHER AREA OF INVESTIGATION	61
	REFERENCE	63
	WEBSITES	68
	APPENDIX A	69
	SPSS OUTPUT	73

Lists of Tables

Table 1 Reliability Analysis for Pilot test Questionnaire	36
Table 2 Response rate Items	38
Table 4 Descriptive Statistics	39
Table 5 Correlation Analysis Outcomes between SM, RTC, RE and CA	41
Table 6 model summary for Durbin- Watson test for auto correlation among variables.....	42
Table 7 Gender of Respondents	42
Table 8 Age of Respondents	43
Table 9 social media usage	43
Table 10 social media used.....	44
Table 11 time spend in social media platform/s.....	45
Table 12 time spend on Social media sites per day.....	45
Table 13 exposure for social media platforms	46
Table 14 Descriptive Statistics for Social Media	47
Table 15 Model Summary (Regression Analysis between SM and RTC)	49
Table 16 ANOVA Test for SM and RTC	49
Table 17 Coefficient of determination (SMM and RTC)	50
Table 18 Model Summary (Regression analysis between SM and RE)	50
Table 19 ANOVA test for SM and RE	51
Table 20 coefficient of determination SM on RE.	51
Table 21 Model Summary of regression analysis between SM and CA	52
Table 22 ANOVA result for SM and CA.....	52
Table 23 coefficient of determination SM and CA	53

LISTS OF FIGURES

Figure	Page
Figure 1: Social Media Types	10
Figure 2: The dynamics of social in the social network sphere	12
Figure 3: A network representative of Sarnoff's Law	15
Figure 4: Metcalfe's Law	16
Figure 5: Reeds Law	17
Figure 6: conceptual framework	28

Abstract

Social media marketing is a new trend. Tools and approaches for communicating customers have changed greatly with emergence of social media and it has become an avenue that marketers can extend their marketing campaigns to a wider range of consumer. (Paquette H. 2013) The banking industry is fast adapting and utilizing social media technology as competition in the industry is fierce, quality service at low cost becomes common place and they are seeking new and innovative ways to sustain competitive advantage. The purpose of this study is to investigate the impact of social media on the marketing performance of commercial bank of Ethiopia. To this effect one predictor factor (social media) and three dependent variables (real time communication, repeat exposure and competitive advantage) were identified and consumer based attitude scale that contains twenty five items was developed and questionnaires were completed. Assumption and diagnostic tests were done and in the end, social media found to be dominant determinant factor for all the three dependent variables namely real time communication, repeat exposure and competitive advantage towards the effectiveness of marketing performance of commercial bank of Ethiopia.

ABBREVIATION

ATM= Automated Teller Machine

B2C= Business to Consumer

CA=Competitive Advantage

CBE= Commercial Bank of Ethiopia

CGM= Consumer Generated Media

POS= Point Of Sale

RE= Repeat Exposure

ROI= Return On Investment

RTC= Real Time Communication

SMM= Social Media Marketing

SPSS= Statistical Package for Social Science.

TV= Television

UGC= User Generated Context

Chapter One

Introduction

1.1. Back Ground of The Study

Social media can be defined as an instrument that helps to communicate and interact. Media is a tool used for communication, like TV, newspaper, radio etc. Social media are media for social interaction, using highly accessible and scalable communication techniques. Social media is the use of web based and mobile technologies to turn communication into interactive dialogue. (Kaplan and Haenlein, 2010) Define social media as "a group of Internet based applications that build on the ideological and technological foundations of Web 2.0", which allows the creation and exchange of user generated content (UGC). Businesses may also refer to social media as consumer generated media (CGM). But social media is not only about communication, it includes as well interaction between users.

Russell Winer affirms that many companies today are using some or all of the new media to develop targeted campaigns that reach specific segments and engage their customers to a much greater extent than traditional media (Winer, 2009). The most important characteristics that social media has are:

- Participation – everybody is continuously involved in this contribution process to share news, to give feedback
- Openness – the barriers are small, the content is reachable and opened to discuss
- Conversation – the dialog is really important, offer information, receive feedback or/and other information
- Community – common interests, hobbies, passions are creating groups.
- Connectedness – permanent connection, links between people, resources, life styles etc.

The main benefit of adding social media to your overall marketing communication strategy is to create a platform that attracts the attention of clients and prospects of products, services and capabilities, or prompts them to share their views on a topic of common interest.

Social media marketing is a new trend tools and approaches for communicating customers to bring changed greatly with emergence of social media and it has become an avenue that marketers can extend their marketing campaigns to a wider range of consumer (Paquette, 2013). At this time financial service firms increasingly adopt social media to communicate with customers and investors, they try to capture and retain business performance record through the application of social media as a marketing tool in addition to using social media in marketing, advertising, sales, innovation, customer service and problem resolution, information technology, human resources and also for driving cultural change (Bhanot, 2015/5).

Commercial Bank of Ethiopia (CBE) is the fastest and largest growing commercial bank in Ethiopia and legally established as a share company in 1963. In 1974, CBE merged with the privately owned Addis Ababa Bank. Since then, it has been playing significant roles in the development of the country and it is Pioneer to introduce modern banking to the country. It has more than 1280 branches stretched across the country. The leading African bank with assets of 565.5 billion Birr as on June 30th 2018, the bank also plays a catalytic role in the economic progress & development of the country. Currently CBE has more than 18.8 million account holders and the number of Mobile and Internet Banking users also reached more than 1,736,768 as of June 30th 2018. Active ATM card holders reached more than 4.4 million. As of June 30, 2018, 1708 ATM machine and 11,796 POS machines were available. It has strong correspondent relationship with more than 50 renowned foreign banks like Commerz Bank A.G., Royal Bank of Canada, City Bank, HSBC Bank... (<http://www.combanketh.et>)

As indicated on the company's portal "CBE uses its social media pages as one means of customer care channel to address requests/feedback in a timely manner. Also available promotional packages, new destinations and ongoing developments are continuously posted through the company's social media pages. Social media enabled the company to widely promote company's status, update activities, promote services, and communicate effectively with customers both internally and externally on real time, helps to increase repeat exposure on customers and to create competitive advantage over customers. As indicated on the portal of CBE until Dec, 2018, CBE has 49,000 fans on its Facebook pages and 1,108 subscribes on its YouTube account (<http://www.combanketh.et>). The social media activity is done centrally by IT

department and is being managed under corporate communication department. The company has a dedicated team helping the bank and identifies the needs, wants and critical issues of its customers. Therefore the present study aimed to investigate the impact of social media on marketing performance of Commercial Bank of Ethiopia which will enable further opportunities laid in social media platforms (<http://www.socialbakers.com/>).

1.2. Statement of The Problem

In today's technology driven world, social networking site have become a way marketers can extend their marketing campaigns to a wider range of consumers. The tools and approaches for communicating with customers have changed greatly with the emergence of social media (Paquette, 2013). User generated content (knowledge, experience, information...) via these social medias represent a huge opportunity in terms of word of mouth, well defined data, referrals, service definitions, drive traffic and brand awareness and so on in addition to playing an increasing important role in banking daily operation and performance.

The presence of strong social media in business is no longer a plus but becoming a requirement. Furthermore business organization could advertise solely via the media, such as radio, TV, billboards and newspapers, so it is important to understand the impact that social media have on business process performance (Wetzstein B, 2011)

Many organizations in Ethiopia including CBE do not take full advantage of Social Media Marketing (SMM) because they don't take SMM as a tool that can create a lot of impact on organizational performance additionally many customers and employees of CBE are still new to the social media concept and do not understand how it works and they tend to undermine the contribution of SMM can have on the organization. Social media has been viewed negatively, since many employers think that social media marketing should be avoided because employees will goof off, they see social media as having no business purpose, and they highly believe that employees can't be trusted. Social media marketing is also popularly seen as a fad and a waste of time. Management also asks the question, if competition isn't using it, why should they? All these are misconceptions and should be ignored. Done right, social media is more than a buzz and will produce winning results (Kimani E. , 2015).

Social media marketing has a lot of value to us because it allows employees to connect to the clients, especially the ones in different geographic zones. Social media allows firms to engage in timely and direct end consumer contact at fairly low cost and higher levels of efficiency than can be achieved with more traditional communication tools. This makes social media not only relevant for large multinational firms, but also for banking industry. (Kaplan and Haenlein, 2010). We may be wondering what the advantage is of having a presence on a social networking site like Facebook, twitter and youtube when the business already has a regular website. The answer is reach. CBE has a very general website that has detailed information about the products and activities that contains branch locator, ATM locator, currency rate, tender, vacancy, news, and feedbacks, Interest free banking. (<http://www.combanketh.et>)

Unlike the one-way communication in most mass media channels, social media represents two-way communication between seller and buyer. If CBE can use Social Media Marketing, it would be able to attract a larger mass of clients from all around the country. They would also communicate with clients and provide an answer to their queries immediately on social media sites (**real time communication**) and remind over and over what the company have(**repeat exposure**) and provide superior long term positioning over competitors(**competitive advantage**). Due to the above mentioned problems of using social media effectively CBE is missing a lot of opportunities.

Most of the research done concentrates on how to the medium used for social media as a marketing tool affects the interpretation of the message, but they do not focus on the media transformed. Many of the theories focus on advising organizations on how medium used will affect the organization, but not on the impact that social media has on the performance of the same organizations, moreover many studies have been done on assessing the impact of social media marketing performance of various organizations globally like “social media as a strategy in enhancing competitive advantage of firms in the insurance industry in Kenya” (Phoebe, 2014), “The role of social media marketing on organizational performance in Kenya” (Kimani, 2015) , “The impact of social media marketing” (Rajiv, 2012), “social media marketing: Gaining competitive advantage by reaching the mass” (Perdue, 2010) and the like have done their research on social media by comparing it with marketing performance but all the above

mentioned studies and other studies in the area are not performed in the context of Commercial Bank of Ethiopia. So the researcher has made an effort to study how social media will help CBE by enhancing real time communication with customers, creating real time communication and increasing the competitive advantage of the firm.

1.3. Objectives Of The Study

1.3.1. General Objective

- The main objective of this study is to examine the impact of social media on marketing performance of CBE.

1.3.2. Specific Objectives

- To determine the impact of social media on real time communication in customers of CBE.
- To examine the effect of social media on repeat exposure on customers of CBE.
- To investigate the effect of using social media on creating competitive advantages in CBE.

1.4. Basic Research Questions

- How does social media usage can impact real time communication of CBE customers?
- What effect do social media have on repeat exposure of CBE customers?
- What is the impact of social media in creating competitive advantage of CBE?

1.5. Scope Of The Study

Commercial bank of Ethiopia provides different commercial services to different customers including government, individuals, and other financial institutions. These are deposit service with different types of products, loan service, agency service and the like. This research focuses on CBE social media marketing in forming effective performance using social media in the area of real time communication, repeat exposure, and competitive advantage based on the top two

social media platforms namely facebook and youtube. On the other hand the study is limited to social media users of CBE irrespective of their geographic location where they are situated.

1.6. Significance Of The Study

The basic intention of the researcher to do this study is bring a significant assessment of the impact of social media platforms used by CBE by looking opportunities presented by social media as its marketing communication effort and benefits greatly in improving its effectiveness and it will help CBE by providing the position of CBE on social media marketing and to fix its problems regarding social media usage in respect to the indicated performance level. As an academic exercise the overall process will benefit the researcher through adding up knowledge to the field and create a way for additional research for other researchers, industries, decision makers. Moreover, findings of the present study will be used as a base line for future studies in the area.

1.7. Limitations Of The Study

The significance of this study needs to be viewed and acknowledged in lights of its limitations. The limitation of this study will include:

The first limitation of this research was related to sample size. The social media followers of CBE in all media are small in size when we compare it with the total population of CBE customers, Therefore the findings cannot be generalized to include all proportional users of social media compared with the total population of CBE customers.

Secondly, Social media marketing is a new phenomenon in Ethiopian so it is difficult to get previous studies in the area particularly in the banking industry; additionally the study is a student's research with limited time and resources primarily targeting academic knowledge extension.

1.8. Definition of Terms

- **User Generated Content:** User generated content (UGC) includes online blogs, contributions to wikis, comments in forums, and pictures and status updates on social networking sites. It's also called consumer generated media, or consumer created media, and is a core component of the so-called second generation web or Web 2.0. (Chris Grannell, 2009).

- **Marketing tools:** The techniques and materials used by those who are involved in the promotion of goods and service (Businessdictionary.com).

- **Social Media:** (SM) is defined as primarily internet or cellular phone based applications and tools to share information among people. (Businessdictionary.com) Merriam Webster dictionary also defines social media as forms of electronic communication (as web sites for social networking and microblogging) through which users create online communities to share information, ideas, personal messages, and other content (as videos)(Merriam Webster – an encyclopedia Britannica Company)

- **Social media marketing :**(SMM) is an interdisciplinary and cross functional concept that uses social media (often in combination with other communications channels) to achieve organizational goals by creating value for stakeholders. SMM is the use of social media platforms and websites to promote a product or service. (www.en.wikipedia.org)

- **Social media communication platforms:** A social platform is a web-based technology that enables the development, deployment and management of social media solutions and services. It provides the ability to create social media websites and services with complete social media network functionality. (<https://www.techopedia.com>)

1.9. Organization Of The Study

The research consist five chapters. The first chapter is consisted of introduction part which is composed of background of the study, statement of the problem, research questions, general and specific objectives of the study, significance of the study, scope of the study, and definition of terms defining important terms and concepts of the study. The second chapter presents discussion of related literature review. It contains explanations related to social media, social media marketing, and social media in an airline marketing activities. The third chapter includes the research design and methodology that the researcher employed to conduct the study this includes research approach and the research design, the sampling procedures, the ethical consideration that had been undertaken and discussion data analysis. The Fourth chapter presents the analysis and findings of the research and it discusses their implication with respect to the theoretical presentations in the literature review. Findings are presented with the aid of different tables and graphs. In the fifth chapter summery, conclusion and recommendations presented based on the findings of the research.

Chapter Two

Review of Related Literatures

2.1. Introduction

The purpose of this chapter is to critically review the theoretical and empirical review of literature related to the topic of social media marketing, real time communication, repeat exposure, competitive advantage and other related concepts those supports the research ideas. In general the chapter contains two parts theoretical framework and empirical framework.

2.2. Theoretical Framework

2.2.1. Social Media

Most of the research done concentrates on how to the medium used for social media as a marketing tool affects the interpretation of the message, but they do not focus on the media transformed. Many of the theories focus on advising organizations on how medium used will affect the organization, but not on the impact that social media has on the performance of the same organizations.

Research on the field of social media marketing is not very extensive but has been done since 1976 by Short, Williams, and Christie in their social media presence theory and continues to date. Short, Williams, and Christie (1976) have used “**social presence theory**” to establish the fact that the higher the social presence, the larger the social influence that the communication partners have on each other's behavior.

McLuhan Marshall The author of the famous quote “the media is the message argued that the media itself, rather than its actual content, will transform people and society. The actual messages people are communicating won't be any different on the new media, the interactivity and frequency of new communication patterns will change our behavior forever (McLuhan M. , 1995). Thus, the media's effects on society are much greater than their content.

Palmer and Lewis are correlating the performance of these traditional channels to the rise of social media in marketing and brand management. As a result of completion and tough economic environment, companies have tightened their budgets especially advertising budgets which have shifted to online channels. (Palmer and Lewis:, 2009), on the other hand a research

studied by Ernst.J, David M and Dernoga M found that companies (brands) are gradually shifting their advertising priorities to align better with today's buyers (Ernst.J, 2011). Today's buyers are tech savvy and social media maniacs. Therefore it is the proliferation of the social media network services in brand management and marketing that bring us to the attention of social media networks.

In the last couple of years, different kind of social media networking services have emerged and currently there are innumerable social media channels that connect people to each other. The most popular social network sites that are widely used are; Facebook, Twitter, YouTube, LinkedIn and Flickr. In fact, Facebook, twitter and YouTube are the most common channels companies use in their online marketing for creating brand awareness or just engaging with the customers. Social media includes web and mobile-based technology that induce users to interrelate with each other by creating and sharing user-generated content. The next picture shows the main social media types with their description by considering the present research:



Figure 1: Social Media Types

Source: (<https://www.cite.co.uk/the-different-types-of-social-media/>)

Facebook

Facebook was launched in 2004 and have over 2.2 billion monthly and 1.4 billion daily active users (active in Jan 2019), of which 300 million photos upload daily 8 billion videos viewed daily, on average 5 facebook accounts created per second. There are more than 70 languages available on the site. Its main use is to establish and maintain relationships in work related situations, in political affiliations or just among friends and families (<http://www.facebook.com>). Facebook has become the most powerful tool for marketing today. In April 2011, the company launched a new service for marketers and interested creative agencies which is a form of online platform (Portal) that allows marketers and creative design agencies to build brand promotions on Facebook. Facebook is now a direct competitor of Google in online advertising and this new service has made it possible for companies such as Financial Times and ABC News to create dynamic commercial graphics or advertisement. (<http://www.en.wikipedia.org/wiki/Facebook>)

YouTube

YouTube was created in February 2005 as a video sharing website on which users can upload, view and share videos as an informative and inspirational to others across the globe. The company uses Adobe Flash Video and HTML5 technology to display a wide variety of user generated video content. YouTube acts as a platform for distributing contents by creators and advertisers as well. Over 5 billion videos are viewed every day, there are 1.5 billion active users from this 30 millions are daily active users and the average visit length is 40 minutes (<http://www.youtube.com>) Just as the adage goes a picture is worth a thousand words, pictures have an impact in creating an image in the mind of a person. This has given YouTube a competitive advantage in online marketing; all in all more businesses are now using YouTube for their marketing advertising campaigns.

2.2.2. The Role Of Social Media Networks

Social media network are applications that allow users to build personal web sites accessible to other users for exchange of personal content and communication (Palmer and Lewis:, 2009). Social media according to Palmer and Lewis can be characterized as: online applications, platforms and media which aim to facilitate interactions, collaborations and the sharing of content.

Fauser.S, Wiedenhofer. J and Lorenz. M on their study argue that communication is the core dimension of social media networks, not all platform categories are equally suitable for all marketing objectives because most of the platforms are not equally well suited for information, collaboration, and even for cultivating relationships (Fauser.S.G, 2011), elsewhere the purpose of social networks is primarily for communication and exchange of ideas of interest among peer groups or communities. According to Gummesson.E however, it is through frequent communication initiated by the marketer on the interactive social networks that a long term friendship can be developed and maintained between the business and the customer (Gummesson.E, 2002). Janal. D on the other hand, insinuates that the information provider (marketer) are the ones creating their own communities with their social network constructs, hence staffers and vocal members of these constructs lead discussion. Furthermore the vocal members become the opinion leaders (Janal.D.S, 1998). On the other hand a collaboration between the marketer and the online consumer/or prospect is developed. This means that without information flow within the communities and the brand which in this case is the business, they would be no serious engagement amongst the online communities. The figure below for example gives a picture of the kind of interaction that takes place within the confines of the Social sphere.

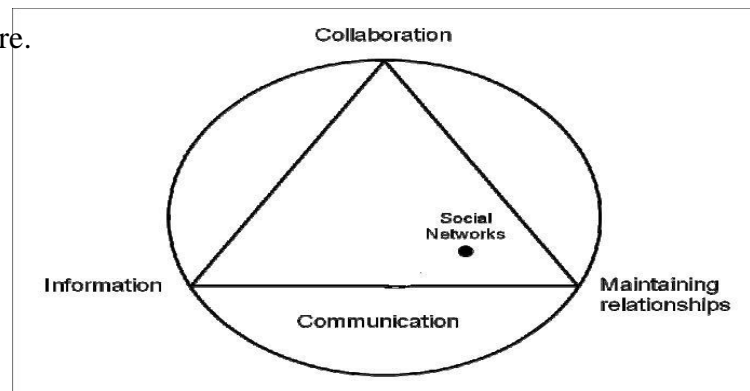


Figure 2: The dynamics of social in the social network sphere
Source Adapted from (Fauser.S.G, 2011)

However, the dilemma facing companies planning to interact with social networks is how to control communication environment within the network, in an effort to make sure that their brand image is protected. Palmer and Lewis therefore conclude that a true social network should give members a feeling, a sense of ownership of the community and if that is not perceived there is potential for network members to be resentful. Therefore for companies to be successful in using social technologies, the first step would be to prepare and align internal roles, processes, policies with the business objectives (Palmer and Lewis:, 2009)

2.2.3. Marketing Through Social Media

In broader terms the topic of the study is the impact of social media on the marketing performance of CBE, but it is first important to define the terminology “marketing” according to the American Marketing Association. Marketing is an organizational function and a set of processes for creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders. (<http://www.Marketingpower.com>). In the definition above, the key words are organizational function, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers. From an organization perspective, the aspects of these processes referred in the definition above are brand awareness, advertising, public relations etc. Therefore for the sake of this study, we focus only on one branch of marketing which performance that includes a process of communicating, delivering, and exchanging value to customers as already shown in the definition of marketing by the American Marketing Association.

Kaplan and Haenlein have formulated social media as “a group of Internet based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content” (Kaplan and Haenlein, 2010). Some of the popular social media pages are Facebook, Twitter and Youtube, these platforms allows companies to create connection and interaction with their customers instead of sending one-way messages. Social media is based on a natural, authentic conversation between people about a subject of mutual interest. (Scott, 2010).

Social media marketing is a form of internet marketing that utilizes social networking websites as a marketing tool. The goal of SMM is to produce content that users will share with their social network to help a company increase **brand exposure** and broaden **customer reach** (Margaret, 2011). One of the fastest ways in which organizations gain consumer attention at a wide reach to their customers is through the social media.

In 2018, the number of social network users reached 2.62 billion, a number that is expected to increase to 2.77 billion by 2019 (<http://www.statista.com>). Because social media provides an inexpensive way to interact and engage with these large numbers of potential customers, social media marketing has become a valuable channel for marketers. The larger the number of fans, followers and subscribers are, the larger the audiences and the base from which to communicate and build engagement, promotions and all the key elements that adds value to the airline. The main focus in social marketing is to keep consumers informed. The effectiveness of social media marketing is typically measure using proxies rather than monetarily, as linking social media marketing activities to key financial indicators is difficult.

Social media marketing became more common with the increased popularity of social media platforms. It is about understanding how technology is making it easier for to connect with their social networks and how businesses are making profit from that understanding. Successful social media marketing requires meaningful participation, authenticity and real engagement. Marketers need to merge social media marketing into the brand and marketing plan to increase exposure and improve online positioning.

2.2.4. The Power And Value Of Social Networks

Networks are a set of relationships which can grow into enormously complex patterns (Gummesson.E, 2002). Therefore, for this kind of relationship to be established on a B2C level, an interaction between the online marketer and the customer must be built on the social media platforms which are suitable. There are various reasons why a company may decide to go online; it can either be to build or establish a brand, grow contacts, build sales or to save money

by implementing other processes that cut existing costs the company is currently incurring. Whatever the reason for company going online, the role and value of the network is fundamentally important to apprehend.

Below are three value-governance laws that apply to social networks and communities. These laws draw the importance of having enormous complex one single customer network the chain can grow vastly to a very complex network patterns on a relationship.

Sarnoff's Law

This law is credited to David Sarnoff, who was an American businessman and pioneer of American commercial radio and television networks. He was the founder of National Broadcasting Company (NBC). Sarnoff law was coined to relate to the value of a radio station to the number of listeners. In its view the value of network increases in direct proportion to the number on listeners on that network. Therefore a network with 100 members is considered to be 10 times more valuable in terms of reachability contrary to a network with only 10 members (Evans.D, 2008). In social network perspective this theory equally implies that the more people are connected to a brand through social network, the more the effect. The figure below is an evidence of how this law applies to networking of individuals.

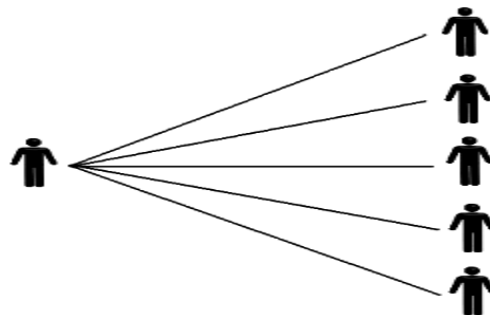


Figure 3: A network representative of Sarnoff's Law
Source adopted from socialmediaonline.com

Metcalfe's Law

This law is attributed to Robert Metcalfe who is a Massachusetts Institute of Technology (MIT) graduate and one of the inventors of the Ethernet and founders of the networking firm 3com. The network characterizes many of the networks effects of communication technologies and networks such as the social network, internet and the World Wide Web. The law stipulates that, the greater number of users with the service, the more valuable the service becomes to the community. Therefore, this law taken on a social network context, may denote that every new accepted or added member on the networking site makes the user's profile more valuable in terms of the law. (Evans.D, 2008). Most people associate with the things they love and get value from; they also tend to talk about the cherished things to friends and relatives. It is through the sharing, which in this case can be done on the social networking site that the chain of connectivity is expanded further to others. This can imply to marketer that the increase is as a result of the satisfaction derived from their products and services. The figure 3 below supports the theory; the increase on network chain has an impact on how far the message can reach.

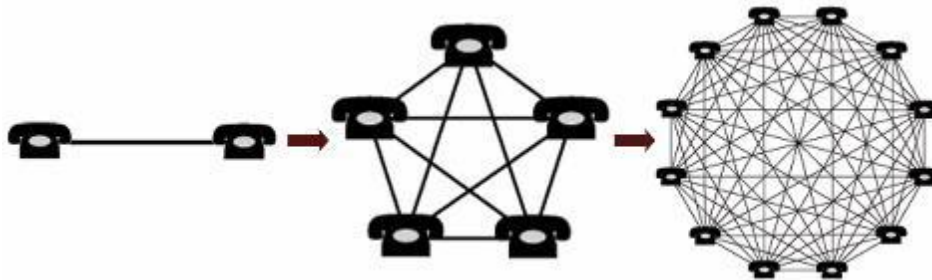


Figure 4: Metcalfe's Law
Source: mshare.net (2012)

Reed's Law

According to Reed's law, the function of large network can increase highly with the size of the network. Reed's law was formed by David P. Reed, a computer scientist at Massachusetts Institute of technology (MIT), working in the area of computer networking. This law applies to the social networks in use. The law emphasizes on the impact on network value by recognizing and supporting groups of members. A well connected network encourages the formation of strong subgroups and flow of communication that put more emphasis on relevant and important

information within the networks (Evans.D, 2008). The supporting group of the members can be built by creating opportunity to each person added to the network to also be in a position to connect with each other. To every addition of a new person, the number of new connection is also expanded and hence the formation of more subgroup. Below is figure 5 showing the connectivity within networks.

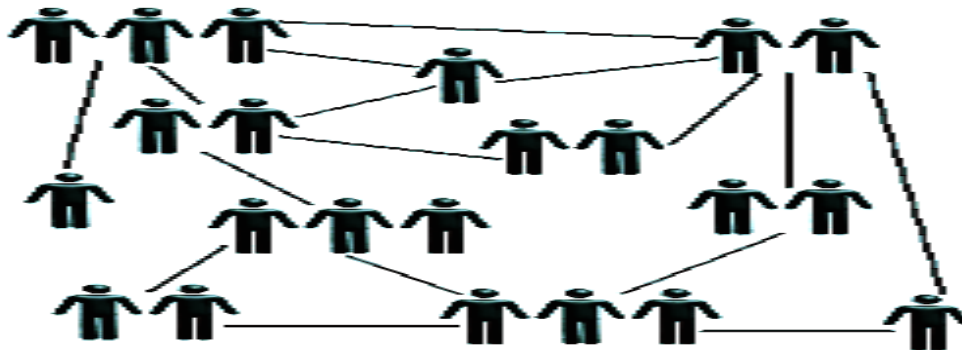


Figure 5: Reeds Law
Source; socialmediaonline.com

2.2.5. Marketing Performance of an Organizational.

(Richard, 2009) states that organizational performance encompasses three specific areas of firm outcomes, that is financial performance (return on assets and return on investment), market performance (sales, satisfaction, retention and market share) and shareholder return (total shareholder return and economic value added). The ultimate goal of strategy is long-term, sustaining, and superior performance.

Market performance is directly related to number of sales and revenues, and can be determined by sales (responses), conversion rate(real time conversation), website turnover, market share, customer acquisition, customer retention through repeat exposure, up-selling, cross-category purchases, competitive advantage creation, customer visit frequency, and co-produced products and services and the like. Most of these measures are straight forward, whereby information can be gathered from industry reports, sales reports, databases with customer information, and web analytics software. Market share can be determined based on the total industry turnover in the

country, while customer retention can be evaluated by the share of customers that place repeat purchases. (Bieze, 2010)

Market performance concerns the purchase behavior responses of customers and prospects in the target market to the firm's realized positional advantage (Morgan, 2002), this enhances market performance in ways that may be captured in indicators such as: greater sales volume, increased customer satisfaction and behavioral loyalty, lower price sensitivity, and growth in the firm's market share. Alternatively, a firm with a realized cost advantage may choose to deliver an equivalent value offering and seek to maintain existing perceptions and buying behavior patterns among target customers while enjoying a greater margin at the same selling price as competitors.

A successful social media profile requires openness to feedback (real time communication) and it contributes to effective communication, another important factor in developing social media profiles is analysis of feedback from social media that helps the managers/entrepreneurs to learn more about possible errors done in the past, and which represent lessons learned for the future. Getting easily into contact with other users (customers, competitors ... etc.) of social media networks and even outside of them is an important tool for competitive intelligence, making them our informers. It is important to understand the specific impact that social media have on business process performance (Wetzstein B, 2011). Done right, social media is more than a buzz and will produce winning results (Kimani E. , 2015). Social media allows firms to engage in timely and direct end-consumer contact at fairly low cost and higher levels of efficiency than can be achieved with more traditional communication tools and other competitors. This makes social media relevant for all types of companies. (Kaplan and Haenlein, 2010).

2.3. Social Media For Marketing Performance

Web 2.0 is the last stage of a successful online marketing strategy. Firms can engage in social media in a passive or active way. Using the passive way, social media is a source of data collection, for example regarding customer voice and market information. When firms want to achieve more than solely tap into marketing intelligence, social media can also be used in active ways for public relation and direct marketing activities, reaching specific audiences (reach out

more customers) and influencers, tapping in on and redistributing customer creativity and reviews, and for co-producing products and services with customers (Constantinides, 2008)

The measurement of social media performance largely depends on the business objectives, despite this Murdough. C proposes that in the most firms social media performance measurement should attempt to quantify the impact of the customer dialogue base on three pillars: reach, discussions, and outcomes. Reach relates to monitoring the quantity of mentions as well as the quality of the contributors. Outcomes show the contributions of social media to the firm, which can for example center around (in) direct economic outcomes like site traffic, purchase intentions, and generated sales (Murdough, 2009).

An alternative approach to social media performance monitoring is provided by (Lovett, 2010) who propose that there are four primary objectives that can be used as the basis for performance measurement in web 2.0. These aims are: foster dialogue, promote advocacy, facilitate support, and spur innovation. The fostering of dialogue can be measured by the share of voice, audience engagement, and the conversation reach. Here the share of voice relates to relative percentage the company is mentioned in comparison to competitors, while audience engagement indicates what proportion of site visitors actively contribute to discussion about or social media activities of the firm. The promotion of advocacy can be determined by the number of active advocates, as well as their impact and influence. To track the facilitation of support through social media, companies can focus on measuring the satisfaction score, resolution time, and resolution rate. Last but not least, the extent that innovation can be spurred by assessing topic trends, sentiment ratio, and the idea impact. The strength of this model is that it not only assumes social media to be marketing tool, but also as a medium for customer support. However, most objectives and performance indicators are designed for companies that actively engage in social media, which might not be wise for firms that experience problems in lower levels of the electronic marketing strategy ((Godin, 2007); (Constantinides, 2008); (Constantinides E. , 2010). Last factors that can significantly influence the marketing performance of online retailers are relationships with online intermediaries, who can be an important source of traffic and customers.

Social media marketing is very important to organizations and plays an unlimited number of roles in an organization that help in improving the performance of an organization. We will look

at some of the outcomes of social media marketing to the performance of an organization, but we need to stress that these aren't the only roles of social media marketing. (Kimani E. , 2015)

2.3.1. Real Time Communication

Real-time communications (RTC) is a term used to refer to any live telecommunications that occur without transmission delays. RTC is nearly instant with minimal latency. RTC data and messages are not stored between transmission and reception. RTC is generally a peer-to-peer, rather than broadcasting or multicasting. (<http://www.techopedia.com>)

Social media tools provide an effective communications medium. By using social media within your support organization you can increase consumer engagement and feedback, as well as decrease the response time in solving customer support issues. A quicker response rate helps to improve customer satisfaction and retention rates. Communication is the process by which individuals share meaning. It is necessary, therefore, that participants are able to interpret the meanings embedded in the message they receive, and then, as far as the sender is concerned, able to respond coherently. (Baines P, 2013). Social Media and Mobile Communication platforms can be used for studying and collecting information on problems and issues faced by customers and consumers (Kimani E. , 2015). This when combined with market intelligence data, will help create value proposition for an organizations' future direction as well as products and services. The organization can then act fast to solve the problems faced by consumers before they get out of hand and bring bad image to the organization. (Kimani E. , 2015)

Customers are now relying more on social media as a more reliable source of information than firms' commercials or traditional marketing when making purchasing decisions (Mangold, 2009). Customers are making purchasing decisions in real time, so the earlier firms respond to customer concerns and issues, the better for them. This is because for each comment a user posts, their friends get to see the firm's response too, anybody can leave a comment about each video and you do not have to be a customer or subscriber, and everyone can see each comment in real time, as in posted-article and blog commentaries. Firms should strategically use their postings to promote their products. Social Medias are easily found and accessed through search engines. Any comments or statements made on these social media can easily affect customer's

decisions. Since firms are not allowed to modify what is written on Wikipedia about them (Kaplan and Haenlein, 2010)

As an indicator of real time communication social media Encourage Usage of New Discounts and Services, Social media content is updated frequently and indexed favorably by search engines in a more frequent manner (Xiang, 2012). So it is important for firms to update their social media as much as possible. Brands that can persuade customers to fall in love with their conversations in Web 2.0 will be successful (Meadows-Klue, 2008). Firms that have their social media results in search engines displaying interesting messages will spark active conversations from any visitor, such as videos on new services or frequent promotions listed by the firm. The aim of social media is also to convert these conversations into healthy feedback that encourages positive conversations between firms and customers as well as customer-customer interactions.

Firms on social media must be active in real time in order to respond to all customer concerns and be interesting as well as innovative in the way they communicate with customers (Kaplan and Haenlein, 2010). Firms should be very active on social media regardless of who it belongs to as long as it concerns their brand. They need to respond on time to have some influence on customers' decision making. Firms also need to be innovative in their interactions with customers.

If the customer comments, concerns, and questions matter the most, then social media would be extremely beneficial. Customers using one of the common platforms like Facebook or Twitter can easily communicate directly and quick answer to them in a public format lets other customers see your responsiveness (Shilpa.H, 2014). Social media allows the ability to stay connected with customers on a real-time basis. If any discount going on, then it is easier to send an email to customers and they can buy the product instantly. Internet also allows sending multiple messages at the same time, which saves the tedious task of sending a newsletter to every client. (Gopal, 2014) Regular interaction with customers can keep them engaged with your company and foster deeper feelings (Kathryn, 2019).

2.3.2. Repeat Exposure

There is an old marketing adage that says it takes six to eight exposures to a product before a customer decides to buy. A clear benefit of social media is repeat exposure with your network. You have the opportunity to remind them over and over again about what you have to offer, which can shorten your sales cycles dramatically (Kimani E. , 2015). Social Exposure is a good starting point for measuring the scope of social media activity. Social exposure is measured by the numbers of followers / fans, impressions and subscribers an organization manages to get on their social pages. The exposure is necessary to build a community that can spread the company messaging. You want your message and story to reach as many people as possible. To maximize your reach, you need to have a presence where people are hanging out and increasingly they are hanging out on social networking sites (Kimani E. , 2015).

Having a larger exposure will essentially widen the potential for people to view your brand. Exposure is very important in the banking industry. The more our service seen on the social sites, the more the bank becomes popularly known and therefore, the more clients are going to trust our products and services. The media itself, rather than its actual content, will transform people and society. The actual messages people are communicating won't be any different on the new media, the interactivity and frequency of new communication patterns will change our behavior forever. Thus, the media's effects on society are much greater than their content. (McLuhan M. , 1978)

The higher the frequency of advertising on social media, the more it influences purchasing behavior (Mathur, 2012). Social media and E-marketplace should provide products and services that are needed frequently (Reibstein, 2002). Repeated exposure is one of the key issues in advertising as most consumers have a chance to be exposed to an advertisement more than once but the advertisement rate is usually proportional to the exposure frequency. Therefore the magnitude and conditions of repeat exposure have been studied by numerous researchers in the field. In measuring the effectiveness of advertising, three variables are considered in principle: awareness, attitude, and selection along with the consumer choice process (Nedungadi, 1992). Repeated advertising exposure has been shown to provide positive effects on the consumer choice process it increase accessibility of the brand information about the brand and brand

attitudes (Berger, 1989) . Especially the positive effect of repeat exposure on brand awareness is reported by in mixed choice condition where subjects are given brands to choose. Our repeated exposure probability function is based on above previous findings that explain positive but marginally decreasing effects of repeat exposure on the consumer's level of brand awareness. (Nedungadi, 1992)

2.3.3. Competitive Advantage

Competitive advantages are company assets, attributes, or abilities that are difficult to duplicate or exceed; and provide a superior or favorable long term position over competitors (Ken Faulkenberry, 2012). It's the ability of a company to deliver products, services or benefits, either at a lower cost or an improved level than other players in the same industry. Ednah Kimani on his study conclude that Social media gives organizations a competitive edge by giving real-time response to customers. This gives an organization an advantage over another organization which has not invested in social media marketing. Social media activities take place in real time. With little or no delay between receiving information and disseminating it, your company can provide rapid social media responses to customers and gain an advantage over competitors who don't respond as quickly or have not invested in social media (Kimani, 2015)

Another competitive advantage social media offers is brand monitoring. Monitoring and measuring your brand via social media enables you to track what your customers are saying online about your company and products. It offers a competitive advantage by providing information on comparisons customers draw between you and your competitors, which helps you to make decisions about pricing and customer preferences. By using tracking programs such as social plug ins from Google Analytics or RowFeeder, you can identify the demographic profiles of your followers, customize your products and market them accordingly (Mangold, 2009). The business competitive advantage is a systematic and ongoing process which includes all activities regarding collection, analysis, communication and use of information about innovation, customers, distribution channels, competitors, technology, macroeconomic and political issues in order to increase the competitiveness of organizations and to help in the decision process (<http://www.Global.Alliance.Intelligence>).

At this time social media lets one gain the competitive advantage if used correctly, social media can boost our search rankings, allow to provide better customer service, build an effective online personality, connect with new business partners, build connections, and validate professional standing all while providing consumers with the value they want. In fact, social media marketing represents a great opportunity to engage with followers and generate both lifelong customers and the market research information needed to keep our product and service offerings fresh to create a great competitive advantage. In the end, online success truly depends on how smart one is to communicate online with clear strategy to take benefit from multitude of resources. (Shilpa.H, 2014)

2.4. Relationship between Social Media Usage and Organizational Performance

Many researchers study the impact and the benefits of social media throw various variables on organizational performance, brand loyalty, competitive advantage, consumer buying behavior, entrepreneurial orientation and CRM, such as: (Parveen, 2015) stated in their study results that social media usage has a very strong positive impact on organizations' performance, in terms of cost reduction, repeat exposure of information, improved customer relations, and enhanced information accessibility. Also (Moen, 2008) studied the use of ICT and its impact on organizations which indeed it was found that it has a positive impact on firm's satisfaction. (Kimani E. , 2015)stated in his study results that social media marketing has a lot of value to people because it allows employees to connect to the clients, especially the ones in different geographic zones, social media allows firms to engage in timely and direct end-consumer contact at fairly low cost and higher levels of efficiency than can be achieved with more traditional communication tools. Furthermore, (Apigian, 2005)in a research to study the relationship between business internet use and internet performance which he found an increase of revenue expansion, relationship enhancement, cost reduction, and time reduction. (Durga, 2015) Stated that social media is not just about leaving trivial comments or liking pictures on Facebook, it has huge implications for organizations for their internal use such as knowledge management as well as for external uses such as sales and marketing. Also (Ferrer, 2013) investigated the impact of social media technologies and found it positively impacts the social capital of an organization and subsequently its performance. Furthermore, the use of social

media helps organizations to promote and increase customer relations and customer services (Parveen, 2015)

This study will consider Social media as independent variables, while organizational performance (real time communication, repeat exposure and competitive advantage) as dependent variables. More specifically, the purpose of the current study is to investigate the impact of social media usage on marketing performance at CBE.

2.5. Empirical Review

Most of the research done concentrates on how the medium used for social media as a marketing tool affects the interpretation of the message, but they do not focus on the media transformed. Many of the theories focus on advising organizations on how medium used will affect the organization, but not on the impact that social media has on the performance of the same organizations.

A study done by Bhanot Sandeep (2015) develops a test on the impact of social media usage on two dependent variables of performance (reach out more customer and increase in sales). The researcher concludes that Majority of the companies are using a combination of traditional and social media to reach out to their customers. It has been seen that use of social media has helped companies to reach out to more customers and to satisfy their needs better in addition to creating a real time communication with their customers, and also the researcher indicates that Companies can use the social media better by making their message clear, avoiding chaos and ensuring that their online image matches with their brand image. (Bhanot, 2015/5). On the other hand Rajiv Kaushik said that as the popularity of social media is growing and there is no turning back it seems social media will overtake to other functional areas of marketing to a large extent. Social media is trying to fill the gap between marketers and consumers through continual dialogue, timely communication, creating competitive advantage, building trust and interacting with right audience in right way and time, as fast as possible. (Rajiv, 2012), in addition Kimani, Ednah on the study identify and analyze the role and impact of social media marketing and to analyze to what extent it has an impact on business performance. The results of the study shows that social media marketing has a lot of value to people because it allows employees to connect to the clients, especially the ones in different geographic zones. Social media allows firms to

engage in timely and direct end-consumer contact at fairly low cost and higher levels of efficiency than can be achieved with more traditional communication tools. (Kimani E. , 2015)

Another previous research by Lakksim.V, Afraa. M, Ankita.C States that Social media marketing is important because it aligns with the way consumers make purchasing decisions, Study indicates that increasing numbers of consumers are using internet services and research to carry out preliminary product and price research before making final decisions. Social media marketing enables them to build relations with customers and prospects through regular, low-cost personalized communication, reflecting the move away from mass marketing. Most of us use social media marketing to build real time communication with communities around our businesses. These communities are then used as owned media to spark conversations, spread awareness, increase following, reward fans and on the whole have a better relationship with their online audience. (Lakksim.V, Afraa. M, Ankita.C, 2017), additionally the study conducted by Elizabeth Mkamachi Nyambu concluded that organizations had realized and development on social networking as a result of marketing on social media. The study concluded that most of the organizations apply social media technology as a tool for social marketing where it's used in our organization to enable human interactions on a scope and scale not previously witnessed. The study also concluded that organization has substantially invested heavily on social media communication resulting to direct linkage between technology investment and increases in productivity and performance. The study also concluded that most organization use social media as a promotional campaign where it helps in to identify exactly how, when, and where social media influences consumers hence helping executives to craft marketing strategies. Additionally, the study concluded that social media provides a better platform for organization performance as it enables quick and timely feedback from customers to a great extent. (Elizabeth, 2013)

a Study conducted by Parveen, F, Jaafar, N.L and Ainin, S categorized social media usage into three sub-constructs such as social media usage for marketing, social media usage for building customer relations, and social media usage for information search. The result of the study showed that social media usage has a very strong positive impact on organizations' performance, in terms of cost reduction, repeat exposure of information improved customer relations, to reach of more customers and enhanced information accessibility. (Parveen, 2015)

Phoebe Nakhama on his study concludes that social media strategy has enhanced competitive advantage among insurance companies in Kenya because the firms have experienced an expansion in customer base and sales, an improved corporate image and better customer service all of which form the intangible assets of the firm. From the findings, organizations that use social media seem to have a competitive edge over their competitors who may not be online. (Phoebe, 2014), additionally Perdue, P designed to presents the principles of social media marketing by explaining the social media phenomenon, detailing how to create and capture value with social media, and discussing the process of formulating a social media marketing strategy. The results were a recommendation from the researcher to follow the best way to connect with online consumers in social media is to focus on the four core principles: community, content, conversation, and transparency. Companies who base their social media marketing strategies on these four principles can achieve stability and success in an increasingly complex and constantly changing global business environment. (Perdue, 2010), furthermore Durga Designed to explore how to systematically analyze social media in the context of competitive advantage as proposed by Porter in his 1985 work. The results of the study shows that social media is not just about leaving trivial comments or liking pictures on Facebook. It has huge implications for organizations for their internal use such as knowledge management as well as for external uses such as sales and marketing. (Durga, 2015)

Thus, based on these previous studies, the researcher will attempt to investigate contribution of social media on real time communication, repeat exposure, and competitive advantage for CBE

2.6. Conceptual Framework

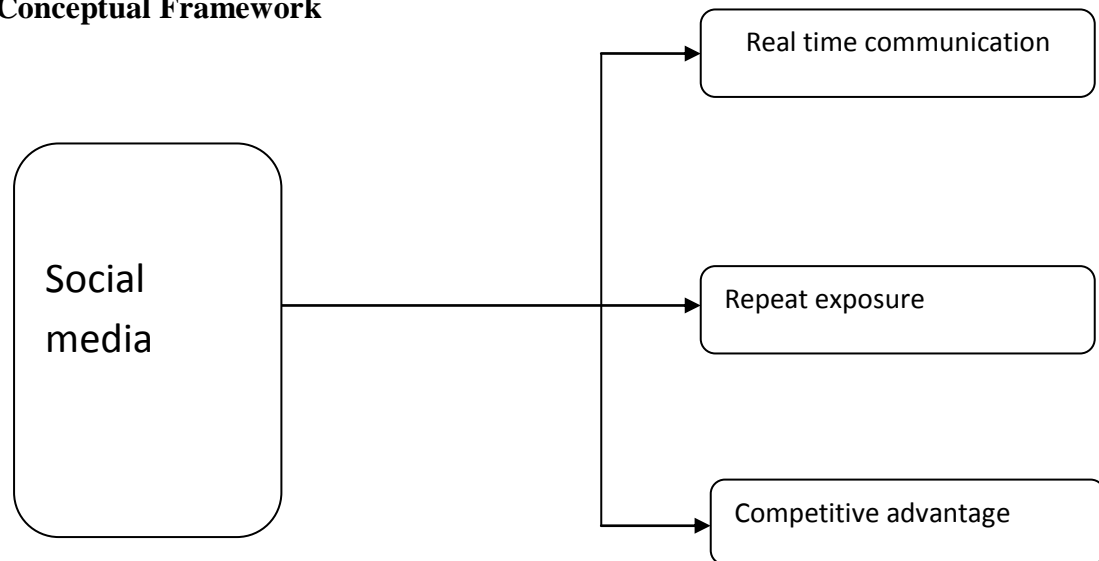


Figure 6: conceptual framework

Source: Adopted and modified from works of Prof. Sandeep B (Bhanot, 2015/5) and *IOSR Journal of Business and Management* (Kimani E. , 2015)

2.7. Hypothesis development

i. Real Time Communication

As indicated by Shilpa.H While social media has a significant impact on marketing and marketers, it has brought along with it a new perspective about how things get done There is no doubt that Social Media is changing the way information and knowledge is shared in real time. Things are happening much faster, and innovations and improvements are literally every minute. Social media can be a better medium and can significantly contribute to the real time communication made between the marketers and customers (Shilpa.H, 2014).

H₁ social media a significant effect on real time communication

ii. Repeat Exposure

The higher the frequency of advertising on social media, the more it influences purchasing behavior (Mathur, 2012). Social media and E-marketplace should provide products and services that are needed frequently (Reibstein, 2002), Repeated advertising exposure has been shown to provide positive effects on the consumer choice process it increase accessibility of the brand information about the brand and brand attitudes (Berger, 1989) . Based on this finding we can generate our second hypothesis.

H₂ social media has a positive impact on repeat exposure

iii. Competitive Advantage

The reality is that most of your competitors aren't likely doing a very good job with social media (including banking industry), which gives us the chance to stand out. Also consider the flip side. If we avoid social media, we will leave a big opening that allows our competitors to capture our audience. Social media has a great significant on competitive advantage over our competitors. (Chandler, 2013) Based on this we can derive our third hypothesis.

H₃ social media has a positive significant effect on competitive advantage

Chapter Three

Research Methodology

3.1. Introduction

Research is defined as something that people undertake in order to find out things in a systematic way, thereby increasing their knowledge. The term methods refer to techniques and procedures used to obtain and analyze data where as methodology refers to the theory of how research should be undertaken (Saunders, Lewis & Thornhill, 2009). Here under, the researcher will clarify what techniques and procedures (methods) were employed to increase the knowledge and give to examine the impact of social media marketing on performance of commercial bank of Ethiopia.

3.2. Description of the Study Area

The commercial bank of Ethiopia operates its services in different areas of the country. With this regard the bank has 15 district offices with each district there are different branches in the area. The study include the two well known social media platforms (facebook and youtube) that CBE use and all the members of the above mentioned social media users will be part of the study area.

3.3. Research Approach

There are two main research approaches: deduction and induction. With deduction theory and hypotheses are developed and a research strategy designed to test the hypothesis. With induction, data are collected and a theory developed as a result of the data analysis (Saunders, Lewis & Thornhill, 2009).

This research followed deductive research approach as the research questions and hypothesis to be tested are developed and it seeks systematical gathering and analyzing of relevant data in order to develop foundation for determination of effectiveness of usage of social media platforms as marketing tool.

3.4. Research Design

The research design refers to the overall strategy that a researcher choose to integrate the different components of the study in a coherent and logical way, thereby ensuring one will effectively address the research problem. The classification of research purpose most often used in the research methods literature is the threefold one of exploratory, descriptive and explanatory (Saunders, Lewis & Thornhill, 2009). The purpose of this research is to investigate the impact of social media marketing on the performance of CBE and provide a better insight that can be used to leverage the opportunities presented. Thus, the researcher used a descriptive and an explanatory research design. These enabled the researcher to describe characteristics of the population and phenomenon that was being studied and identify the impact of independent variable (social media) on the dependent variable (real time communication, repeat exposure, competitive advantage).

Quantitative methods was made using online survey as a means of collecting data that are used as input to explore and understand the impact of social media marketing on the performance of CBE . Using these multiple methods, provided better opportunities to answer the research questions and to evaluate the extent to which findings may be trusted and inferences made (Saunders, Lewis & Thornhill, 2009).

3.5. Population and Sample

3.5.1. Population

The full set of cases from which a sample is taken is called the population. For some research question it is possible to collect data from an entire population as it is of manageable size. For all research questions where it would be impractical to collect data from entire population, sample will be selected (Saunders, Lewis & Thornhill, 2009). The population of this study was social media users of CBE.

3.5.2. Sampling Technique And Sample Size

Because of the geographic dispersion and proximity of the population, Non probability convenience sampling technique will be used to select the members of the sample. The total population of this study is unknown. Thus, the following formula was applied in order to calculate the sample size to be representative of the population.

$$n = \frac{Z^2 p(1 - p)}{e^2}$$

Where, n= required sample size

z = degree of confidence

p = probability of positive response

q = probability of negative response

e = tolerable error for this case, a confidence level of 95%, and 5% of error margin with variability measured by \sqrt{pq} assuming its highest value when $p = q = 0.5$ is considered.

Accordingly,

$$n = \frac{1.96^2 (0.5 * 0.5)}{0.05^2}$$

$$n = \frac{1.96^2 (0.5 * 0.5) * 51013}{0.07^2 (51013 - 1) 1.96^2 (0.5 * 0.5)}$$

$$n = 384.16 \approx 385.$$

Online survey does not achieve response rates that to what is achieved with paper based surveys. The response rate represents the number of people who completed the survey divided by the sample size (<http://www.Fluidsurvey.com>). Lower result will compromise the validity of the collected data. According to fluidsurveys.com, the average response rate for email surveys is

24.8%. Thus to increase the response rate and usable forms, the researcher distributed 30% more using emails hardcopy and social media sites totaling 500 questionnaires.

3.6. Data Sources and Types

Both primary and secondary data source will be used. As social media is recent phenomena in order to build the base for the study, the researcher used secondary sources of data like journals, articles, portals, websites and related researches mainly from internet. Primary data was collected using online survey questionnaire to get information from the view point of the customers.

3.7. Data Collection Procedures

Survey is a popular and common strategy in business and management research and is most frequently used. Surveys are popular as they allow the collection of large amount of data from a sizeable population in a highly economical way often obtained by using a questionnaire (Saunders, Lewis & Thornhill, 2009). For the primary data collection, the researcher used online survey questionnaire posted on Facebook, other social medias and sent by emails to respondents due to the wide geographic presentation of the respondents and as social media is the subject of the study too and the researcher also used questionnaire with a hard copy based on the condition and the customer's willingness.

3.8. Data Analysis

The data was collected in two ways through structured online questionnaire that is distributed online and questionnaire with hard copy (here the researcher considered the preference of participants to use hard copy questionnaire or online questionnaire). Quick analysis was done in real time and inspection of data; moments after it is collected and Filled out data was down load in excel format and advanced analysis was done using IBM SPSS version 23. Linear regression was used to know the effect is whether positive and negative and to calculate what percentage of real time communication, repeat exposure and competitive advantage affected due to social media. The researcher treated the three dependent variables individually in linear model with the independent variable

3.8.1. Validity

In business research, a questionnaire is a common tool used to collect data. This questionnaire should be piloted. The pilot test aims to refine the questionnaire to ensure that respondents have no problems answering the questions. It assesses, also, the validity and reliability of the questions (Saunders et al., 2009). A pilot study was undertaken for pre-testing the questionnaire. Based on the results of the pilot study, the questionnaire may be edited (Kothari, 2004).

Validity is describing the degree to which a research measures what it intends to measure. It concerned with whether the findings are really to what they appear to be about. The researcher is try to keep the validity of the study by avoid double negative questions, avoid ambiguity about causal direction and telling the purpose of the study to the respondent (cresswall, 2008). Internal validity is how the findings of the research match the reality and as the researcher measure the finding that are aimed to measure the reality in quantitative researches an ongoing process, it always changes due to the fact that what is being studied is how people perceived the brand. So, internal validity measure whether the finding is non- spurious or not. Therefore the finding in this study is strongly supported by the result in the context and the general theory in the field. External validity is refers whether the observed association can generalized from the sample to the population. This study addresses external validity through taking representative sample and can generalize to all respondents of social media users of CBE.

A pilot study was conducted prior to the beginning of the full study. The objectives of the pilot study were to establish that the respondents understand the questions in the survey, to solicit feedback for improvements to the instrument. The responses showed the general ease of completion of the questionnaire, and there were slight comments or improvement suggestions from the respondents. Therefore, based on the given feedback we add one more additional question on the demographic section which is “how well you are exposed to social media platforms of CBE” in addition to preparing the questionnaire in Amharic language. In addition,

a reliability test was conducted to examine the internal consistency of the instruments employed in this study.

3.8.2. Reliability

Reliability is refers to the consistency of a measure. A test is considered reliable if we get the same result repeatedly. Reliability means the extent to which an experiment, test or any measuring procedures yield the same result repeatedly. In order to reliable, my research, the researcher use different mechanisms to avoid treats of reliability. Therefore, in this study, the researcher would use mechanisms like minimize participants' errors when filing questioners, minimize participants' bias and avoid researcher's errors. Reliability of the questionnaire items would be review by Cronbach Alpha test. If the cronopach alpha coefficient is greater than or equal to 0.70 the study is reliable. The measure was reliable when respondents gave the same answer in different situations. A question might be unreliable because it contained words which could be misunderstood and, consequently, which might cause confusion.

The result of reliability test for the questionnaire is shown in the following table. As it is indicated in the next table, the test result is between 0.70 and 0.92 Therefore, the reliability of 25 items that are critical to determine the role of social media in building real time communication, repeat exposure and competitive advantage have been tested by using Cronbach's alpha. According to Haire et al. (2010) the reliability coefficient which are more than or equal to 70 % ($A > 0.7$) is acceptable. So, Reliability of the question was evaluated and the result (Cronbach's Alpha) was used to test the reliability of the materials used in this research. Thus, the reliability coefficient of the above item is above 70% and/or the overall reliability test for the item is 85.2%. This implies that the item were reliable and understandable to the respondent. In general, the reliability result for the variable is indicated below

Table 1 Reliability Analysis for Pilot test Questionnaire

Variables	Number of item	Cronbach”s alpha
Social Media	9	0.757
Real Time Communication	5	0.764
Repeat Exposure	6	0.821
Competitive Advantage	5	0.723
Total	25	0.852

Source: Questionnaire 2019

From the above table, the reliability of each variable is above 0.723 and above, this result interpreted that the question included in each variable is understand by the respondent

3.9. Model Description

Since the objective of the study was to investigate the role of social media in building real time communication, repeat exposure, and competitive advantage. Variables include social media, real time communication and competitive advantage. It can be predicted using linear regression model. Deterministic relationship is one in which the value of dependent variable completely determined by independent variable, such relationship is described as

$$y_i = \beta_0 + \beta_1 x_{1i} + \beta_2 x_{2i} + \dots + \beta_p x_{pi} + E_i$$

Where y_i is a continuous response (or dependent) variable for the i th

Member of the sample, $x_{1i}, x_{2i}, \dots, x_{pi}$ are a set of explanatory (or Independent) variables or covariates, $\beta_1, \beta_2, \dots, \beta_p$ are regression coefficients, and E_i is a residual or error term with zero mean that is

Uncorrelated with the explanatory variables

$$RTC = \alpha + \beta_1 SM + \epsilon_i \dots \dots \dots \text{eq. (1)}$$

$$RE = \alpha + \beta_2 SM + \epsilon_i \dots \dots \dots \text{eq. (2)}$$

$$CA = \alpha + \beta_1 SM + \beta_2 RE + \beta_3 RTC + \epsilon_i \dots \text{eq. (3)}$$

Where

SM stands for social media.

RTC stands for real time communication.

RE stand for repeat exposure.

CA stands for competitive advantage.

Besides α indicates constant which shows the magnitude or the value of real time communication, repeat exposure and competitive advantage when the coefficient for the above social media become zero, β_1, β_2 and β_3 are the coefficient acquainted with the extent of change in the dependent variable when the explanatory variable changes by one unit, Ceteris Paribus. And ϵ set up to demonstrate unexplained portion of the dependent variable (standard deviation) through the variable.

3.10. Ethical Consideration

The respondents are not mentioned by names and anonymity is to be ensured. Sensitive information and collected materials are also kept confidentially. Prior to conducting the survey fill outs, consent is received and purpose and intention of the data generated is well communicated with respondents. All ethical consideration is watched out.

Chapter Four

Results and Discussions

4.1. Introduction

The preceding chapter determined the way a researcher used to conduct an empirical analysis and discussion. After collecting data from the questionnaire, this chapter presents quantitative statistics in order to analyze data and test hypotheses. Specifically, this chapter is composed of discusses about questionnaire using pilot testing, descriptive analysis, correlation analysis, regression analysis, and discusses about findings of empirical results.

Through social media sites and email, total of 500 questionnaires were distributed to customers of customers and other social media users of CBE who are active on social media, the data was collected through structured online questionnaire. Quick analysis was done in real time and inspection of data; moments after it is collected. Filled out data were down loaded in excel format and advanced analysis were done using IBM SPSS version 23.

4.2. Response Rate

A total of 500 questionnaires were distributed in social media and some randomly selected social media users of CBE customers' employees and others parties and the response rate were indicated in the table below.

Table 2 Response rate Items

Items	Response Rate	
	Number	Percent
Sample Size	385	100%
Distributed	500	129.87%
Collected from the sample size	367	95.32%
Remain Uncollected from the distributed.	133	26.6%
Remain uncollected from the sample size	17	4.68%

Source: survey, 2019

4.3. Assumption And Diagnostic Test

The following tests were conducted in order to ensure the appropriateness of data to assumptions of regression analysis to test determinants of effectiveness of social media usage.

4.3.1. Normality Test

A normal distribution is one of the importantly assumed statistical procedures. Normal distributions take the form of a symmetric bell shaped curve. The standard normal distribution is one with a mean of 0 and a standard deviation of 1 (Garson, 2012). Severe asymmetry then is stated to be the result of strong outliers. A common test for normality is to run descriptive statistics to get skewness and kurtosis. Skewness should be within +2 and -2 range, if the data is normally distributed. Kurtosis is the peakedness or flatness of a distribution and this distribution shall also commonly fall between +2 and -2, although a few other authors according to (Garson, 2012), are more lenient and allow kurtosis to fall within +3 and -3.

Table 3 Descriptive Statistics

	N	Mean	Skewness		Kurtosis	
	Statistic	Statistic	Statistic	Std. Error	Statistic	Std. Error
SM	367	4.6064	-1.389	.127	2.684	.254
RTC	367	4.4768	-1.021	.127	1.721	.254
RE	367	4.3901	-.821	.127	.415	.254
CA	367	4.5717	-1.114	.127	1.396	.254
Valid (listwise)	N 367					

Source: survey, 2019

Following the above justification, the normality test was done for four variables on SPSS, which resulted in all the variables' skewness to fall within +2 and -2 range and all the variables' kurtosis to fall within +3 and -3 range. Consequently, the data utilized for this research was found to be normally distributed, on the other hand according to According to Kim (2013),

interpretation of normality is based on the absolute value of skewness and kurtosis and substantial non-normality is referred for absolute value of skewness larger than 2 and absolute value of kurtosis larger than 7. Thus, based on the above table the normality of the distribution is satisfied for this data.

4.6.1. Autocorrelation Test

4.6.1.1. Correlation Analysis Between Dependent And Independent Variables

The spearman correlation coefficient was computed for the purpose of determine the relationship between the variables. Spearman correlation is appropriate when the data is measured at ordinal level (Andy, 2006). Where $r=-1$ indicates two variables are perfectly negatively correlated, 1 indicates two variables are perfectly positively correlated, $[1, 0.30]$ indicates two are correlated, and $r(-.03,.03)$, variables are no correlated.

Spearman correlation test was conducted to know the degree of relationship between the variable. The result shown in the table 5 social media marketing has a positive strong and significant correlation ship with real time communication repeat exposure and competitive advantage and also real time communication has a strong and significant correlation ship with competitive advantage when compare it with other variables whereas repeat exposure has a positive and correlation ship with competitive advantage and real time communication on the other hand real time communication and competitive advantage has positive relationship.

Real time communications are positive and significant relationship with social media relative with the other i.e. the output data in the next table shows that all the dependent variables have a strong and positive significant correlation ship with the independent variable which is social media with correlation coefficient, (r) of 0.538(real time communication and social media, 0.526(repeat exposure and social media marketing) & 0.550(competitive advantage and social media marketing) with ($p<.01$). The correlation results implies that social media marketing has a strong and significant relationship with real time communication, repeat exposure and competitive advantage. So, the above finding implies that social media marketing have significant positive correlation ship with real time communication, repeat exposure and competitive advantage.

Table 4 Correlation Analysis Outcomes between SM, RTC, RE and CA. N=367

			SM	RTC	RE	CA
Spearman's rho	SM	Correlation Coefficient	1.000	**		
		Sig. (2-tailed)	.			
	RTC	Correlation Coefficient	.538**	1.000		
		Sig. (2-tailed)	.000	.		
	RE	Correlation Coefficient	.526**	.277**	1.000	
		Sig. (2-tailed)	.000	.000	.	
	CA	Correlation Coefficient	.550**	.386**	.249**	1.000
		Sig. (2-tailed)	.000	.000	.000	.

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

Source: survey, 2019

4.6.2. Durbin- Watson Test

Durbin- Watson test was applied to observe whether there was auto correlation among the variable or not. Values of Durbin-Watson test were in the limits between 1.5 and 2.5 for the variable. So, the result in Table 4.6.4 shows Durbin-Watson of the variable which is 1.990 real time communication, 1.957 for repeat exposure and 2.187 for competitive advantage of the three variables. This implies that there is no auto correlate between the variable with social media marketing.

Table 5 model summary for Durbin- Watson test for auto correlation among variables

Model	Durbin-Watson RTC	Durbin-Watson RE	Durbin-Watson CA
1	1.990 ^a	1.957 ^a	2.187 ^a

Predictors : (Constant), SM Dependent Variable: RTC, RE and C Source: survey, 2019

4.4. Descriptive Analysis

Descriptive analysis was used to describe and demonstrate the data that have been collected from questionnaire in terms of frequency, percentage results generated by IBM SPSS Statistics 23 by using quantitative analysis techniques while inferential analysis has been used to explore the relationship between variables by using spearman correlation, and regression coefficient and Cronbach's Alpha to test internal reliability of various items.

4.4.1. Description of Respondents Profile

The demographics factors used in this research are gender, age, social media usage, do you use social media, how long you use social media, and on average how much time they spend on social media.

4.4.2. Gender of Respondents.

The findings in Table 7 below revealed that 58.3 percent of the respondents are male; this shows that majority of the populations that use social media are males.

Table 6 Gender of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid MALE	214	58.3	58.3	58.3
FEMALE	153	41.7	41.7	100.0
Total	367	100.0	100.0	

Source: questionnaire, 2019

4.4.3. Age Of Respondents

Table 8 shows that 37.6% are 18-24 Years old, followed by respondent at the age between 25-34 years old with 51.8%, 10.6% were at the age of 35-44 years old. From this we conclude that usage of social media is young populations followed by the age between 25-44, this helps us to understand the work done on social medias of CBE should focus on contents those attract youth age groups.

Table 7 Age of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18 - 24	138	37.6	37.6	37.6
25 - 34	190	51.8	51.8	89.4
35 - 44	39	10.6	10.6	100.0
Total	367	100.0	100.0	

Source: survey, 2019

4.4.4. Do You Use Social Media?

Here the percentage distribution shows that almost all respondents are active on social media and of which active users, a great majority are using Facebook followed by Youtube. This indicates that the customers are reachable through the use of social media and the company needs to intensify its presence and message on platforms frequented by its customers (Facebook in this case).

Table 8 social media usage

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid YES	367	100.0	100.0	100.0

Source: survey, 2019

Table 10 time spend in social media platform/s

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0-2	256	69.8	69.8	69.8
3-4	77	21.0	21.0	90.7
5-6	16	4.4	4.4	95.1
7-8	13	3.5	3.5	98.6
above 9 years	5	1.4	1.4	100.0
Total	367	100.0	100.0	

Source: survey, 2019

4.4.7. Time Spend On Social Media per Day.

Table 13 shows how much time respondents spend on social media per day. 64.9% of respondents answer that they use social media between the ranges of 0 to 3 hours per day, 31.1% percent of users spend 4to 9 hours per day and 4.1 % of respondents spend more than 10 hours per day. From the data above majority of the respondent use social media for less than three hours per day

Table 11 time spend on Social media sites per day

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0 – 3hr	238	64.9	64.9	64.9
4 -9 hr	114	31.1	31.1	95.9
10 – 15hr	12	3.3	3.3	99.2
16 – 24 hr	3	.8	.8	100.0
Total	367	100.0	100.0	

Source: survey, 2019

4.4.8. Social media exposure (posts, tweets, etc)

Percentage of respondents who extremely well exposed to CBEs social media pages, posts or tweets are 15%, very well exposed are 9% and somewhat well are 42.8%. And percentages of respondents who are not exposed at all are 9.5% and not so well are 23.7%. This indicates that majority of the respondents are exposed to the social media platforms of CBE (total of 66.8%) but there are also large percentage of respondents (33.2%) who are not at all or not so well exposed. The study had benefited of accumulated knowledge from the majority of the respondents that had been exposed

Table 12 exposure for social media platforms

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Not at all well	35	9.5	9.5	9.5
Not so well	87	23.7	23.7	33.2
Somewhat well	157	42.8	42.8	76.0
Very well	33	9.0	9.0	85.0
Extremely well	55	15.0	15.0	100.0
Total	367	100.0	100.0	

Source: survey, 2019

4.5. Evaluation of social media usage of CBE

The next table shows that the output to show general evaluation of social media sites of CBE based on the criteria sated in the questionnaire.

The output data in the first section SM1 shows the result for the question how CBE used its social media platforms to advertise and promote its brand and other activities. So from the data majority of the respondent 265 (72.2%) of the respondent says that CBE advertise its products and service through social media sites, on the next section SM2 variety of the language use of CBE in its social media platforms, for the findings of the survey 234(63.8%) of respondents

said that CBE use different languages in its social media platforms to provide service on social media that is helpful in accessing information on the language they understand easily.

Table 13 Descriptive Statistics for Social Media

Description										
Codes		SM1	SM2	SM3	SM4	SM5	SM6	SM7	SM8	SM9
Valid	Strongly Disagree/Not		1.4	.5	.5		1.1		1.4	.5
	Disagree\ Not at all	1.6	.8	1.1	1.6	1.1	2.2	1.4	.8	1.4
	Uncertain \ somewhat	7.1	9.5	5.4	8.2	7.1	7.1	8.4	9.5	4.4
	Agree\ very	19.1	24.5	18.0	21.5	25.6	19.1	19.1	21.3	12.5
	Strongly Agree/	72.2	63.8	74.9	68.1	66.2	70.6	71.1	67.0	81.2
	Total	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

SM 3 denotes the outcome of the survey based on barriers and how the platforms are reachable for customers. So 275(74.9%) of respondents agreed that there are small barriers in social media sites of CBE and information shared in social media sites of CBE are reachable this outcome supports the idea of Metcalfe’s low, on the other hand SM4 in the above table shows that the ability of social media platforms of CBE in connecting customers with the brand, based on the survey outcome 250(68.1%) of respondents answer that CBE social media platforms are helpful in connecting customers with the brand.

SM5 in the above table shows that the survey result of the research based on the opportunity created by social media sites of CBE to connect with each other, from this we can observe 243(66.2%) of respondents said that the social media platforms of CBE creates a great connection between users of social media platforms, moreover SM6 shows that how the social media present the great benefit that they get from using the products of CBE. So 259(70.6%) of respondents answer that social media present a great benefit for them by connecting them, by creating information share in real time, and the like, on the other hand SM7 shows by how much the social media platforms of CBE can facilitate the interaction, collaboration, and sharing of contents, based on the outcome of the survey 261(71.1%) of respondents answer that

the social media sites of CBE highly facilitate the interaction, collaboration and sharing of contents through social media sites.

SM8 indicates that the survey result of the research based on the how the social media sites of CBE are valuable in terms of effective communication and message shared between social media users, the result in the table indicate that 246(67%) of respondents strongly agree with the idea, the last result in social media sites of CBE codes by SM9 shows that the CBE social media platforms (facebook and youtube) are on the way of encouraging the formation of strong subgroups and flow of communication that put more emphasis on relevant and important information within the networks. The outcome of the survey shows that 298(81.2%) of respondents answer that social media sites of CBE have the ability to create strong sub-groups and increase flow of information

4.7. Regression Analysis

The regression analysis was conducted to know by how much the independent variable explains the dependent variables. It is also used to understand by how much the independent variable (social media) explains the dependent variables (real time communication, repeat exposure and competitive advantage). As a result of the dependent variable is more than one , the regression analysis were run in three parts .since, in order to know how much the change of the dependent variable(real time communication, repeat exposure and competitive advantage) has explained by the independent variable(social media marketing)

4.7.1. Regression analysis between SM and RTC.

As the result shown in the next table Coefficient of determination (R^2) is statistical technique, which could measure the model adequacy. R^2 (0.349) indicates that 34.9% of real time communication is explained or varied by social media with significance (p-value .000). This empirical outcome indicates that social media marketing has changed by one; real time communication has changed by 34.9% of the total change. The adjusted R square is interpretation is the same as R square. i.e. 34.7% of real time communication is explained by

social media, in addition the tables below shows that a coefficient of R 0.591(59.1%) which implies that there exists a linear direct relation between the social media and repeat exposure

Table 14 Model Summary (Regression Analysis between SM and RTC)

Model	R	R Square	Adjusted Square	R Std. Error of the Estimate
1	.591 ^a	.349	.347	.24787

Dependent Variable: RTC

Predictors: (Constant), SM

Source: questioner, 2019

Table 16 shows ANOVA results concerning the the social media impact on real time communication of CBE. It is found to be $F = 195.434$, $P < 0.001$, indicating statistical significance. This indicates that the overall model was reasonable fit. From the above table, it is also identified that the value of F -calculated = 195.434, $df = 1/365$, and $P < 0.001$, indicating that the F -calculated is much larger than the F -tabulate. This result also shows that the rejection of the null hypothesis and acceptance of the alternative hypothesis. Accordingly, the null hypothesis “social media has no significant effect on real time communication” is rejected and the alternative hypothesis “social media has a significant impact on real time communication” is accepted.

Table 15 ANOVA Test for SM and RTC

Model		Sum Squares	df	Mean Square	F	Sig.
1	Regression	12.007	1	12.007	195.434	.000 ^b
	Residual	22.426	365	.061		
	Total	34.433	366			

Dependent Variable: RTC

Predictors: (Constant), SM

Source: questioner, 2019

When we observe the next table for the purpose of deciding whether to accept or reject the null hypothesis, beta value and significance level has been taken in to account. When P less than or equal to 0.05 ($P \leq 0.05$), the decision to null hypothesis reject since there is significance effect on real time communication with social media, however, if $P > 0.05$, the decision was to accept the null hypothesis which states there is no significance effect on real time communication with social media. As we observe in the next table the coefficient of determination, social media has significant effect on real time communication with beta value ($B=0.597$) with the level of sig. is 0.000.

Table 16 Coefficient of determination (SMM and RTC)

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	1.725	.197		8.743	.000
	SMM	.597	.043	.591	13.980	.000

Dependent Variable: RTC Predictors: (Constant), SM Source: questioner, 2019

4.6.1. Regression analysis between SM and RE.

As the result shown in table 4.7.1 Coefficient of determination (R^2) is statistical technique, which could measure the model adequacy. R^2 (0.350) indicates that 35% of real time communication is explained or varied by social media marketing with significance (p-value .00). This empirical outcome indicates that social media marketing has changed by one; real time communication has changed by 35% of the total change. The adjusted R square is interpretation is the same as R square. i.e. 34.9% of repeat exposure is explained by social media marketing

Table 17 Model Summary (Regression analysis between SM and RE)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.592 ^a	.350	.349	.24825	1.957

a. Predictors: (Constant), SM b. Dependent Variable: RE Source: questioner, 2019

From the above table, I interpreted the value of F value by comparing F Tabulated with F calculated to reject or accept the hypothesis and determine the model is fit or not and the independent variable is considered to determine the dependent variable. So, F calculated is 196.788 and F tab is 0.000. F cal is greater than F tab. Therefore based on the data the null hypothesis is reject means that the model is fit and the variable is not trash

Table 18 ANOVA test for SM and RE

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.128	1	12.128	196.788	.000 ^b
	Residual	22.495	365	.062		
	Total	34.623	366			

Dependent Variable: RE Predictors: (Constant), SM Source: questioner, 2019

For the purpose of deciding whether to accept or reject the null hypothesis, beta value and significance level has been taken in to account. When P less than or equal to 0.05 ($P \leq 0.05$), the decision to null hypothesis reject since there is significance effect on competitive advantage with social media, however, if $P > 0.05$, the decision was to accept the null hypothesis which states there is no significance effect on brand loyalty with advertising. Therefore based on the data in table 20 coefficient of determination, social media has significant effect variable on repeat exposure with beta value ($B=0.704$) with the level of sig. is 0.000. Moreover, the standardize coefficients results in the next table illustrate the effect of social media on creating repeat exposure. Accordingly, a unit increase in social media of the bank will increase repeat exposure by 0.592.

Table 19 coefficient of determination SM on RE.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.624	.198		8.221	.000
SMM	.600	.043	.592	14.028	.000

Dependent Variable: RE Predictors: (Constant), SM Source: questioner, 2019

4.6.2. Regression analysis between SM and CA.

As the result shown in table 4.7.3 Coefficient of determination (R^2) is statistical technique, which could measure the model adequacy. R^2 (0.433) indicates that 43.3% of competitive advantage is explained or varied by social media marketing with significance (p-value .00). This empirical outcome indicates that social media marketing has changed by one; competitive advantage has changed by 43.3% of the total change. The adjusted R square is interpretation is the same as R square. i.e. 43.1% of competitive advantage is explained by social media marketing

Table 20 Model Summary of regression analysis between SM and CA

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.658 ^a	.433	.431	.24457	2.187

Predictors: (Constant), SM Dependent Variable: CA Source: questioner, 2019

From the above table, I interpreted the value of F value by comparing F Tabulated with F calculated to reject or accept the null hypothesis and determine the model is fit or not and the independent variable is considered to determine the dependent variable. So, F calculated is 278.767 and F tab is 0.000. F cal is greater than F tab. Therefore based on the data the null hypothesis is reject means that the model is fit and the variable is not trash.

Table 21 ANOVA result for SM and CA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.674	1	16.674	278.767	.000 ^b
	Residual	21.832	365	.060		
	Total	38.505	366			

Dependent Variable: CA Predictors: (Constant), SM Source: questioner, 2019

The next table shows the coefficients, t statistics and significance values of the coefficients, and Co linearity Statistics (VIF). For the purpose of deciding whether to accept or reject the null hypothesis, beta value and significance level has been taken in to account. When P less than or equal to 0.05 ($P \leq 0.05$), the decision to null hypothesis reject since there is significance effect on competitive advantage with social media, however, if $P > 0.05$, the decision was to accept the null hypothesis which states there is no significance effect on brand loyalty with advertising. Therefore based on the above coefficient of determination, social media has significant effect variable on real time communication with beta value ($B=0.704$) with the level of sig. is 0.000.

Moreover, the standardize coefficients of table 23 results illustrate the effect of social media on creating competitive advantage. Accordingly, a unit increase in social media of the bank will increase competitive advantage by 0.658.

Table 22 coefficient of determination SM and CA

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.329	.195		6.827	.000
SM	.704	.042	.658	16.696	.000

Dependent Variable: CA

Source: questioner, 2019

4.7. Discussions of Empirical Findings of the study

The discussion part of the analysis tried to answer three of the objectives of the study. The objective of the study is to determine the impact of social media marketing on real time communication in customers of CBE, to examine the effect of social media marketing on repeat exposure on customers of CBE and to investigate the effect of using social media on creating competitive advantages in CBE. Using IBM SPSS version 23, the finding of analysis show that the three hypothesizes (H1, H2, & H3) is empirically not supported (rejected). This indicates that based on the finding all three hypothesis is accept. It means that there is positive and significant relationship between dependent and independent variables as decided based on B (beta) value and the value of P (sig.).

H1: social media has significance and positive effect on real time communication.

The result of regression analysis of social media has positive and significance effect on crating real time communication (with standardized regression coefficient or path coefficient of 0.597, p .00).This indicates that CBE have facilitated more and more advertise its brand in different way extensively time to time with different advertising media it results the customers have more awareness about the service and the products

H2: social media has significance and positive effect on repeat exposure.

There is a statistical positive relationship between social media and real time communication. Social media affects competitive advantage (with standardized regression coefficient or path coefficient of 0.600 at $p < 0.000$). This result of beta shows that the effect social media on creating repeat exposure is positive and significant.

H3: social media has positive and significance effect on competitive advantage.

There is a statistical positive relationship between social media and real time communication. Social media affects competitive advantage (with standardized regression coefficient or path coefficient of 0.704at $p < 0.000$). This result of beta shows that the effect social media on creating competitive advantage is positive and significant.

Firms on social media must be active in real time in order to respond to all customer concerns and be interesting as well as innovative in the way they communicate with customers (Kaplan and Haenlein, 2010).This means that social media has effect on real time communication. This study also finding that social media has significant and positive relationship with real time communication where $r = 0.538$ and $B = 0.597$ which is stastically significant at 0.01 and 0.05 of sig =0.000. Rajiv Kaushik found that social media has a positive association with continual dialogue, timely communication, creating competitive advantage, building trust and interacting with right audience in right way and time, as fast as possible. (Rajiv, 2012). Moreover things are happening much faster, and innovations and improvements are literally every minute. Social media can be a better medium and can significantly contribute to the real time communication made between the marketers and customers. (Shilpa.H, 2014) From my findings social media has a significant and positive relationship with real time communication.

Parveen, F, Jaafar, N.L and Ainin, S on their study showed that social media usage has a very strong positive impact on organizations' performance, in terms of cost reduction, repeat exposure for information, improved customer relations, to reach of more customers and enhanced information accessibility. (Parveen, 2015) , From my finding we can observe similar result for repeat exposure with $r= 0.526$ and $B=0.600$ which is stastically significant 0.01 and 0.05 where the signficance value is 0.000.

Repeated advertising exposure has been shown to provide positive effects on the consumer choice process it increase accessibility of the brand information about the brand and brand attitudes (Berger, 1989)

The outcome of the result on the other hand shows that social media has a positive and significant impact on creating competitive advantage with $r=0.550$ and $B=0.704$ which is stastically significant at 0.01 and 0.05 where the significance value is 0.00. this finding is similar with Phoebe Nakhama study which concludes that social media strategy has enhanced competitive advantage, corporate image and better customer service all of which form the intangible assets of the firm in addition to have a competitive edge over their competitors who may not be online. (Phoebe, 2014), Social media has a great significant on competitive advantage over our competitors (Chandler, 2013), moreover the result of the study is similar with the study conducted by Stephanie Chandler that clarifies the great positive significant impact of social media on creating competitive advantage (Chandler, 2013).

To conclude, Social media marketing is very important to organizations and plays an unlimited number of roles in an organization that help in improving the performance of an organization. We will look at some of the outcomes of social media marketing to the performance of an organization. (Kimani E. , 2015), the outcome of this study fully supports the above idea in variables of market performance namely real time communication, repeat exposure and competitive advantage.

Chapter Five

Summary, Conclusion, and Recommendation

5.1. Introduction

This chapter presents summary, conclusion of the results, recommendations forwarded based on the analysis and basic findings of social media to examine its impact on marketing performance of CBE and lastly direction for future research. Also in this chapter would answer the following research questions.

- How does social media usage can impact real time communication of CBE customers?
- What effect does social media marketing have on repeat exposure of CBE customers?
- What is the impact of social media in creating competitive advantage of CBE?

5.2. Summary of Major Findings

The main objective of this study is to examine the impact of social media on market performance in the case of CBE. This study used quantitative research approach and due to the purpose a descriptive and explanatory research design was used and, the target populations of the study were all social media users of CBE social media sites. This study used primary data as source of information. Based on the research objective, English and Amharic version questionnaires were prepared. 385 customers were selected based on the formula, Moreover, in social media expected data collection from social media site questionnaire will decreased by 30% and the researcher distribute 500 questionnaires, from this the researcher collect 367(95.32%) from the sample through email and social media sites, here are summary of the findings:

- Gender percentage composition of the respondents were not fairly distributed there is a slight difference between social media users, males were involved highly in the study when we compare the number of males and females 58.3 and 41.07 respectively.
- The age brackets of the respondents were comprised of heterogeneous group (with 51.8% of them aged 25-34 years and 37.6% are aged between 18-24 years) which in turn enabled the researcher to get varied response across the sample unit.

-
- Customers using one of the common platforms like Facebook or Twitter can easily communicate directly and quick answer to them in a public format lets other customers see your responsiveness (Shilpa.H, 2014) , in my study all the respondents are active on social media platforms and a great majority of respondents use facebook followed by Youtube.
 - 100% of respondents are active users of social media sites of which 63.4% are Facebook users, 7.3% are on tweeter, 24.9% on Youtube, and 4.4% use other social media sites. This implies the respondents are knowledgeable about the study focus and also helps the company on which social media platforms does most of its customers are found (Facebook 63.4% of respondents)
 - 69.8% of the respondents spends up to 2 hours a day, 21.0 % spends 3 up to 4 hours per day while 9.3% of them spend more than 5 hours.
 - Percentage of respondents who are exposed to CBE social media posts or tweets etc extremely, very and somewhat well are 66.8%, implying the majority have exposed and are engaged on the company's social media platforms for different travel purpose.
 - On the other hand, a large percentage of respondents (33.2%), were not at all and not so well exposed to CBE social media pages, posts or tweets.
 - The regression summary model indicates adjusted social media signifying the dependent variables real time communication with 34.9% variation, repeat exposure by 35% fo variation and competitive advantage by 43.3% of variation.
 - R square value of 0.349 signifying that independent variables of the study explain about 30.8% of the variation in the level of dependent variable and the rest 69.2% variation is explained by other variables not included in the mode. From this we can conclude that the independent variable (social media) signifying the three dependent variables by the above mentioned percent; the remaining percents in each individual

dependent variables can be fulfilled by other independent variable they are not mentioned in this study.

- Regression Coefficient Analysis of the model which signifies the magnitude, direction and significance shows that Social media has $\beta = 0.597$, $T=8.743$ and $P=0.000$, indicating having a positive effect of the effectiveness of real time communication with 5% significance, $\beta=0.600$, $T=8.221$ and $P=0.000$, implying it has insignificant effect on effectiveness of repeat exposure at 5% significance and $\beta=0.704$, $T=6.827$ and $P=0.000$, indicates that it has a positive significant effect on effectiveness of competitive advantage with 5% significance. Generally the impact of social media effectiveness moves to real time communication, followed by competitive advantage and at last to real time communication.

5.3. Conclusion

Generally, Based on the finding, made both on descriptive and inferential statistics the researcher outlining the following classic conclusions.

- Majority of the customers of CBE are male, young of whose age between 25 and 34, use social media for two hours per day and somewhat expose for social media sites of CBE.
- Spearman correlation analysis indicates that social media has positively correlated with real time communication, repeat exposure and competitive advantage. in all cases the spearman correlation is positive and strong with a value of correlation $r=0.538$, $r=0.526$ and $r=0.550$ respectively at significant level of 0.01 at $p=0.000$.
- Based on finding regression analysis, social media has positive effect on real time communication, repeat exposure and competitive advantage. From the three dependent variable (real time communication, repeat exposure and competitive advantage), social media has strong significant effect on all dependent variables with a beta value of 0.597 for real time communication, 0.600 for real time communication and 0.704 for competitive advantage.

Generally, Based on the finding, made both on descriptive and inferential statistics the researcher outlining the following classic conclusions.

I. How does social media usage can impact real time communication of CBE customers?

Based on the finding, social media has a significant and strong positive relationship real time communication. This answer is based on the spearman correlation ($r=0.538$, $p=0.000$) with the beta value of $B=0.597$. This implies that social media ha positive and significant effect on real time communication.

II. What effect does social media marketing have on repeat exposure of CBE customers?

Based on the finding, social media has significant effect and positive relationship with repeat exposure. This answer is based on the spearman correlation ($r=0.526$, $p=0.000$) with the beta value of $B=0.600$. This implies that social media has positive and significant effect on repeat exposure but not major significant and strong relationship.

III. What is the impact of social media in creating competitive advantage of CBE?

Based on the finding, social media has a significant and positive relationship with brand competitive advantage. This answer is based on the spearman correlation ($r=0.550$, $p=0.000$) with the beta value of $B=0.704$. This implies that social media has positive and significant effect on creating competitive advantage.

5.4. Recommendation

As discussed in chapter one and two, while operating in a fast moving, evolving and hyper competitive banking industry, as the flow of information gets more real time and opens huge opportunity for more customers, being active on social media and monitoring its effectiveness will provide innovative ways to sustain the Commercial Bank of Ethiopia competitive advantage. Based on the findings established during the course of this study, the following is recommended by the researcher:

As we observed in the descriptive section of the study, 100 % of the customers who have their presence on social media have Facebook accounts. Though all social media platforms have similar advantages and functions, the company has to choose suitable social media platforms that promote its service better. The researcher recommends that the company has to figure out the best way to present itself on this platform to leverage this opportunity by making the companies Facebook page appealing to them.

Though 66.8% of the respondents of the study are exposed social media sites of CBE, 33.2% of the customers have not exposed to the company's social media page, posts or tweets at all or not so well. To increase exposure, the researcher recommends the company to:

- Revise the content and publish fresh, relevant information on regular basis.
- Highly engage customers in friendly competitions and take part in self-promotion by uploading photos of events.
- Invest sufficient resource, time, training and support of senior management and social media workers of the company.

Based on the study findings, though the predictor variable studied explains only RTC by 34.9%, RE by 35% and CA by 43.3% of the variance in the variables, social media provide the most determined effect on the three dependent variables. In order to enhance this trustworthiness, the researcher recommends that,

-
- CBE has to understand there the shift of information power from old way communication mechanism (TV, Radio, and the like) to the new generation communication mechanism which is social media because the above mentioned dependent variables are highly affected by social media.
 - Devote more time and resource to fully understand the way to manipulate the use of social media and search for ways to find their interest and engage them engaged.
 - Provide a platform for its customers to speak their thoughts regarding the company.
 - Timely address customer's complaints, be transparent to customers, and be interactive.
 - Weather a comment is negative or positive; a comment placed on the social media is seen by everyone. The company has to have a damage control team and strategy to handle criticism and negative publicity.

5.5. Further Area of Investigation

The independent variable explains the dependent variables RTC by 34.9%, RE by 35% and CA by 43.3% of the variance in the dependent variable (marketing performance). According to Michel Bieze Market performance is directly related to number of sales and revenues, and can be determined by sales (responses), conversion rate, website turnover, market share, customer acquisition, customer retention, up-selling, cross-category purchases, customer visit frequency, and co-produced products and services (Bieze, 2010), here the researcher recommended that other researchers can evaluate the above mentioned and other marketing performance tools to fill the gap that this study could not show.

The other recommendation is related the scope of the social media that the researcher used. As indicated in the limitation part of the study, the researcher focused only on the two well known social media platforms (facebook and youtube), so other researchers can evaluate the market performance by adding other social media platforms like twitter, linked in and the like.

Furthermore, the study was done only from customer perspective. The researcher strongly recommends future researchers to include ideas from the organization and management perspective of the company.

In addition to all the above mentioned limitations , the study was only focus on the positive aspect of the social media based on this the researcher recommends that future researchers to include the negative impacts of social media on organizational performance.

The other recommendation from the researcher is that, this research contributes to the development of a wider understanding on how to employ and manage effectiveness of social media usage to marketers and provides an insight for the opportunities presented by social media in their marketing communication effort. Its outcome also benefits researchers as a source of information for the future study and adds up knowledge to the filled.

Last but not least, this research focus on social media users of CBE, but other researchers can include non users of social media sites of CBE, this concept on the other hand helps other researchers to access customers of CBE those are not users of social media sites to get reliable information from different perspectives.

Reference

- Apigian, C. R.-N.-N. (2005). *Internet technology: the strategic imperative. Journal Of Electronic Commerce Research*, 6(2) , 123-145.
- Baheru, E. (2017). *Determinants of Effectiveness of Social Media usage: The case of Ethiopian Airlines. Addis Ababa University School of commerce.*
- Baines P, F. C. (2013). *Coast Development Authority Customer service chatter. Marketing, 2nd edition, Oxford University Press, Italy.*
- Berger, I. E. (1989). *The Effect Of Advertising On Attitude Accessibility, Attitude Confidence, And The Attitude-Behavior Relationship Journal Of Consumer Research*, 16.
- Bhanot, S. (2015/5). *A study on Impact Impact of Soccial Media on Company Performance. College of Management Studies .*
- Bieze, M. (2010). *Assessing the marketing performance of online retailers. Netherlands: UNIVERSITY OF TWENTE/School of Management and Governance.*
- Cacioppo, J. T. (1979). *Effects Of Message Repetition And Position On Cognitive Response, Recall And Persuasion,")*, 97-109. *Journal Of Personality And Social Psychology*, 37.
- Chandler, S. (2013). *marketing, the hidden benefit of social media. Retrieved from www.forbes.com: Forbes.com*
- Constantinides, E. (2010). *Principles of web 2.0 marketing: acquiring and retaining customers in a social media-mediated marketplace. In: Consumer Information Systems and Customer Relationship Management . Retrieved from in press*
- Constantinides, E. R. (2008). *Social media: a new frontier for retailers? European Retail Research.*
- Dodokh, A. M. (2017). *The Impact of Social Media Usage on Organizational Performance: A Field Study on Dead Sea Products Companies in Jordan. Middle East: Middle East University Faculty of Business.*
- Durga. (2015). *How social media gives you competitive advantage. . Indian Journal of Science and Technology*, , 8(4), 90–95.

-
- Elizabeth, M. (2013). *Influence of social media marketing on performance of telecommunication firms in kenya. kenya: Jomo kenyatta university of agriculture and technology (jkuat).*
- Ernst,J, D. M. (2011). *Social Media as a tool of marketing and creating brand awareness. Ernst,J, David M. and Cooperstein, Dernoga M. Foster Study "Social Media <http://publications.theseus.fi/handle/10024/44591>).*
- Evans.D. (2008). *Social Media Marketing-an Hour A day.*
- Fausser.S.G, W. J. (2011). *Touchpoint social web:an explorative study about using the social web for influencing high involvement purchase decisions. (Volume 9,Issue 1,2011).*
- Ferrer, E. B. (2013). *Enriching social capital and improving organizational performance in the age of social networking. International Journal of Information, Business and Management, , 94-109.*
- Godin, S. (2007). *Meatball sundae: is your marketing out of sync? New York: Penguin Group.*
- Gopal, R. (2014). *Study Of The Effectiveness Of Online Marketing On Integrated Marketing Communication. D.Y. Patil University, School Of Management. Research Guide.*
- Grass, R. C. (1969). *Satiation Effects Of Tv Commercials. Journal Advertising Research, 9(3),.*
- Gummesson.E. (2002). *Total Relationship Marketing, Marketing Management, relationship strategy and CRM Approaches for the Network Economy, Second Edition. Butterworth-Heinemann publications .*
- Icha O. & Agwu M.E. (2015). *Effectiveness of social media marketing on organization performance. Journal of Internet Banking and Commerce , 21(1):1-7.*
- Janal.D.S. (1998). *Online Marketing Handbook, How to promote, advertise, and sell your products and services on the internet. John Wiley and Sons Inc.*
- Kaplan and Haenlein. (2010). *Users of the world, unite! The challenges and opportunities of social media.*
- Kathryn, H. (2019). *Competitive Advantage Of Social Media."Small Business - Chron.Com.,.*
-

Ken Faulkenberry, (. .. (2012). *value. University of Southern California (USC)* .

Kimani, E. (2015). *Role of Social Media Marketing On Organisational Performance in Kenya. IOSR Journal of Business and Management (IOSR-JBM) Volume 17, Issue 1.Ver. I (Jan. 2015), , PP 101-105.*

Lakshmi.V, Afraa. M, Ankita.C. (2017). *A Study On Impact Of Social Media On Small And Medium Enterprises. Acharya Institute Of Graduate Studies. E-Book.*

Lindsay, O. (1963). *A Behavioral Measure Of Television Viewing. Journal Of Advertising Research , 2-12.*

Lovett, J. O. (2010). *Social marketing analytics. A new framework for measuring results in social media. Retrieved from http://www.webanalyticsdemystified.com/downloads/Web_Analytics_Demystified_*

M. Vanmathi, a. N. (2015). *Impact of Marketing Opportunities with Social media Networks. Serials publication 12(2) , 347- 365 ISSN:0972-9380.*

Mangold, W. G. (2009). *Social Media: The New Hybrid Element Of The Promotion Mix. . Business Horizons, , 52, 357-365.*

Margaret, R. (2011). *Social Media Marketing. Whatls.com.*

Mathur, P. B. (2012). *The impact of social media usage on customer buying behavior. Advances in Management, 5(1).*

McLuhan, M. (1978). *The brain and the media: The Western hemisphere. . Journal of communication, , vol. 28(4), 54-60.*

McLuhan, M. (1995). *Understanding Media. Routledge .*

Meadows-Klue, D. (2008). *Falling in love 2.0: Relationship marketing for the Facebook generation. . Journal of Direct, Data, and Digital Marketing Practice, 9(3),.*

Moen, Ø. M. (2008). *The importance of the internet in international business-to-business markets, . International Marketing Review, 25(5) , 487-503.*

-
- Morgan, N. A. (2002). *marketing productivity, marketing audits, and systems for marketing performance assessment: Integrating multiple perspectives.*
- Murdough, C. (2009). *Social media measurement: it's not impossible. Journal of Interactive Advertising, 10(1).*
- Nedungadi, P. A. (1992). *A Framework For Understanding The Effects Of Advertising Exposure On Choice Advertising Exposure, Memory And Choice . Hillsdale, Nj: Lawrence Erlba.*
- Palmer and Lewis:. (2009). *An experiential, social network-based approach to direct marketing, Direct Marketing:. An international journal. Emerald group publishing Limited.Vol. 3 , 9. Pp162-176.*
- Paquette, H. (2013). *Social Media as a Marketing Tool: A Litration Review. Island: University of Rhode Island.*
- Parveen, F. J. (2015). *Social media usage among businesses: a website content analysis,. Asian Journal of Information Technology, , 12(10), 342-348.*
- Perdue, P. C. (2010). *The qing conquest of central Eurasia.*
- Phoebe, N. (2014). *Social Media As A Strategy In Enhancing Competitive Advantage Of Firms In The Insurance Industry In Kenya. kenya.*
- Qeadan, F. (2015). *On MANOVA using STATA, SAS & R. Division of Epidemiology, Biostatistics, & Preventive Medicine.*
- Rajiv, K. (2012). *Impact Of Social Media marketing (Vol. 15 issue 2). Ijcem International Journal Of Computational Engineering & Management.*
- Reibstein, D. J. (2002). *What attracts customers to online stores, and what keeps them coming back? Journal of the Academy of Marketing Science, 4(30).*
- Richard, P. J. (2009). *Measuring organizational performance: towards methodological best practice. Journal of Management, 35(3): , 718-804.*
-

-
- Saunders, Lewis & Thornhill. (2009). *Research methods for business students*. England: Pearson Education Limited.
- Scott, D. M. (2010). *the new rules of marketing and PR: how to use social media, blogs, news releases, online video, and viral marketing to reach buyers directly*: . Wiley .
- Shilpa.H. (2014). *Impact Of Social Media Marketing On Performance Of Micro And Small Businesses*. D.Y. Patil University, Navi Mumbai, Department Of Business Management .
- Short, J. W. (1976). *The social psychology of telecommunications*. . John Wiley & Sons. , London.
- Wetzstein B, L. P. (2011). *Identifying influential factors of business process performance using dependency analysis (Vol. 5(1))*. *Enterprise IS*.
- Winer, R. S. (2009). *New Communications Approaches in Marketing: Issues and Research Direction*. Elsevier: *Journal of interactive marketing*.
- Xiang, V. &. (2012). *Marketing: TV Advertising Less Effective Two Years Ago*. Retrieved from *Marketing Charts*.

Websites

<http://www.combanketh.et>. (n.d.). Retrieved Dec 25, 2018

<http://www.en.wikipedia.org/wiki/Facebook>, 2. (n.d.). Retrieved Dec 17, 2018

<http://www.facebook.com>. (n.d.). Retrieved Jan 05, 2019

<http://www.Fluidsurvey.com>. (n.d.). Retrieved Jan 24, 2017

<http://www.Global.Alliance.Intelligence>. (n.d.). Retrieved Dec 05, 2018

<Http://www.kobotoolbox.org>. (n.d.). Retrieved Jan 24, 2017

<http://www.Marketingpower.com>. (n.d.). Retrieved Dec 30, 2018

<http://www.socialbakers.com/>. (n.d.). Retrieved Jan 05, 2018

<http://www.statista.com>. (n.d.). Retrieved Jan 22, 2019

<http://www.techopedia.com>. (n.d.). Retrieved Jan 10, 2019

<http://www.twitter.com>. (n.d.). Retrieved Dec 25, 2018

<http://www.youtube.com>. (n.d.). Retrieved Dec 25, 2018

<https://www.cite.co.uk/the-different-types-of-social-media/>. (n.d.). Retrieved Jan 25, 2019

<https://www.techopedia.com>. (n.d.). /definition/23759/social-platform. Retrieved Feb 12, 2019

Appendix A

Online Survey Questions

Dear respondents, I (Henok Mesfin) am conducting a research survey for partial fulfillment of master degree in Marketing Management at Addis Ababa University, School of Commerce on topic “the impact of social media on the marketing performance of an organization: the case of commercial bank of Ethiopia”. I kindly request your time to fill up the questionnaire. The information provided will be used only for this educational purpose and your response is highly valued as the success of the research depends on it. I deeply appreciate your support.

Demographic character

1. Gender Male Female

2. Age 18 - 24 25 - 34 35 - 44 45 - 54 above 55

3. Do you use social media platforms such as Facebook, twitter, Youtube and alike?

Yes No

4. If yes for Q3, which Social media platform/s you have an account with?

Facebook twitter Youtube Other _____

5. How long have you been using the social media platform/s? _____years

6. On average, how much time do you spend on Social media sites per day?

0 – 3hr 4 -9 hr 10 – 15hr 16 – 24 hr

7. How well you were exposed to Ethiopian Airline social media posts, tweets etc?

Not at all well Not so well Somewhat well

Very well Extremely well

Please state your agreement by ticking in the box

1=Strongly Disagree/Not at all

2=Disagree/Not so

3=Uncertain/Somewhat

4=Agree/Very

5=Strongly

Agree/

Extremely

First Variable: Social Media Usage:							
NO	code	Social Media for Marketing:	Strongly Disagree/Not at	Disagree\ Not at all	Uncertain somewhat	Agree\ very	Strongly Agree/ Extremely
1	SM1	CBE is seeking ways through the means of social media to promote its brand and other activities.	1	2	3	4	5
2	SM2	Contents in social media sites of CBE are released in different languages.	1	2	3	4	5
3	SM3	Social media barriers are small, the content is reachable.	1	2	3	4	5
4	SM4	The social media sites of CBE are helpful in connecting customers to a brand.	1	2	3	4	5
5	SM5	CBE social medias can create opportunity to members of social media users and connect with each other.	1	2	3	4	5
6	SM6	The social media present the benefit that you get from using the products of CBE.	1	2	3	4	5

7	SM7	Social medias of CBE are facilitating the interactions, collaborations and the sharing of content.	1	2	3	4	5
8	SM8	Members of social media sites of CBE makes the media valuable in terms of effective communication and message shared between social media users	1	2	3	4	5
9	SM9	The CBE social media platforms are on the way of encouraging the formation of strong subgroups and flow of communication	1	2	3	4	5

Second Variable: marketing performance of the organization:

Real time communication:

10	RTC1	The social media platform of CBE are two way media for communication (you can get response for feedback at real time).	1	2	3	4	5
11	RTC2	CBE social media sites are informative and real source of information.	1	2	3	4	5
12	RTC3	CBE social media sites are updated in a frequent manner.	1	2	3	4	5
13	RTC4	Social media sites of CBE are helpful to get information at a real time base.	1	2	3	4	5
14	RTC5	It is easy to find what I am looking for on CBE's social media pages.	1	2	3	4	5

Repeat exposure:							
15	RE1	The frequency of advertising and message released on CBE's social media are adequate.	1	2	3	4	5
16	RE2	The frequency in message and advertising can create brand awareness	1	2	3	4	5
17	RE3	The social media platforms of CBE remind what the bank provides to its customers again and again	1	2	3	4	5
18	RE4	The interactivity and frequency of messages in CBE social media platforms are changing our behavior.	1	2	3	4	5
19	RE5	CBE's social media is effective(able to influence customer's decision making with single advertising exposure)	1	2	3	4	5
20	RE6	The frequency of the released message are sufficient and adequate to create values(awareness, attitude and selection of choice)	1	2	3	4	5
Competitive advantage:							
21	CA1	CBE social media platforms are effective in reaching desired target audience.	1	2	3	4	5
22	CA2	CBE's social media platform provide detail information about the banks product to create competitive advantage	1	2	3	4	5
23	CA3	CBE's social media platform boosts our search rankings and allows getting better customer service than other competitors.	1	2	3	4	5
24	CA4	The social media sites of CBE minimize the cost of getting information	1	2	3	4	5
25	CA5	CBE social media platforms are helpful in improving level of information that you get than other players in the same industry	1	2	3	4	5

Thank you for participating in this study.

Source, adopted and modified from works of Ardam Mohammad Islam Dodokh (Dodokh, 2017)

SPSS OUTPUT

Statistics(case processing summary)

		SMM	RTC	RE	CA
N	Valid	367	367	367	367
	Missing	0	0	0	0

Statistics

		SMM	RTC	RE	CA
N	Valid	367	367	367	367
	Missing	0	0	0	0
Mean		4.6064	4.4768	4.3901	4.5717
Std. Error of Mean		.01583	.01601	.01605	.01693
Median		4.6667	4.6000	4.5000	4.6000
Mode		4.78	4.60	4.50	4.80
Std. Deviation		.30319	.30672	.30757	.32435
Variance		.092	.094	.095	.105
Skewness		-1.389	-1.021	-.821	-1.114
Std. Error of Skewness		.127	.127	.127	.127
Kurtosis		2.684	1.721	.415	1.396
Std. Error of Kurtosis		.254	.254	.254	.254
Range		1.78	2.00	1.50	1.80
Minimum		3.22	3.00	3.50	3.20
Maximum		5.00	5.00	5.00	5.00
Sum		1690.56	1643.00	1611.17	1677.80

model summary for Durbin- Watson test for auto correlation among variables

Model	Durbin-Watson RTC	Durbin-Watson RE	Durbin-Watson CA
1	1.990 ^a	1.957 ^a	2.187 ^a

correlation analysis outcomes between SM,RTC, RE and CA.

			SM	RTC	RE	CA
Spearman's rho	SM	Correlation Coefficient	1.000	**		
		Sig. (2-tailed)	.			
		N	367			
RTC		Correlation Coefficient	.538**	1.000		
		Sig. (2-tailed)	.000	.		
		N	367	367		
RE		Correlation Coefficient	.526**	.277**	1.000	
		Sig. (2-tailed)	.000	.000	.	
		N	367	367	367	
CA		Correlation Coefficient	.550**	.386**	.249**	1.000
		Sig. (2-tailed)	.000	.000	.000	.
		N	367	367	367	367

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

a..Predictors :(Constant),SM

b. Dependent Variable: RTC, RE and CA

Model Summary (Regression analysis between SM and RTC)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.591 ^a	.349	.347	.24787	1.990

a. Predictors: (Constant), SM b. Dependent Variable: RTC

ANOVA test for SM and RTC

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	12.007	1	12.007	195.434	.000 ^b
	Residual	22.426	365	.061		
	Total	34.433	366			

Dependent Variable: RTC Predictors: (Constant), SM Source: questionnaire, 2019

coefficient of determination SM on RTC.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.		
		B	Std. Error	Beta				
1	(Constant)	1.725	.197		8.743	.000		
	SM	.597	.043	.591	13.980	.000		

Dependent Variable: RTC

Predictors: (Constant), SM

coefficient of determination social media on repeat exposure

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.624	.198		8.221	.000
	SM	.600	.043	.592	14.028	.000

a. Dependent Variable: RE

Model Summary of regression analysis between SM and CA

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.658 ^a	.433	.431	.24457	2.187

Predictors: (Constant), SM

Dependent Variable: CA

ANOVA result for SM and CA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.674	1	16.674	278.767	.000 ^b
	Residual	21.832	365	.060		
	Total	38.505	366			

Dependent Variable: CA

Predictors: (Constant), SM

coefficient of determination SM and CA

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	1.329	.195		6.827	.000
SM	.704	.042	.658	16.696	.000

Dependent Variable: CA

^