



**INFLUENCE OF SALES PROMOTION ON CONSUMER  
BUYING BEHAVIOR  
CASE OF WALIA BEER**

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POST GRADUATE PROGRAM**

**May, 2018  
Addis Ababa**

# **INFLUENCE OF SALES PROMOTION ON CONSUMERS BUYING BEHAVIOR, CASE OF WALIA BEER**

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**Research submitted to Addis Ababa University the school of  
graduate studies in partial fulfillment of the requirements for the  
degree of MA in Marketing Management in School of Commerce**

**Addis Ababa University School of Commerce  
Program Unit of Marketing Management**

**May, 2018**

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# Influence of Sales Promotion on Consumer Buying Behavior

## Case of Walia Beer

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## **LETTER OF CERTIFICATION**

This is to certify that ato Yohannes Girma has carried out his project work on the topic of *“Influence of sales promotion on Consumer Buying Behavior Case of Walia Beer”* under my supervision. This work is original in its nature and it is suitable for Submission in partial fulfillment of the requirement for the award of Master’s Degree in Marketing Management.

\_\_\_\_\_  
Mr. Hailemariam Kebede

(Advisor)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

## DECLARATION

I, Yohannes Girma, declare that this project work entitled “*Influence of sales promotion on Consumer Buying Behavior Case of Walia Beer*” is my own original work. I have carried out it independently with the guidance and suggestions of the research advisor. And it has not been presented in Addis Ababa University or any other University.

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Yohannes Girma

(Researcher)

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Signature

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Date

## **Acknowledgment**

First and for most, I would like to give my glory and praise to the Almighty GOD for his invaluable cares and supports throughout the course of my life and helped me since the inception of my education to its completion and enabled me to achieve my career

Next I would also like to express my appreciation to my advisor, Ato Hailemariyam Kebede, who has taken all the trouble with me while I was preparing this paper. Especially, his valuable and prompt advice, his tolerance guidance and useful criticisms throughout the course in preparing the paper, constructive corrections and insightful comments, suggestions and encouragement are highly appreciated. A special word of mouth is his credit.

I would like to extend my gratitude to my family for always giving me invaluable advice, love and support. It is greatly appreciated. My sister and brother, thank you for being there.

Lastly my deepest gratitude also goes to my friends; Mulatu, Tewabech, Habatmu, Almaz and Hana Dereje thank you for your administering the questionnaires, entering the data and for your unlimited moral encouragement.

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## ***Acronyms***

- GDP- Gross Domestic Product
- B1G1F- Buy one Get One Free
- CDP- consumer Decision process
- CFB – consumer Franchise Building
- CIBB- Consumer Impulse Buying Behavior
- SP- Sales Promotion
- PD- Price Discount
- COU- Coupon
- FS- Free Sample
- VIF- Variance Inflation Factor
- ANOVA- Analysis of Variance
- SPSS- Statistical Package for Social Science
- KMO – Kaiser Meyer Olkin

## **ABSTRACT**

*Brweery Industries have been one of the most rapid growing markets in this country for the last decade. Companies should have to use sales promotion effectively to stay in the market. Thus this study explores the influence of sales promotion tools like: price discount, coupon, Free Sample, Sweepstakes and Contest, and Buy one Get one free on consumer buying behavior case of Walia Beer. Data was collected from customers of Walia Beer. A sample of 384 respondents was selected using non probability sampling method. The researcher selected participants of the study from different sub-cities of Addis Ababa by using convenience sampling method due to large number of population. The data were collected through self administered questionnaire which resulted in 370 responses and out of this 357 statistically acceptable response. After that, the data was checked through testes like; validity by KMO and Bartlett's Test, Reliability by Cronbach's alpha coefficient. Data analysis was done using descriptive analysis, correlation, regression and one-way ANOVA using SPSS 20 Version. The Pearson correlation coefficient used in the study signifies that all independent variables (tools of sales promotion) and the dependent variable (buying behavior) have strong positive relationships with one another. The result from regression analysis concludes that all sales promotion tools that listed above have significant influence on buying behavior (Price Discount,  $\beta_1 = 0.13$ , Coupon,  $\beta_2 = 0.21$ , Free sample  $\beta_3 = 0.24$ , Sweepstakes & contest,  $\beta_4 = 0.255$  and BIGIF,  $\beta_5 = 0.20$ ) at 95% confidence interval. It was also concluded that this overall sales promotion tools have a significant impact on consumer buying behavior. The results are useful in identifying the influential components of sales promotion and it will help Walia Beer as marketing strategy. As evident from the finding section that the study was conducted in Addis Ababa only, applicability of the results in other countries side may result differently. Further, as the study is recommends the company should focus on associating their products with the consumers through incentive of sales promotion they consumer prefer mostly so as to retain their existing customers and attract the new ones.*

**Key word:** Sales promotion, Consumer buying behavior, Purchase decision making, sweepstakes and contest.

# CHAPTER ONE

## INTRODUCTION

### 1.1 Background of the Study

Today the business environment competitiveness has been booming in nature due to the growth in technology, infrastructure and access to information around the globe. This has made the environment very complex and consumer preferences keep changing because of low switching cost in the market. The consumer buying behavior gets the increasing demand in the mind of each business organizations' to attract the new one and retain the existing. This idea was supported by (Kotler, 2003), due to increasing demand of consumers' behavior in the market, management of business organizations have to increase their resources with attention focused more on attracting and retaining its customers.

Companies should have to give due attention on which environment they are currently working. There is no doubt that the ultimate objective of every companies is to generate certain level of profit. Every business develops the sales estimate and develops the strategies to achieve it. This is critical link between the sales promotion and customer retention (Alvarez & Casielles, 2005)

Kotler (2003) on his work assure the ever-increasing competition in the global market has prompted organization to be determined and ensure satisfaction of customer needs and wants more effectively and efficiently than other competitors deliver. To ensure this customer satisfaction, and stay in the market, a company has forced to use the modest marketing tactics like integrated marketing communications.

Kotler (2003) defines integrated marketing communication as a "way of looking at the whole market process from the view point of customers". It is necessary that organizations have to understand why the integrated marketing communication programs have become so important in their day to day activities, especially after 1990.

According to Oancea (2014) traditional components of the marketing mix- the product, price, placement (distribution) are not longer as efficiently as they were in the past. When the market passed through a slow period of development, these proved to be particularly useful in the work of any organization.

Peattie and Peattie (1994) stated that marketing activities usually specific to time period, place or customers group, which encourage a direct response from consumer or marketing intermediaries, through the offer of additional benefits. One or more of these marketing activities is to use sales promotion tools and techniques (such as; price discount, sampling, coupon, rebate, point of purchase, display and premium) which directly influence individual to give quick decision and purchase process (Shamout, 2016).

The shift in power of marketers to consumers has forced marketers to ensure that their products are unique and of high quality to give customer a reason to purchase their products and remain loyal to them (Shrestha, 2015).

Meanwhile the provision of high competency between retailers, wholesalers and producers led to excessive promotion from marketer point of view that has direct influence on consumer buying behavior to get the core competitive advantage for companies (Shamout, 2016).

In the past decade, when the number of industry is few, they follow a production theory, but not in the current challenging circumstance. Today the elements of the traditional marketing mix have lost their value as "weapons" of competitive. Thus, many ways to obtain a product can be copied by competitors in a very short period of time. The experiences that an organization adds value on the products in a traditional way are replaced today with the design and manufacture assisted of computer or robotics. Also, any form of distribution can be easily reproduced in competition (Oancea, 2014). So they have to look beyond these strategies, like using sales promotion as tools of gaining competitive advantage and stay in the business environment.

Kotler (2003) insight that, sales promotion is a key ingredient in marketing campaigns and consists of a diverse collection of incentive tools, mostly short term designed to stimulate quicker or greater purchase of particular products or services by consumers. Consumer do not purchase a product and service only because of their actual utility, but also because of its perceived worth.

In these wired competition among brewery industry, a study how sales promotion influences the buying behavior of the consumer is obviously pertinent and important. Previously as noted by (Elboda, 2017) the result of globalization and stiff market competition among producers have become more aggressive in their marketing approach. This sharp departure from the past when seller offered goods and service to consumers with little regards for quality assurance and satisfaction. Thus in order to compete successfully in the industry in this situation they have to develop critical promotion strategies, the aim of such strategies is not only to beat the competition and retain the customers , it also tigers the new customers by offering packages (Aderemi,2003).

The present study therefore undertakes a comprehensive analytical study on how does sales promotion influence consumer buying behavior case of Walia Beer market. According to Ngolanya et al. (2006), sales promotion is an interesting marketing struggle to influence the buying behavior of consumers as the benefits in terms of getting: cash, coupons, discounts, rebates and free sample are highly influential on the buying decision of consumers. It has projected that providing samples to test quality, features, and usage information have better impacts on customers' minds.

The idea was also argued by Kotler and Keller (2006), sales promotion can be an effective tool in a highly competitive market, when the objective is to convince retailers to carry a new product or influence consumers to select it over those of competitors. Moreover, sales promotion tend to work best when it is applied to items whose features can be judged at the point of purchase, rather than more complex, expensive items that might require hands of demonstration because, sales promotion includes communication activities that provide extra value or incentives to ultimate customers, wholesalers, retailers or other organizational customers.

There are different Promotional mixes that has been used by the retailers or manufacturer to invite consumers or to purchase it repeatedly. According to George and Michael (2003) the promotional mix includes the tools like; Advertising, Public Relations, Sales Promotion, Direct marketing and Personal Selling. Before companies begin the communication process to their consumer, they need to define and know the promotional objectives of them first. These are the objectives “which determine a firm’s promotional strategy, for example, increasing their sales or improving brand recognition, which may require a different promotional mix”.

Sales promotion is one of the five aspects of promotional mix which is an element of the four-marketing mix: product, price, promotion and distribution. It is normally considered as a tool consisting of short term incentives to encourage the purchase or sale of a product or service. Sales promotion includes a wide variety of promotion tools designed to stimulate earlier or stronger market response (Kotler 2003).

In a parity market, like brewery industry, the only way by which organizations can be differentiated is by using communication. The marketing communication like sales promotion can provide a real sustainable competitive advantage to any organization that leverages its potential. In an economy with highly competitive, organizations must capitalize the promotion in the most effective way, to ensure the creation and maintenance of long-term relationships with current and potential customers.

Sales promotion is a technique or a promotional tool that was used by many companies so as to encourage their product sales for short term or long term and also creating awareness in customer mind. Aderemi (2003) explain sales promotion as, the provision of incentives to customers or to the distribution channel to stimulate demand for a product. Besides, he come up with the idea that, sales promotion is an important component of an organizations overall marketing strategy along with advertising, public relations and personal selling. Sales promotion acts as a competitive weapon by providing an extra incentive for the target audience to purchase or support one brand over the other. It is particularly effective in spurring product trials and unplanned purchases

Vitor et al. (2013) inference, effective sales promotion increases the basic value of a product for a limited time and directly stimulates consumer purchasing. One of the advantages of promotions is that it can stimulate consumers to think and evaluate brands and purchase possibilities. This phenomenon shows that, some of the consumers are easily tempted when they see the world of sales promotion. Other than price reductions, coupon or rebate and other promotional tools like free samples, bonus pack and buy one get one free were found to influence consumers to buy more than what they expect.

According to Darko (2012), consumer buying behavior is the process by which the individual search for, selects, purchase, use and dispose of goods and services, in satisfaction of their needs

and wants. The consumers' behavior has a direct effect on the success of the firm; therefore the firm must ensure that they have to create a marketing mix that satisfies consumers.

Again on the same report Darko (2012) insight that, the consumer mostly goes through about five steps in taking one purchase decision. These include; problem recognition, information search, Evaluating of alternatives, purchase decisions, purchase and post purchase evaluation. Actual purchasing is only one stage of the process and not all decision processes lead to a purchase. Also not all consumer decisions will include all the stages, but will depend on the degree of complexity and risk involved. A sales promotion stimulates customer purchases and the efficiency of distributors through marketing activities excluding advertising, public relations and so on. Thus this study aims to examine the influence of sales promotion on consumer buying behavior case of Walia Beer.

## **1.2 Industry Overview**

In a report (access capital, 2010) Ethiopian's brewery industry has show a remarkable growth in recent years due to a surge in demand associated with increased urbanization, population growth, and rising incomes. From a level of just 1.0 million hectoliters in 2003/04, beer production has risen to nearly 3.1 million hectoliters by 2008/09, giving an estimated average growth of around 24 percent per year. In the same report, it show their share as the following breweries, namely Meta Abo Brewery under Diageo brewery with 14% market share, Dashen brewery with 18% market share, Harar and Bedele breweries together under Heineken brewery have 18 % market share and BGI Ethiopia with the biggest 50% market share.

In Ethiopia growth in beer consumption has been a surprisingly high 24 percent per year and roughly double the average annual growth rate in real GDP. Even after such a rapid increase, however, per capita beer consumption in Ethiopia is still only a fraction of the level seen in other African countries (access capital, 2010).

Heineken international is a Dutch brewing company, founded in 1864 by Gerard Adriaan Heineken in Amsterdam. As of 2017, Heineken owns over 165 breweries in more than 70

countries. It produces 250 international, regional, local and specialty beers and ciders and employees approximately 73,000 people. Heineken built a 1.5m-hectolitre-a-year brew company in Ethiopia as it targets growth in the fast-developing country. The company has done construction of plant near Addis Ababa the place which called kilinto. The company has started its operation in the mid-year of 2014. The construction is Heinekens third largest brewery in the country after the purchase of state owned Bedele and Harer plants it acquired in 2011 ( Tigrai online, 2013).

Heineken has introduced a new beer called Walia before four years ago. This particular beer has become well known among beer drinkers within a very short period of time in Ethiopia. In 2006 E.C the company had launched a massive campaign whereby it introduced Walia for the first time.

The sales promotion employed by them was a price-offs technique. Price-offs technique is temporary reduction in the price of goods or service designed to stimulate immediate sales increases. The beer, i.e. Walia had been sold for only 10birr for more than a month which attracted more people to the consumption. Which means the company uses a discount offer sales promotional tool as a means of attracting customer for their new product Walia Beer.

In addition to this one, another objective of the sales promotion was to encourage trial and create brand awareness. Consequently, the campaign became successful and effective in getting people to try and consume more. Moreover, the name Walia has become famous ever since and currently the brand has a positive image in minds and hearts of its users. At the same time it is the winner of gold in Monde Selection competition for 2016 held in German (Monde Selection, 2016).

There is extreme rivalry among brewery companies in Ethiopia and this poses strong threat to their profitability. Currently there are more than 10 brewery firms in the country with huge capacity of production. The demand condition for the beer is less than the daily produced beer. Another thing absence of switching cost to the consumer of beer. The price of beer is almost the same so people did not incur additional cost for consuming other beer at the absence the beer they need, which means there is no switching cost.

### **1.3 Statement of the Problem**

In the current intensive competition, understanding the consumer's buying behavior towards their product is vital for the survival of a business. Consumers are the core of any business. A company has to understand the consumers' preference towards their product to change it, further enhance it or totally shift its marketing communication. This helps a company to achieve a competitive advantage in the market and get a high market share.

With the advent of Internet technology customers today have access to more information and have significant bargaining power before making any purchasing decision. As a result, marketers today face immense challenge in meeting the ever rising expectation of the customers. Sales promotion is one of the key factors that marketers have used in the current to meet the changing needs of the customer and the market (Shrestha, 2015). Because Sales promotion is one of those incentives which has influenced customer to make instant buying decision than to wait later (Kotler, 2003).

Because the ultimate objective of every business is to increase the sale of goods that it deals in and achieve their profit target. Several methods can be adopted for the achievement of this goal; some direct while others indirect. Sales promotion is one of them.

Researchers have shown interest in assessing the effects of sales promotion on the buying behavior of consumers. Schultz et al. (1998) have directed a study to investigate the relationship between sale promotion and consumers' buying behavior. The study has noted a direct influence of sales promotion on the buying behavior of consumers.

Sales promotion is the scheme to influence the buying decision of consumers as they may often deliberate about choices and added features (Kotler et al., 2003). This idea is also proposed by Stanton et al. (1994), where they have noted that added features like price discount, quality and availability is part of the buying decision. Notably, sales promotion is the tool to draw consumers' attention toward products and lead them toward purchasing (Ngolanya et al., 2006).

However, some researchers argue that sales promotion do not have impact on brand loyalty and consumer buying behavior. According to them even if the product or service is of good quality

and the competitor present better products or services and better support services for the product among others, sales promotion will lead to little result (Sam and Buabeng, 2011). Again they argue that, if the product or service is generic, sales promotion is not likely to make much impact on brand loyalty and brand equity.

From the above literature review, it was found that there is a gap in the research. Mainly, the researchers did not highlight the influence of sales promotion on consumer buying behavior in the developing countries. Most researchers concentrated on the broader aspect of promotion mix on various organizations and none of the research targeted on the specific influence sales promotion tools on consumer buying behavior in developing country like ours. In addition, sales promotion tools of Walia Beer in Ethiopia remain an understudied area.

Therefore this study sought to investigate the influence of sales promotion tools has on consumer buying behavior case of Walia Beer.

### **Main Research Question**

How does sales promotion influence consumer buying Behavior the case of Walia Beer in Ethiopia.

### **Specific research questions**

This study attempted to answer the following sub research questions:

- ❖ How does price discount influence consumer buying behavior?
- ❖ How does free coupon influence consumer buying behavior?
- ❖ How does free sample influence consumer buying behavior?
- ❖ How does contest and Sweepstakes influence consumer buying behavior?
- ❖ How does Buy One Get One Free/BOGOF/influence consumer buying behavior?

## **1.4 Objective of the Research**

The general objective of this study is to examine influence of sales promotion on consumer buying behavior of Walia Beer Company in Ethiopia. Whereas the specific objectives of the study include:

- ❖ To examine influence of price discount on consumer buying behavior.
- ❖ To examine influence of free coupon on consumer buying behavior.
- ❖ To assess influence of free samples on consumer buying behavior.
- ❖ To assess influence of contest and Sweepstakes on consumer buying behavior.
- ❖ To examine influence of Buy One Get One Free/BOGOF/ on consumer buying behavior.

## **1.5 Significance of the Study**

“All progress is born of enquiry. Doubt is often better than overconfidence, for it leads to inquiry and inquiry leads to invention” is a famous Hudson Maxim in the context of which the significance of the research will be understood.

Research on marketing tools is important to understand the most influential tools to compete in the market. With the help of this information, retailers and marketers can utilize their resources to get maximum profit. Therefore, this research will help Walia Beer Company to understand consumers buying behavior influence, due to sales promotion and which tools is more effectively influence the buying decision of consumers over the other. Identifying and implementing the better tools will help the company to be the strongest competitor in the brewery industry and to be the profitable one. It also gives deep information about the consumers and their purchasing behavior which is affected differently by different promotional tools.

In addition, for scholars and academic researchers, this study forms a platform on which future research of sales promotion strategies would be established. The study would inform firm’s consumers buying behavior and decision process before making a purchase decision and the

implications of consumer behavior on sales. The findings would be resourceful in providing viable information to academicians, researchers and profit-making companies on various concepts related to sales promotion strategies.

At the last not the least the finding of this study will also provide empirical literature contribution on the area of sales promotion and consumer buying behavior and also theoretical knowledge contribution on the area of how does sales promotion influence buying behavior of consumers, especially in the context of Walia Beer.

## **1.6 Scope of the Study**

Promotion is the fourth element in the marketing mix, which is often divided into five parts mainly; sales promotion, advertising, publicity, personal selling, and direct marketing (Cummins, 2008). All of these contribute to the achievement of marketing objective. Different firms also use different promotional tools to influence their customers depending on the type of the product they sold and the companies' objectives. The effectiveness and degree of the influence on consumer buying behavior also differ.

Thus, this research was scoped theoretical based on studying only one aspect of promotional mix i.e. sales promotion influence on consumer buying behavior, the case of Walia Beer, Ethiopia. In doing so sales promotion tools was scoped to mainly like; price discount offer, coupon, free sample, sweepstake and buy one get one free/BOGOF/ that influence consumer buying behavior.

Furthermore, consumer buying behavior is a far wider term which encompasses dimension or steps like; problem recognition, information searching, evaluation of alternatives, purchase and post purchase decision. However this research was delimited itself to purchase decision dimension of consumer buying behavior, because according to Darok (2012) not all consumer will pass through five dimensions of consumer buying behavior, it will depends on the degree of complexity, risk involved and consumer awareness about the product.

In addition this research is only interested on consumer buying behavior of Walia Beer, since the consumption behavior pattern from product to product differ, consumer has not shown a unique buying behavior to every diverse products.

This research will also limit itself to consumer of Walia beer in Addis Ababa, since the consumer of different geographical area will behave and response differently because of cultural, ethnic, and their lifestyle. Thus, this research was focused on the influence of sales promotion tools on consumer buying behavior. For the purpose of this study, the dependent variable was consumer buying behavior, whereas the independent variable was sales promotional tools like, price discount, coupon, free sample, B1G1F and sweepstake and contest , because this tools are the more impactful over the other, that why we select this variables. At the last the study was scoped methodological to use questioner as a data collection method from Walia Beer consumers.

## **1.7 Limitation of the Study**

The study is subject to several shortcomings that limit interpretation of findings. When conducting the study the research limited to the scope only influence of sales promotion on consumer buying behavior of beer, thus the researcher limit itself on one aspect of five promotional mix elements and the result may not show the other promotional influence on Walia beer.

Not only this one, the study was focused only on Walia Beer in Addis Ababa city among the other brewery companies beer that consumed in the city and thus the results from this case might not be generalized to other beer. On the other hand the researcher have limitation of geographical by selecting Consumer of Walia Beer in Addis Ababa due to conducting consumer research over different geographical location would impossible to generalize the result. The finding of this study was limited to consumer of Walia Beer, thus the generalization of the result for analysis of others consumer or non consumer individuals must be made with caution.

In addition the researcher used questioner as a means of data collection, however interview technique in doing customer perception research especially at the place where transactions happen is better. This will enable the researchers to obtain accurate information based on the respondents' fresh memory.

## **1.8 Organization of the Study**

The study of the paper was organized in five chapters. Chapter one presents introduction which includes: background of the study, statement of the problem, basic research questions, and objectives of the study, significance of the study, scope and limitations of the study. Chapter two covers review of relevant related literature. In this chapter, various articles relevant to the research area were assessed. Theoretical literature related to sales promotion and consumer buying behavior was assessed in this chapter. The conceptual framework and model used for the research was also discussed under this chapter.

Chapter three encompasses research design and methodology, population and sampling, data collection methods and analysis. Justification of why such research design and methodology is chosen was also discussed. In chapter four results and discussion of the study is presented. Major findings from the study was discussed in detail with focus given to the sales promotion tools on consumer buying behavior, the case of Walia Beer. Discussion was also attempted in this chapter.

The last chapter presents the summary, conclusions, limitation and direction for future study was attempted. The summary of findings was made based on the results discussed under chapter four. Conclusions, recommendations for further area of research were also pointed out in this section.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

#### **2 Review of Theoretical Literature**

##### **2.1 Sales Promotion Theory**

For companies to stay alive and by ensuring competitive advantage, they have to adopt effective and efficient means of promotion. Before defining sales promotions, a definition of the broader term 'promotion' will be given. Promotion is one of the four elements of the marketing mix. Talar (2012) defines it as following: promotion encompasses all the communications activities of marketing: advertising, public relations, sales promotions, personal selling etc. whereas Sales promotion is giving some extra things to the customers, rewarding them for their behavior on this particular purchase decision (Kotler,2003).

According to Dainora (2010), sales promotion has become an integral part of the promotion schemes for both manufacturers and retailers of durable as well as nondurable consumer goods. It consumes a very significant portion of the promotional expenses of marketers. In some of the developed countries allocation of promotion budget to sales promotion has far exceeded spending on advertisement. Moreover Dainora (2010) defines sales promotion as short-term programs aimed at building interest in, or encouraging purchase of, a good or service during a specified time period. To put it into perspective, he provides a comparison of sales promotion and advertising: Whereas advertising says, buy our product, and sales promotion says, buy it now. But he argue that Sales promotion effects are often short lived, however, and often are not as effective as advertising or personal selling in building long-run brand preference. In summary, it could be stated that sales promotion is a short- term tool, aimed at immediately increasing sales volume, especially in seasonal sales place. Kotler (2003) acknowledged that marketing strategists should consider promotions as an efficient method and strategy for managing customers and rivals in the end.

There are several theories which support the concept of reward as a motivator. One of these sales promotion theories is the theory of (David 2015). His theories of sales promotion are classical and operant conditioning. Whereas classical conditioning is largely associated with advertising, operant conditioning is seen as an explanation for consumer behavior in relation to sales promotion.

Operant conditioning suggests the response of the individual is likely to be affected by positive reinforcement. The basic purport of operant conditioning is that, reinforced behavior is more likely to persist. A reinforce is anything that occurs after a behavior and changed the likelihood that it will be emitted again. Once the reinforcement is stopped, the so-called extinction effect might change behavior back to as it was before. According to Linda (2002) current behavior is influenced by the consequences of previous behavior.

The distinction between classical conditioning and operant conditioning can be understood most easily as a difference in sequence. In classical conditioning, a stimulus occurs first, and a response is elicited. Classical conditioning can thus be called a stimulus response theory. In operant conditioning, the response is first emitted and then reinforced. Operant conditioning can thus be called a response-reinforcement theory (Linda, 2002).

David (2015) also suggest that Positive reinforces are favorable events or outcomes that are given to the individual after the desired behavior. This may come in the form of praise rewards, etc. whereas negative reinforces typically are characterized by the removal of an undesired or unpleasant outcome after the desired behavior. A response is strengthened as something considered, negative is removed.

Thus, this reinforcement; positive or negative will have the consequences on consumption behavior of the individual currently or in the future. In other words, once, a buying pattern is achieved it will continue into the future. This theory had to do with positive and negative consequences of actions, is also relevant to sales promotion. Depending on the objective of the promotion and the focused area, there are three types of strategies (Kotler and Armstrong, 2012).

## **Pull Theory**

The Pull theory is about trying to market directly to customers, to increase their demand for the product as sighted by (Schiffman and Kanuk, 2007). Advertising and tie-ins with other products or services is the key to this strategy. Their theory goes that, if we increase the demand for our product by consumers, they will in turn demand the product from retailers, retailers will demand more of our product from wholesalers and wholesalers will demand more products from us. This is a way to increase sales without decreasing the sale value of merchandise. Most of the costs are in advertising, so using a tie-in with a related product or service can disperse this cost across both companies.

## **Push Theory**

On the other case Kotler and Armstrong (2012) suggest that, using the Push theory it is possible to increase sales, by creating incentives to wholesalers or retailers to sell more of our product. In this method we would offer discounts to wholesalers or retailers who buy our product in bulk. This leaves them with more of your merchandise on hand and drives them to sell more of your product. Giving them the discount "pushes" them to buy more of your product at a lower price to increase the amount of money they make. In turn they must "push" your products to customers because they will make a better return on them than on similar products supplied to them by your competitors.

## **Combination Theory**

In addition Kotler and Armstrong (2012) go to the idea of combination theory. This theory requires both of the above theories working together. The "push" is used to get more products into the hands of retailers and wholesalers while advertising and product tie-ins with other products are used as a "pull" to get more people to want to buy the product.

## **Economic Theory Applied to Sales Promotions**

The relevance of the economic theory for the field of sales promotions is quite straightforward. Temporary price reductions for certain products mean relaxations of the budget constraint, i.e. the possibility to purchase more of the same product. Economic theory would also imply that

consumer with low storage costs and transaction costs are more inclined to buy on promotion. However, the economic model represents a quite oversimplified model of consumer behavior, neglecting, for example, consumers' mental decision-making, tastes, etc. Even though it will provides us with general knowledge about consumer reactions to price and income changes, but no insights in how other types of sales promotions influence consumer decisions (Linda, 2002).

### **Attitude theory**

As cited by Linda (2002) from the work of Fishbein and Ajzen (1975) attitude theory specifies the link between consumer beliefs and behavior. He mention that the consumer decision process (CDP) described in these types of models comprise of several interacting, complex processes taking place within the consumer (falling within the category of stimulus-organism-response models).

Linda (2002) intensifies that, attitude models and economic utility arise from very different theoretical bases; attitude models are often indistinguishable from economic utility theory (both assuming rationality of consumer decision-making). A philosophical difference between attitude models and economic utility models is that in the former, price is considered to be another attribute, no different from quality, reliability, or effectiveness, whereas in economic models, price is given an explicit role in a budget constraint and seen as a critical yardstick for determining how much of certain attributes will be purchased by the consumer. At the end he conclude that, attitude theory provide a potentially valuable basis for understanding the various factors that influence the consumer's decisions to use promotions. The model contrasts markedly with behavioral learning theory, which ignores all internal 'rational' processes.

## **2.2 Sales Promotion**

Sales promotion has been defined as a direct inducement that offers an extra value or incentive for the product to the sales force, distributors or the ultimate consumer with the primary objective of creating immediate sales (Goerge, 1998).

First, sales promotion involves some type of inducement that provides an extra incentive to buy. This incentive is usually the key element in a promotional program and can include a coupon or price reduction, the opportunity to enter a contest or sweepstakes, a money-back refund or rebate, or an extra amount of a product. The incentive may also be a free sample of the product, which is given in hopes of generating a future purchase, or a premium, which also serves as a reminder of the brand name and reinforces its image. Most sales promotion offers attempt to add some value to the product or service. While advertising appeals to the consumer's mind and emotions in hopes of giving the individual a reason to buy, sales promotion appeals more to the pocketbook and provides an extra incentive for purchasing a brand.

A second point regarding sales promotion is that it is essentially an acceleration tool that is designed to speed up the selling process and is often used to maximize sales volume. By providing an extra incentive, sales promotion techniques can motivate consumers to purchase a larger quantity of a brand or shorten the purchase cycle of the trade or consumers by encouraging them to take more immediate action. Companies may also use limited time offers such as price off deals to retailers or a coupon with an expiration date to accelerate the purchase process. Sales promotion attempts to maximize sales volume by motivating customers who have not been responsive to advertising or other efforts to purchase a brand. The ultimate sales promotion program is one that generates sales that would not otherwise be achieved by other means such as advertising.

A final point regarding sales promotion activities is that they can be targeted to different parties in the marketing channel. According to George and Michael (2003) sales promotion can be broken into two major categories: consumer-oriented promotions and trade oriented promotions. The various activities involved in consumer-oriented sales promotion include couponing, sampling, premiums, bonus packs, price-offs, rebates, contests, sweepstakes, and event sponsorship. These promotions are directed at the inducement of purchase of the marketer's brand.

George and Michael (2003) suggests that, consumer-oriented promotions are part of a promotional "pull strategy" and work along with advertising to encourage consumers to purchase a particular brand and thus create demand for it. It should also be noted that consumer-oriented promotions can also be used by retailers as a way of encouraging consumers to shop in their

particular stores. Trade-oriented sales promotion includes activities such as promotional allowance, dealer incentives, point-of-purchase displays, sales contests and sweepstakes, trade shows, and other programs designed to motivate distributors and retailers to carry a product and make an extra effort to promote or "push" it to their customers (George and Michael, 2003)

### **2.3 Sales Promotion Objectives**

As the result of sales promotion techniques continues to increase, companies must give consideration to what they hope to accomplish through this sales promotion and how they interact with other marketing activities such as advertising.

George and Michael (2003) trace, marketers often implement sales promotion programs to gain short term sales increases with little attention given to the long term, cumulative effect promotions may have on the brand's image and position in the market place. This often leads to ill-conceived programs that do little more than create short-term spikes in the sales curve. Not all sales promotion activities are designed to achieve the same objectives. Attention must be given to just what the promotion is designed to accomplish and among what target audience. By having clearly defined objectives and measurable goals for their sales promotion programs, managers are forced to think beyond the short-term sale fix and consider the specific role the sales promotion should play in their overall marketing plan.

George and Michael (2003) look sales promotion effort as consumer franchise-building sales promotion efforts and non-franchise-building efforts. Consumer-Franchise-Building Promotions is sales promotion activities that are effective in communing distinctive brand attributes and that contribute to the development and reinforcement of brand identity. Consumer sales promotion efforts cannot make consumers loyal to a brand that is of little value or that does not provide them with a specific benefit. However, some promotional activities can assist in making consumers aware of a brand and, by communicating its specific features and benefits, contribute to the development of a favorable brand image.

Again George and Michael (2003) conjecture, consumer-franchise-building as promotions that are designed to build long term brand preference and help the company achieve the ultimate goal of full-price purchases that are not dependent on a promotional offer. Whereas, Non-Consumer-

Franchise-Building Promotions are those, which are designed to accelerate the purchase decision process and generate an immediate increase in sales. These activities do little or nothing to communicate information about a brand's unique features or the benefits of using it and thus contribute very little to the building or brand identity and image. Price off deals, bonus packs, and rebates refunds are examples of non CFB sales promotion techniques. However, the limitations of non CFB activities must be recognized in the development of a long-term marketing strategy for a brand.

For many years, franchise or image building was viewed as the exclusive realm of advertising, whereas the role of sales promotion was viewed as generating short-term sales increases. However, many marketers have recognized the image building potential of sales promotion and are paying attention to the CFB value of their promotional programs, (George and Michael, 2003).

### **2.3.1 Consumer-Oriented Sales Promotion Techniques**

George and Michael (2003) explain that sales promotions are often the best means of stimulating sales, over reliance on sales promotions can damage a firm and its brand equity. Each organization must carefully weigh the advantages and disadvantages of each promotion and choose only those that fit their operational position, firm image, customer value package, and sustainable competitive advantage. Firms have eight major consumer oriented sales promotion options.

#### **1. Coupons**

Coupon is printed price reduction offers to customers, are an excellent strategy for stimulating sales, especially in the short term. A coupon is a promotional devise that provides cent-offs savings to consumers upon redeeming the coupon (Kotler and Keller, 2006). On the same work they suggest that, coupons cannot be used as a long-term strategy. Overuse tends to reduce a firm's image and brand equity. It is an excellent strategy for organizations operating in the cost-efficiency operational position. Customers expect low prices and often look for coupon discounts. It is not a good strategy for firms in the service quality or customization operational positions

because of the potential negative impact on firm image. Again they extend their suggestions that, the drastic rise in coupon use demonstrates that coupons are an effective means of swaying customer purchases. For services in the cost-efficiency operational position, this is especially true. The lack of brand loyalty makes coupons an effective means of persuading consumers to switch brands.

## **2. Premiums**

A premium is an offer of merchandise or services either free or at a low price that is used as an extra incentive for buyers (Belch, 1996). With premiums, customers will always pay full price for the service. They insights that Premiums offer a major benefit not possible with coupons: because customers pay full price for the service, brand and firm equity are not adversely affected. Premiums are a good strategy for firms using either the service quality or customization operational approach. With both of these operational strategies, brand and firm equity are important. Unless overused, premiums tend to support both. Premiums are used almost exclusively by regular customers of a service and are not as effective as coupons in encouraging trial purchases. If a firm wants to reward customers for their loyalty, offering premiums is one way of accomplishing this goal. Premiums can also be used to encourage customers to stock up. Stocking up on a service would make coupons from competitors less attractive. To be effective, premiums must be attractive to the customer. If a free gift is being offered, the gift must be an item that is desirable. The gift must reinforce the image of the firm. For example, a firm using the customization approach may want to offer a personalized gift such as an attaché case with the customer's name inscribed on it

## **3. Contests and Sweepstakes**

Both contests and sweepstakes allow consumers an opportunity to win prizes. The difference between contests and sweepstakes is what a consumer must do to win. In a contest consumers may be required to perform an activity or to make a purchase to be eligible to win. In sweepstakes consumers do not need to make a purchase and the winners are determined by a drawing. According to Belch et al. (1995) idea, coupons appeal to price-conscious consumers, contests and sweepstakes appeal to individuals who enjoy high levels of excitement and stimulation. Price-

conscious consumers may not participate in contests and sweepstakes because they see the contest or sweepstakes as increasing the cost of service. To increase the effectiveness of a sweepstakes or contest, firms should emphasize fun, fantasy, and stimulation. Consumers enter contests and sweepstakes for the experience as well as the hope of winning. Contests should be structured to provide participants a challenge as well as excitement. A contest is a promotion technique where consumers compete for prizes or money (Adcock et al., 2001).

#### **4. Frequency Programs**

Most sales promotion programs are for short duration and are designed to encourage brand switching and their impact on brand and firm equity is questionable. In an attempt to correct these negative aspects of sales promotions, service firms have developed frequency-marketing programs. According to Kotler and Keller (2006) frequency programs are sales promotions aimed at current customers that are designed to build repeat purchase behavior and brand loyalty by rewarding customers for their patronage. Although premiums offer customers a free gift or a price reduction on additional purchase, they are not a frequency program. Frequency programs have the following four characteristics:

- They require multiple purchases over a period of time.
- There is formal method for accumulating points or credits for purchases.
- There is a standardized redemption process.
- Rewards come in the form of additional goods, services, discounts, or cash when a certain number of points are accumulated.

Kotler and Keller (2006) suggest that, side benefit of a frequency-marketing program is the development of a database of a firm's current customers. This database can be used to develop promotions that best target the needs of each customer. It can also be used to develop a relationship-marketing program for a firm's best customers. Frequency marketing programs can be either open-ended or fixed-time. Open-ended frequency programs have no time limit on usage and accumulation of points. Fixed-time frequency programs have a specific end to the program. All points or credits must be redeemed within the specified period of time. Before instituting a

frequency program, a firm should carefully analyze the long-term cost. Will the anticipated benefits outweigh the cost of the communications, maintaining the database, and the awards given. Another factor to consider is the ease of implementing the program. The easier it is to implement, the lower the cost, but the easier it is for the competition to copy. The more difficult the implementation, the longer it will take the competition to copy, but the more costly it will be to administer (Kotler and Keller, 2006).

## **5. Sampling**

Sampling is a sales promotion used extensively in the consumer goods area, but seldom by service firms. These are distributed to attract consumers to try out a new product and thereby create new customers (Kotler, 2003). Sampling is the free delivery of an actual service or portion of a service to consumers with the intent of gaining future purchases. Today, many attorneys offer free initial visits. Potential clients can describe their case and discuss their legal options. Many who make this initial visit will later retain the attorney to represent them. Sampling can be used to reduce purchase risk by getting the consumer to try the product or service. A fitness gymnasium club may offer a free session. These free sessions are scheduled at low-demand times when the gymnasium facilities are most likely to be idle.

## **6. Price- Offs**

A price off is temporary reduction in the price of a good or service designed to stimulate immediate sales increases. Price-offs involves a reduction in a service's retail price. A price-off is used to attract consumers to a service. The price-off will reduce purchase risk and increase the probability of purchase.

According George and Michael (2003) suggestion marketers use price-off promotions for several reasons. First, since price-offs are controlled by the manufacturer, it can make sure the promotional discount reaches the consumer rather than being kept by the trade. Like bonus packs, price-off deals usually present a readily apparent value to shoppers, especially when they have a reference price point for the brand and thus recognize the value of the discount. So price-offs can be a strong influence at the point of purchase when price comparisons are being made.

## **7. Rebates and Refunds**

Rather than using coupons to reduce the price of services, some firms will use a rebate or refund. According George and Michael (2003) Rebates and refunds refer to cash reimbursement to a consumer paid with a proof of purchase. Technically the rebate refers to reimbursements paid to customers with a proof of purchase for a durable good or service, while refund refers to reimbursements in the nondurable, soft goods, or consumer service sector. However, the words are often used interchangeable today. Refunds and rebates are given to buyers upon proof of purchase. The primary objective of the sales promotion is to reward individuals for using the service. It is also an attempt to prevent brand switching.

### **2.4 Consumer purchase process**

The aim of marketing is to meet and satisfy target customers' needs and wants. The field of consumer behavior studies how individuals, groups, and organizations select, buy, use, and dispose of goods, services, ideas, or experiences to satisfy their needs and desires. Understanding consumer behavior is never simple, because customers may say one thing but do another. They may not be in touch with their deeper motivations, and they may respond to influences and change their minds at the last minute as mentioned by (George and Michael, 2003).

Consumer decision making process has been described by various models and theories that have been developed to describe consumer decision making, which helps marketer to reach target consumer (Hoyer, 2004). Again according Hoyer (2004), Standard consumer theory concept is consumer decision making comes through processing of series of stages. Few researchers have developed five stage purchasing process and multi stage purchasing models. All the process or models are mostly deal with knowledge, motivation, attitude and experiences.

Purchase decision is defined as the stage at which the buyer or the consumers actually buys the products (Kotler, 1999). He argued that, the consumer will buy the most preferred brand. Berkowitz (1994) also proposes that the visible act of making the purchase decision lays an important process that a buyer passes through in making choices about which products and

services to buy or consume. Berkowitz however suggested that, there are five stages involved anytime a consumer wants to make a purchase decision

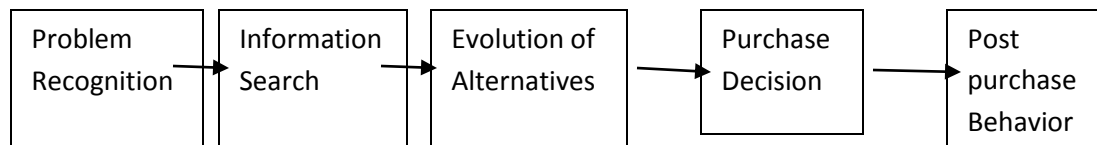


Figure 2.1 consumer Purchase step

**Source: Berkowitz and Harley (1994). Marketing, 4th Edition**

According to this model, the consumer decision making is triggered by the recognition of a problem or arousal of a need. The need may arise due to various circumstances such as; personal circumstances (e.g. new job or function), marketing circumstances (e.g. advertising, price promotions), or social comparison (e.g. witnessing other consumer enjoying). Once this problem or need is recognized, then search for information starts and consumers information search can be extensive, internal or external (based on knowledge or environment), alternative based (additional informational search holding number of attribute constant) attribute based (additional informational search holding number of alternative constant) and global (e.g. search for top-down fashion) or local (e.g. bottom level serial fashion) (Hoyer, 2004).

Based on the gathered information, consumer tries to narrow down available set of option, which he or she consider seriously when making a purchase decision and this is considered as set formation. Afterwards consumer follows evaluation of alternatives and goes with the alternatives which are attractive and offers inspirational benefits (e.g. luxury, sensory gratification, and aesthetic). This is the most common stage in purchasing of apparel. The evaluation of alternatives is used in the choice of one alternative. This choice process depends on:

- ❖ Rules that used to filter alternatives (inclusion or exclusion of other alternatives),
- ❖ Decision makers attitude towards risk (eagerness and new product have greater risk and consumers attitude toward it)
- ❖ Context effects and variety seeking (compromise option and multiple items from same selection e.g. purchasing multiple clothes from a single catalogue).

In last stage, post purchase, consumer experience product and outcome may be satisfaction or dissatisfaction or experiences desirable / undesirable. Consumers' purchase process is affected by a number of different factors, some of which marketers cannot control, such as cultural, social, personal, and psychological factors. However, these factors must be taken into consideration in order to reach target consumers effectively (Kotler et al., 2005).

According to Schiffman and Kanuk (2004) there are four views for explaining consumer decision and behavior such as, economic view which it has the more impact followed by passive view, emotional view and cognitive view, they also stated that consumer buying behavior concerned on how customers decide what product they want and how that evaluation is going to be and its impact on future purchases. According to Naimah and Tan (1999) some factors affect consumer to buy a specific product such as high purchasing power and other sales physical surroundings. Kotler (2003) argued that other social and economic factors may affect consumer decisions for example culture and fundamental factors of consumer behavior.

### **2.4.1 Brand Switching**

According to Evan et al. (1996) brand switching refers to consumer decision to purchase another type of product brands different from the usually purchased when the previous brand does not satisfy their needs or due to some benefits they will get from the new ones. There are some major factors which affected consumers buying behavior for one brand to switch to another brand such as: service quality, brand name, price, and product quality (Mittal and Lasser, 1996; Garvin, 1988; Evan et. al. 1996; Aaker, 1996; Cadogan and Foster, 2000). Moreover, Evan et al. (1996) stated that brand switching is a branch of consumer loyalty, therefore consumer loyalty consist of hardcore loyal customers who repeat a particular product purchase and brand switchers who usually more price sensitive and they used to buy two or more brands. According to Lau et al. (2006) they referred that sales promotion is occupying a major role on consumer buying behavior which is a factor to differentiate brand switchers from hardcore loyal consumers, and their study pointed that brand switchers are more affected by sales promotion

## 2.4.2 Model of Consumer buying Behavior

Consumers make many buying decisions every day, and the buying decision is the focal point of the marketer's effort. Most large companies' research consumer buying decisions in great detail to answer questions about what consumer's buy, where they buy, how and how much they buy, when they buy, and why they buy. According to Kotler and Armstrong (2012) marketers can study actual consumer purchases to find out what they buy, where, and how much. But learning about the whys of consumer buying behavior is not so easy. The answers are often locked deep within the consumer's mind. Often, consumers themselves don't know exactly what influences their purchases. "The human mind doesn't work in a linear way," says one marketing expert. "The idea that the mind is a computer with storage compartments where brands or logos or recognizable packages are stored in clearly marked folders that can be accessed by cleverly written ads or commercials simply doesn't exist. Instead, the mind is a whirling, swirling, jumbled mass of neurons bouncing around, colliding and continuously creating new concepts and thoughts and relationships inside every single person's brain all over the world."

Again on the same work of Kotler and Armstrong (2012) they enlighten the central question for marketers as follows: How do consumers respond to various marketing efforts the company might use? At the last they come up with the starting point which is the stimulus-response model of buyer behavior shown in Figure 2.2. This figure shows that marketing and other stimuli enter the consumer's "black box" and produce certain responses. Marketers must figure out what is in the buyer's black box. Marketing stimuli consist of the four Ps: product, price, place, and promotion. Other stimuli include major forces and events in the buyer's environment: economic, technological, political, and cultural. All these inputs enter the buyer's black box, where they are turned into a set of buyer responses: the buyer's brand and company relationship behavior and what he or she buys, when, where, and how often.

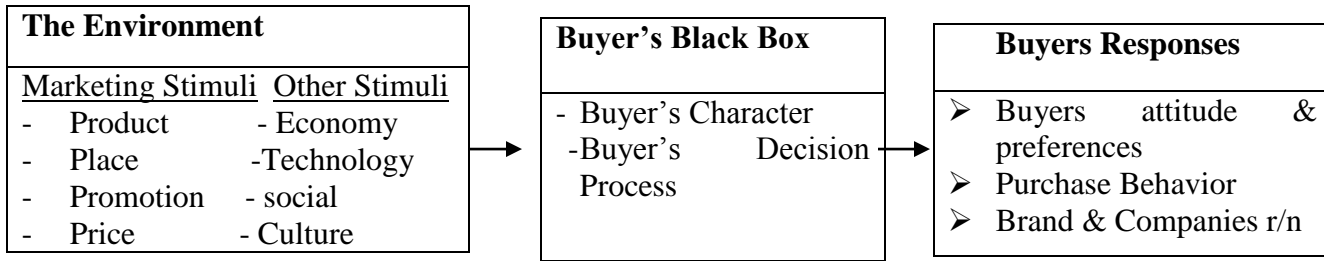


Figure 2.2 Consumer Buying Model.

Source: Kotler and Armstrong (2012). *Marketing, 14th Edition*

Thus marketers want to understand how the stimuli are changed into responses inside the consumer's black box, which has two parts. First, the buyer's characteristics influence how he or she perceives and reacts to the stimuli. Second, the buyer's decision process itself affects his or her behavior.

## 2.5 Review of Empirical Literatures

Over the last three decades sales promotion topic got more attention by scholars and practitioners. Thus, there is a great body of literature and previous studies which discussed the relationship between sales promotion and its impact on consumer buying decisions, especially coupons and price reduction, since they are most extensive used types.

All businesses have to communicate to the consumer what they will offer (Jobber and Lancaster, 2006). Brassington and Pettitt (2000) provide a revised definition for sales promotions: a range of marketing techniques designed within a strategic marketing framework to add extra value to a product or service over and above the "normal" offering in order to achieve specific sales and marketing objectives. This extra value may be a short-term tactical nature or it may be part of a longer-term franchise-building program.

Jarvenpaa and Todd (1996) have indicated that the types of sales promotion have played an important role in influencing the purchasing behavior of potential consumers. Different types of sales promotion have different targeted potential consumers for different kinds of products. Four leading sales promotion techniques that have a significant positive impact on consumers'

perception and purchasing behavior included coupons, samples, and retail shopper cards (i.e.: member card, VIP card).

Jones (2003) argued here as, increased advertising expenditure generates only a small average volume of additional sales that can often be profitable. He classified the advertising effects in short, medium, and long term. The initial effect can be positive and a prior condition for the longer effects. The medium-term has a positive influence of the brand's own advertising as well as negative influence for competitive brands. Continuous improvement of an advertised brand may generate long-term effect in consumers minds that can lead to a further sales outcome which can be very beneficial. He also concludes that price reductions have only a temporary effect and generally there is no further effect to generate more revenue to balance the increased cost.

Sales promotion actually seeks to motivate the customer now (Ngolanya et al., 2006). The basic objectives of sales promotion is to introduce new products, attract new customers, induce present customers to buy more, to help firm remain competitive, to increase sales in off season among others. Sales promotion offers a direct inducement to act by providing extra worth over and above what is built into the product at its normal price (Sam and Buabeng, 2011). This temporary inducement according to them, are offered usually at a time and place where the buying decision is made. Consumers have become more and more sophisticated as well as marketers in their bid to persuade the consumers and increase market share in the products and services they offer. This persuasion comes in the form of discounts, free gifts, bonuses, free air time among other sales promotional activities. These sales promotional activities according to Yeshin (2006) create a greater level of immediate response than any other marketing communication activity.

Though it encourages the competitive retaliation but often, have a negative influence on consumers' image of the brand. Moorthy and Hawkins (2005) stated differently that advertising expenditure works as a signal of product quality for experience goods because consumers guess that high-quality products would advertise more than low-quality products. He provides substantial support for ad repetition that influences perceived quality.

The impact of sales promotion on consumer buying behavior has been widely recognized in many researches and studies, they have shown that there are a lot of factors can affect consumer buying

behavior, either to buy or not (Nagar, 2009; Smelser and Baltes, 2001). According to Nijs et al. (2001) sales promotions have a huge impact on consumers buying behavior such as purchase time, product brand, quantity and brand switching. Moreover, consumer purchase decisions sometimes based on the price sensitivity, individuals are more attracted to promoted products (Bridges et al., 2006).

Nagedeepa et al.(2015) studied Impact of Sale Promotion Techniques on Consumers' Impulse Buying Behavior towards Apparels at Bangalore they suggest that the Sales promotion techniques are used by the retailers and marketers to attract the customers and increase their sales by providing different deals and additional incentives to enhance their product purchase. On the basis of their findings, they conclude that sales promotion techniques play a significant role in consumers' impulse buying decision. The study also confirmed that consumers' impulse buying behavior is highly motivated by the Rebate & Discount offer among the five promotional techniques they use: Rebate & Discount offer, Coupon, Loyalty Programs, Price Packs and Contests followed by the Loyalty Program. So the marketer should focus on the remaining sales promotion tools to make them a perfect promoting strategy to promote their products.

Sales promotion led to sudden increase of sales experienced by retailers due to price-consciousness of consumers. Opinions that consumer would be easily persuaded to buy products as there is no extra cost by consumers. The other identified that price discounts play a significant role in influencing consumer product trial behavior, which indirectly attracts new consumer. Pricing of product has an impact in deriving consumer perception and the extent to which perception is effect, is derived from the nature of consumer behavior Nagadeep et al. (2015).

## **2.6 Influence of Sales Promotion on Consumer Buying Behavior**

Adcock et al. (2001) assesses that when a purchase decision is made, the purchase decision can be affected by unanticipated situational factors. Some of these factors according to them could be directly associated with the purchase, for instance the outlet where the purchase is to be made, the quality to be bought, when and how to pay. Most instances, firms remove the need to make this decision by either including the essentials in the form of sales promotion tools like coupons, discounts, rebates and samples. The additional benefit whether in cash or in kind offered to

consumers through sales promotion is likely to influence their purchase behavior or decision (Ngolanya et al., 2006).

After considering the possible options, the consumer makes a purchase decision and the consumer's choice depends in part on the reason for the purchase (Kotler et al., 2003). According to them, the consumer may act quickly, especially if sales promotional tools are used or the consumer may postpone making any purchase. Whenever the consumer makes a purchase, they find out what products and services are available, what features and benefits they offer, who sells them at what prices, and where they can be purchased (Stanton et al., 1994). The firms and its sales team provide consumers with the market information whenever they engage consumers in efforts to inform or persuade in an attempt to communicate with them. Sales promotion therefore provides a suitable link by providing consumers with samples of the products for them to test them in small quantities as well as provide consumers with most needed information concerning the product (Ngolanya et al., 2006).

According to Davidson et al. (1984), purchase decision may be between objective or emotional motives; nevertheless, in all cases, the sale is made or not made in the customers mind and not in the mind of the seller. A product is not purchased for its own sake but for its ability to satisfy a need. The use of some of these promotional tools helps in determining the use that consumers are likely to put the product into and therefore guide them towards the right product (Cox and Britain, 2000). The consumer is therefore provided with the relevant information, get the opportunity to try the product and get to know whether it satisfies their needs and also enjoy a price reduction. Sales promotion is therefore used to draw consumers to the product and they end up making an impulse purchase as a result of the strength of the sales promotional tool (Ngolanya, et al., 2006).

## **2.7 Conceptual Framework**

Sales promotion techniques are intended to have a direct impact on buying behavior, which implies their short-term focus. However, every aspect of communication by a company has some sort of effect on the company's brand image.

In terms of brand building, sales promotion has traditionally been associated with a negative long term impact due to its predominantly price-orientated nature. But, as we have seen, this view has neglected the full scope of sales promotion methods. A strategic marketing communications plan will clearly state the elements, such as the objectives, target audience and positioning, which will all help the company to decide upon the sales promotion method that is most suitable for the company and the particular campaign. A company positioning itself as cost-effective may, for instance, wish to incorporate the value-increasing methods, while a premium brand might wish to look toward more brand-building techniques.

According Shreshta (2015), the enhanced planning in the sales promotion process, along with a closer analysis of all the sales promotion methods, will lead a company with a premium brand positioning to the more creative forms, which do not rely on product discounts. When integrating sales promotion into the marketing communications plan, messages will reinforce each other, regardless of the medium or tool used.

Tools can be interrelated, for instance, by using advertising to promote promotions or, as we have seen, by using competition to enhance public relations. By understanding the impact each individual promotional tool has, managers will achieve synergy between the methods more easily.

They can, choose to use the sales promotion elements which have proven to be more effective in enhancing the company's image, and should certainly do so if they have a premium brand positioning.

Incorporating sales promotion strategically, given all its characteristics, may turn out to be quite challenging for a company, but: Today's and tomorrow's marketing managers really do not have the choice whether or not to use sales promotion but only whether to use these valuable tools poorly or skillfully.

Kardes (1999) insights a free sample of sales promotion techniques will increase our sales. Companies will creates new product and perform in the market, but Peoples are not aware of a new product. Thus marketing manager of the company tries to increase sales or introduce the new product by using different tools.

Free Sample is one of the tools of sales promotion. In free sample of marketing managers goes on the market to suit different traders or clients and give them the free sample. People get easily free sample and try to use it. Free sample had influence on consumer buying behavior (Shimp, 2003). Free sample show a positive change in our sales (Lammers, 1991). Fill (2002) discount is a very simple technique to offer consumers a price reduction on a product that is clearly given in the product packaging. Sampling is a something that is given to consumers to try your product as the actual product.

According Pramataris et al. (2001), free sample is somewhat small amount of a product consumers take to test. Shamout (2016), indicated that free sampling tool is a very effective to stimulate individual behavior towards purchasing decisions and it can encourage consumers to switch from planned to promoted brand, and retailers should focus more to enlarge their free sampling method which will lead to an increase in sales of the promoted product.

As his result enlighten there is significant relationship between free samples and consumer buying behavior. However, Jackaria and Gilbert (2002) did not agree with this positive relationship between free samples and consumer buying behavior, which it can be varied from product to another and from specific time to another. Later on Ndubisi and Chiew(2006) admitted that free samples technique has a significant relationship on consumer buying behavior

***H1: Free sample has significant influence and positive relationships on consumer buying behaviours.***

Retailers often promote different types of price reductions in an attempt to move the favorable assessment linked to prices and buying behavior of consumers. Discount suggests great potential for clarifying the customer response to sales promotion (e.g. Dickson and Sawyer, 1984; Blattberg and Neslin, 1990). Ndubisi and Chiew (2006) claimed that product trail has a relationship with price discount, in a sense that the first can be increased by price reduction for any product.

There is a significant relationship found between price discount and consumer buying behavior during sales promotions (Shamout, 2016). Furthermore findings from Bucklin et al. (1998) also indicated that price discounts induced households to switch brands and buy earlier than planned.

***H1: Price discount has significant influence and positive relationships on consumer buying behaviors.***

According to Fill (2002) coupons are some certificates confirming their consumption have reduced the price of the specific product. Coupon may be the product or any other product that comes free with the actual product. Coupon is evidence that manufacturers use to improve communication with consumers and also a psychological effect on consumers care change their brand.

Gardener and Trivedi (1998) said that the coupons have been used for years as an important tool for promotion. This is a unique offering for the consumer to make use of this and get a price reduction. This game is also a rebranding consumer has come to make use of the price reduction and change your image. Laroche et al. (2005) studied the effect of coupons on consumer's brand categorization and choice process using fast-food restaurants in China.

Results suggest that there are both direct and cross-advertising effects i.e., the presence of a coupon for a focal brand has an impact on consumer's attitudes and intentions towards that brand.

***H1: Coupon has significant influence and positive relationship on consumer buying behavior.***

Promotion technique of “buy-one-get-one-free” is one of the types of bonus packs in which the consumers are offered the additional product at the ordinary price but are in an enhanced package. Consumer would be easily persuaded to buy products as there is no extra cost need and more valuable perceived by consumers (Sinha & Smith, 2000). Besides, this promotion technique would beneficial to retailers in speed up the stock clearance compared to price promotions (Li, Sun & Wang, 2007). Weerathunga and Pathmin (2015), studied impact of sales promotion on consumer impulse buying behavior case study of supermarket, the result show Buy-one Get-one free- has a significant impact on CIBB in supermarkets.

***H1: Buy-One-Get-One-Free has significant influence and positive relationships on consumer buying behavior.***

Liao et al (2009) identified that sales promotional techniques of instant rewards like Buy-One-Get-One-Free, price off and free samples motivates the reminder impulse buying than the delayed rewards like sweepstakes, loyalty reward points and competitions.

Sweepstake or contest is designed to provoke attention of potential customers, especially those who have used or never used certain product. Precisely, they are designed with the aim that consumers perceive them as a form of entertainment. Sweepstakes and games are a very popular form of sales promotion in many places. Liao et al (2009) identified that sales promotional techniques of instant rewards like Buy-One-Get-One-Free, price off and free samples motivates the reminder impulse buying than the delayed rewards like sweepstakes, loyalty reward points and competitions.

***H1: Sweepstakes or contest has significant influence and positive relationships on consumer buying behavior***

So depending on the above review the conceptual framework shows the relationship between dependent and independent variables of this research. It shows that consumer’s purchasing behavior is a dependent variable as it depends upon the various sales promotion frameworks. On the other hand price based promotion such as coupons; price discount, contest, and free trial are independent variables.

***Sales promotion tools***

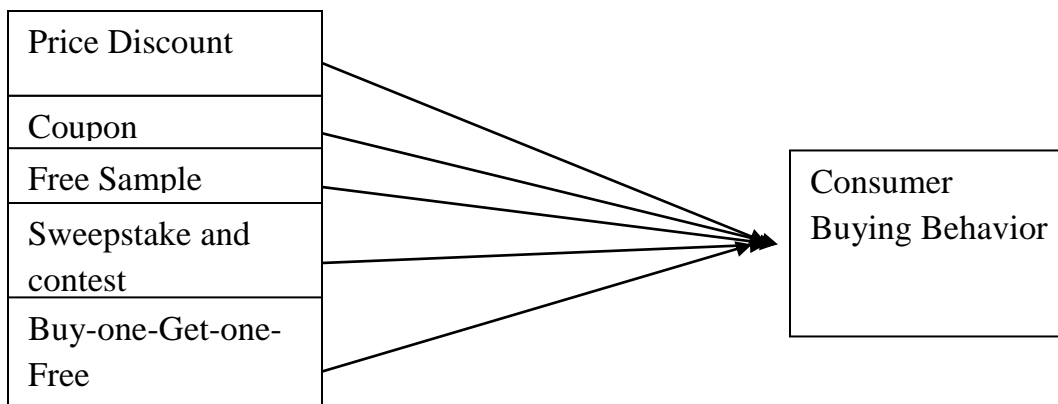


Figure: 2.3 Conceptual framework of SP on CB

**Source: Researcher’s Construct, 2018**

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

This chapter presents the research design, location, sample technique, data source and type, methods of data collection and data analysis.

#### **3.1 Description of the Study Area**

The study was carried out in the capital city of Ethiopia, Addis Ababa at different hotels, bars and restaurants, which are main distributors of Walia Beer and mainly consumed. Because in the city there were a densely populated and with diverse culture that engage in different trading and business activities over the other country place. Not only this one, but also conducting the research over the all country population is very difficult due to time and cost, hence why we select Addis Ababa as a target area. So, the study was conducted only in the capital city, this is a target area where study was conducted based on the influence of sales promotion tools on consumer buying behavior of Walia Beer. Another thing, the researcher was spotlighted only on the consumer of Walia Beer, even though there are different types of beer consumer in the targeted area.

#### **3.2 Research Approach**

Research approach is the way data was generated; it was inductive Vs deductive. According to (Kotari, 2004) quantitative research approach involves the generation of data in quantitative form which can be subjected to rigorous quantitative analysis in a formal and rigid fashion, whereas qualitative approach of research is concerned with subjective assessment of attitude, opinions, and behavior of individuals. Research in such situation is a function of researcher's insight and impressions.

In our case the researcher used quantitative approach. Quantitative research design was used to employ quantifiable schemes to obtain more assurance than a reasonable guess would do (Jick, 1979). Another reason why the researcher chooses quantitative approach is that, it allows the researcher to establish the strong relationship between variables and enlighten the extent of influence the variables has on the predicator one.

### **3.3 Research Design**

Research design is the arrangement of conditions for collecting and analyzing data in a manner that aims to combine relevance to the research purpose with economy in procedure (Kothari, 2004). According to Kotahir (2004) there are three main types of research designs; exploratory, descriptive and explanatory studies.

This study adapted a descriptive and explanatory design. Because Descriptive research involves gathering data that describe events and then organizes, tabulates, depicts, and describes the data collection (Kothari, 2004). The use of descriptive design yields rich data that leads to appropriate analysis. In addition this method also helps to address questions like “what is the influence of sales promotion on consumer buying behavior”. Letter on, it helps us to use qualitative and quantitative methods analyses on numerical and descriptive form of data gathered from target respondents.

Descriptive research design often helps the researcher by compiling the findings and interpretation through visual aids such as graphs and charts, and also aids the reader in understanding the data distribution because the human mind cannot extract the full import of a large mass of raw data, thus descriptive statistics are very important in reducing the data to manageable form. When in-depth, narrative descriptions of small numbers of cases are involved, the research uses description as a tool to organize data into patterns that emerge during analysis. At the last not the least why researcher choose this method is that, descriptive research design can provide detail information by describing the area of study in theory as well as in reality or describe the characteristics of various variables used in the research.

In addition to descriptive research design the researcher was also adapted explanatory research design. Explanatory research design is conducted in order to indentify the extent and nature of cause and effect relationships, or to know the impact of presumed cause on confounding variables. Thus for our study using this research design were helped us to analysis situation of sales promotion tools has on consumer buying behavior as well as relationship among variables. In addition employing this method was play an instrument role in terms of indentifying reason behind wide range of process as well as assessing the influence of changes on existing norms.

### **3.4 Population and Sample**

#### **3.4.1 Population**

According to (Mugenda, 1999) population is a complete set of individual's cases or objects with the same common observable characteristics to which a researcher wants to generalize the result of a study. The target population of this paper was consumers of Walia Beer that found in Addis Ababa.

#### **3.4.2 Sampling Design**

Miles and Huberman (1994) argue that sampling in research involves two actions: Boundary and Setting: which helps the researcher to define aspects of the case that will be manageable to study. (Mugenda, 1999) Sampling technique is the process used to select a sample from large group to gain information about a particular population.

Malhotra (2007) claimed that, theoretically, the sampling procedures conducted were mainly based on probability standards (random or probability samples) and non-probability standards (no probability samples). Convenience sampling inherently is a non-probability sample method. Zikmund (2003) demonstrated that convenience sampling was referred to as sampling by obtaining units or people who were most conveniently available. Cooper and Schindler (2006) noted that convenience sampling was element selection based on accessibility. Zikmund (2003) illustrated that researchers generally adopted convenience sampling to obtain a large number of

completed questionnaires quickly and economically. Malhotra (2007) showed that convenience sampling was common with market researchers and newspaper reporters.

Furthermore, since there was a limitation of cost, time and difficulty of using sample frame, and difficulty in determining the total population to list out the sample frame, convenience sampling technique was used to choose customers of Wafia Beer for survey. In general, the major advantage to a convenience sample is the availability of such a population. Researchers choose this type of group to gain information without having to travel extensively or build a pool of wide-ranging subjects (Malhotra et al., 2007).

### **3.4.3 Sample Size Determination**

To determine the sample size of population different strategies are used by different scholars depending on the research necessity and other factors. The aim of the calculation is to determine an adequate sample size which can estimate results for the whole population with a good precision and to draw inference or to generalize about the population from the sample collected data. The eventual sample size is usually a compromise between what is desirable and what is feasible.

Cochran (1977) developed a formula to calculate a representative sample for population as follow;

$$N_0 = Z^2Pq/e^2$$

Where,

$N_0$  is the sample size,

$Z$  is the selected critical value of desired confidence level. The most common confidence intervals are 90% confident, 95% confident, and 99% confident (90%,  $Z$ -Score = 1.645; 95%,  $Z$ -Score = 1.96; 99%,  $Z$ -Score = 2.326). Thus the researcher will select 95% confidence interval with  $Z$ -critical Value 1.96.

P is the estimated proportion of an attribute that is present in the population ( $p+q = 1$ ) or how much variance is expected in the responses. Since the researcher did not actually administered survey yet, the safe decision is to use .5 – this is the most tolerant number and ensures that the sample will be large enough.

E is the desired level of precision. No sample will be perfect, so it need to decide how much error to allow. The confidence interval determines how much higher or lower the populations mean to let the sample mean fall (Cochran, 1963), so our desired error is 5% by 95% degree of confidence.

For example we want to calculate a sample size of a large population like Walia Beer in Addis Ababa city consumers whose degree of variability is not known. Assuming the maximum variability, which is equal to 50% ( $p = 0.5$ ) and taking 95% confidence level with  $\pm 5\%$  precision, the calculation for required sample size will be as follows--  $p = 0.5$  and hence  $q = 1 - 0.5 = 0.5$ ;  $e = 0.05$ ;  $z = 1.96$

So,  $n_0 = (1.96)^2 (0.5)(0.5)/(0.05)^2 = 384.16$

Thus, the sample sizes of Walia Beer in Addis Ababa were 384 Walia Beer consumers in the city. So, for the purpose of our study, the researcher was used 384 number of sample size to collect data from the customer /users of Walia Beer/.

This number is in accordance with the views of Dillman (2000), who reported that a sample size of 100 and above is sufficient to present good concise research findings and also, provide good representation of the population or organization or any subject investigated.

### **3.5 Data Type**

Type of data for this paper was primary and secondary data. In every research work, the researcher explores two broad categories of data. These are the primary and secondary data. The primary data according to Eboh (1998) are the sampling or study units from which information is to be collected on first hand basis. According to Malhotra (2007), primary data are originated by the researcher for the specific purpose of addressing the problem at hand.

Thus the researcher was used primary data for this research, which was gathered through questionnaires. The questionnaire for the research have four parts which consist of demographic questions, usage of Walia Beer questions ,Influence of sales promotion on buying behavior of walia Beer by likert Scale Type and at the last buying behavior questions. This question was self administered questionnaire from selected Walia Beer consumer to obtain the real feelings. Secondary data on the other hand, according to Eboh (1998) are second hand information which respects to existing literature, research reports, government documents, institutional publications and statistical remarks. A systematic enquiry (research) must have to obtain evidences based on inferences and conclusions drawn.

Thus, the researcher was also used some of this secondary source data to support the gathered data through primary source one to be genuine and evidence. The secondary data was gathered through document analysis including income and other financial statements of Walia Beer, their annual sales, books, company's website, published journal articles, thesis, dissertations, Internet and other external sources.

### **3.6 Data Collection Techniques**

Data collection is the process of gathering and measuring information on variables of interest, in an established systematic fashion that enables one to answer stated research questions, test hypotheses, and evaluate outcomes. There are different methods for data collection identified in different literatures, including questioner, interview, mail, face-to-face, telephone, electronic mail, and a combination of these methods.

The study was used questionnaire as source of data collection techniques in this study. Questionnaire is a formalized set of question for obtaining information from respondents. Questionnaires facilitate the collection of data by asking all or a sample of people, to respond to items in the questionnaire because it is the most effective quantitative research instrument to obtain perceptual data like our research, i.e. buying behavior of individual data that are not easily observed such as attitudes, motivation, and self-conception from participants. The questioner is a common instrument for observing data beyond the physical reach of the observer (Albaum, 1997).

The researcher enforced to adopt and modify questionnaire that developed by Shrestha (2015) in other industry sector and distributed to sample respondents. Because there was lack of developed questionnaires on influence of sales promotion had on consumer buying behavior of beer industry by practitioners and scholars on their previous work. For the purpose of this study a quantitative methodology involving a close-ended questionnaire was used as the measurement instruments on developed questionnaire. The close ended questionnaires was administrated to sample group of people since they are less costly and less time consuming than other measurement of instrument. Sekaran (2003) noted that the main advantage of conducting a self-administered questionnaire was that researchers could collect all of the completed responses within a short time.

In addition the respondents' are also not show unwillingness to answer the questioner because it was developed as clear and short. This method was selected because it is cost-effective method of collecting data (Babbies, 2008). Another reason for the use of self-administered questionnaires is that this method allows the researcher to provide respondents with a detailed explanation on the purpose of the research. This is vital for the research, because explanations about the research will induce the respondents to answer the questions in an honest manner (Cooper & Schindler, 2014).

Likert-type of scale measurement method was used by the researcher on this paper. It has a range of responses: strongly disagree, 'Disagree', 'Neutral', 'Agree' and 'Strongly Agree'. A five point Likerts type scale ranging from 1 (one being strongly disagree) to 5 (five being strongly agree) is a widely used rating scale which requires the respondents to indicate a degree of agreement or disagreement with each of a series of statements or questions (Albaum, 1997)

This rating scale is easy to construct and administer and respondents readily understand how to use the scale (Malhotra et al., 2007).

This questionnaire was pilot studied through its convenient distribution to 15 "willing respondents" who were selected on a judgmental basis (10 by Amharic questioner and 5 by English Questioner. According to Zikmund (2003), a pre-testing study provides an opportunity for the researcher to determine whether the respondents have any difficulty on understanding the questionnaire. These respondents were asked to fill up the translated

questionnaire and inform the researcher for further improvement if there was any kind of problem with regards to language, wording, expressions and clarity of the questions. Once the pre-test was completed, the researcher worked on the text editing, spelling, legibility, instructions, layout space for responses, pre-coding, scaling issues, and the general presentation of the questionnaire.

Finally, 384 questionnaires were distributed and collected between March, 01 and April 10, 2018. The questionnaires were distributed to consumers of Walia Beer at different locations like, Bars, Hotels and restaurants. After distributing 384 questionnaires for Walia Beer consumer, a total of 370 answered questionnaires were retrieved, which is 96.35% of the total distributed questionnaires.

After checking the retrieved questionnaires, the 357 questionnaires were valid for statistical analysis. Ultimately, 92.96% of the total questionnaires distributed entered the analysis. This number is in accordance with Hill et al. (2003), who reported the sample size of 100 and above is sufficient to present good concise research findings and also, provide good representation of the population or organization or any subject investigated. Then the data received is examined and screened for missing and inappropriate response.

### **3.7 Data Analysis**

Data analysis is the process of breaking down the accumulated research data to manageable formats' and forming summaries using statistical techniques (Cooper & Schindler, 2003)

Data collected from the 370 respondents was examined and arranged based on the research objectives

After data cleaning was made and ready for statistical the researcher insert into SPSS software. Because SPSS is newest developed version to calculate descriptive statistics like: (percentages, frequency distribution tables and charts) easily over the other statistical software's. Frequencies were generated on the response through use of cross tabulation

Descriptive statistics are statistical outputs that provide a demographic illustration of the general sample population (Zikmund, 2003). Types of descriptive statistics like frequencies, percentages,

graphs and charts whereas as Inferential statistics explain the deeper relationship between the variables and help the researcher to make judgments about the population and draw conclusions (Leedy & Ormrod, 2005). Forms of inferential statistic a test was conducted in this research are: reliability and validity tests, correlation, multicollinearity, and multiple regression analysis. Because this statistics make our data to generalize easily and interpreted by the researcher, besides it shows the genuine of the research.

### **Reliability and Validity test**

The clarity of the instrument items to the respondents of the questionnaire has to be tested by validity and reliability.

Reliability is the extents to which a variable or set of variables is consistent in what it is intended to measure (Hair et al., 1998). It differs from validity in that it relates not to what should be measured, but instead to how it is measured. Several measures have been used to establish the reliability of the instrument, for example, split-halves, test retest, equivalent forms and internal consistency method. The current study used multiple items in all constructs. So the internal consistency method is appropriate for the current study. Hair et al. (1998) mentioned that the rationale for internal consistency is that the individual items or indicators of the scale should all be measuring the same construct and thus be highly inter-correlated. Internal consistency reliability of all questions was assessed by the Cronbach's alpha coefficients of measurement items for each construct. Zikmund (2003), suggest that a Cronbach's alpha value of  $> 0.7$  indicates a considerably high reliability.

According to Sekaran (2003) validity is the degree by which sample of the test items represent the content the test is designed to measure. This study used Cronbach's alpha coefficient to determine the reliability of the items. Cronbach's alpha is a reliability metric used to evaluate the extent to which item responses derived from a scale correlate with each other (Shelby, 2011). Validity can be defined as the degree to which a certain measure correctly represents the concept of a study (Hair et al., 2011). To insure the validity of the study, a comprehensive review of literature was conducted by the researcher then after it was reviewed or commented by experts and professional people on the area.

## **Correlation**

Correlation quantifies the extent to which two quantitative variables, X and Y, “go together.” The result of a correlation test is referred to as Correlation coefficient( $r$ ). Correlation coefficient ranges from +1 to -1, with +1 being a total positive correlation and vice versa (Coakes, 2005). Thus, a Correlation coefficient of two variables that is closer to +1 indicates a strong positive correlation. Conversely, a Correlation coefficient close to -1 indicates a strong negative correlation, between variables. A Correlation coefficient that is closer to zero shows weak or no relationship. P-value is a measure of significance level. A 5% level of significance was used in this study. The researcher was tested the correlation coefficient among dependent variables consumer buying behavior and independent variables sales promotion tools.

## **Multicollinearity test**

A test of multicollinearity was conduct by the researcher to determine the correlation of the independent variables of sales promotion tools. Multicollinearity occurs when one independent variable is a linear function of other independent variables. In other words, one independent variable can be explained by another independent variable. The diagnostics Variance Inflation Factor (VIF) and tolerance were used to test the multicollinearity of the independent variables. Multicollinearity occurs when the VIF for the independent variables is greater than 10 (rule of thumb) or tolerance of 0.1 or less.

## **Multiple Regressions**

Multiple regression analysis is a statistical process for estimating the relationships among variables. It includes many techniques for modeling and analyzing several variables, when the focus is on the relationship between a dependent variable and one or more independent variables (or 'predictors'). More specifically, regression analysis helps one to understand how the typical value of the dependent variable (or 'criterion variable') changes when any one of the independent variables is varied, while the other independent variables are held fixed (David, 2005). Thus, the researcher had pin out the coefficient that has more impactful or influence on consumer buying behavior of Walia Beer from different sales promotional tools.

### **3.8 Ethical Consideration**

The researcher views that the ethical consideration is the most important element in the research process, thus we were tried to guarantee confidentiality and preserve anonymity of participants of the research. Whenever, necessary pseudo-names were used for participants and the researcher were prevented any harm to them at any cost. The researcher was also by the rules and regulations of the institution and to the moral standards of the institution and tries to avoid any data manufacturing and fraudulent reporting. In addition to the above one, the researcher will also try not to violate accepted research practice in conducting the research, data analysis, and drawing conclusion and not to violate community or professional standards of conducts.

## **CHAPTER FOUR**

### **4. RESULTS AND DISCUSSIONS**

This chapter presents the results of the data analysis according to the research methodology discussed in chapter three. A detailed discussion regarding to the five research hypothesis is also presented and tested in this chapter.

#### **4.1 Results**

##### **4.1.1 Sample and Response**

Out of a total 384 questionnaires were distributed to respondents who use Walia Beer, 370 questionnaires were retrieved /collected/ from respondents which was about 96%. After we checked the retrieved questionnaires, 357 questionnaires were valid for statistical analysis. Ultimately, 92% of the total questionnaires distributed were entered to the analysis part.

##### **4.1.2 Missing Value and Outliers**

Missing data frequently occurs in a situation in which a respondent cannot respond to one or more questions of the survey (Hair et al., 1998). In this study, missing value above 1%, on a single item was considered as incomplete and the response was rejected from further statistical analysis.

According to Hair et al. (1998), mean substitution is a widely used method for replacing missing data, whereby missing values for a variable are replaced with the mean value based on all valid responses. But there was no missing value in this study, thus the researcher does not enforced to calculate mean substitution for missing values, as we saw from (Appendix 6).

An outlier is an observation, which so much deviates from other observations as to arouse suspicions that it was generated by a different mechanism, thus researcher also checked whether the data have outlier problem or not through descriptive analysis and mahalanobis, it shows that there is no outlier in the data (Appendix 1).

### 4.1.3 Descriptive Statistics

The questionnaires consisted of four main sections. The first section focused on general information of respondents, second section focused on Walia Beer Consumption pattern of respondents, third section deals with components of sales promotion tools, and fourth section deals with consumer buying Behavior of the respondents.

#### 4.1.3.1 Demographic Analysis of respondents

This section describes the general characteristics of the respondents used in this study. Thus, descriptive statistics of the data are presented using percentages, frequency distribution tables, graphs and charts.

##### 4.1.3.1.1 Gender

The first personal characteristic analyzed in this study is gender of the respondents those selected for this survey questionnaire. This was done in order to obtain information with regards to whether the respondents were male or female. Gender statistics of the respondents are provided here under, with the table.

Table: 4.1 Gender Composition of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	295	82.6	82.6	82.6
Valid Female	62	17.4	17.4	100.0
Total	357	100.0	100.0	

*Source: Researcher's Survey finding (2018)*

According to Table 4.1 out of the 357 valid respondents, from gender composition or perspective 82.6% or 295 respondents were males and the remaining 17.4% or 62 respondents were females. This implies that respondents of the study was biased to male respondents because males are the more user of Walia Beer outside the home that why the higher number of respondents was side to male.

#### 4.1.3.1.2 Age

As it can be shown on age frequency table of respondents, all participants in the study were older than 18 years of age, because consumer of Walia Beer is older than 18 Years or it was illegal to sale the bear for consumer under the age of 18 years

Out of total valid 357 respondents the majority of respondent's age group was between 18 and 27, which was 37.5% or 134 Respondents. The respondent age between 28 and 37 years old was estimated to 36.4.8% or 130 respondents ranking as the second then followed by respondents between 38 and 47 which was to 17.6%. The lowest age group of respondents was the age range of above 48 Years old (8.4 %) or 30 respondents. This indicates that most of the sample population was the youth age group.

Table: 4.2 Age Composition of Respondents.

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18-27 years	134	37.5	37.5	37.5
Valid 28-37 years	130	36.4	36.4	73.9
Valid 38-47 Years	63	17.6	17.6	91.6
Valid Above 48 years	30	8.4	8.4	100.0
Total	357	100.0	100.0	

Source: *Researcher's Survey finding (2018)*

#### 4.1.3.1.3 Marital Status

Based on the chart below the researcher noted that out of the total respondents, majority of them were single, followed by married, divorced and widowed respectively.

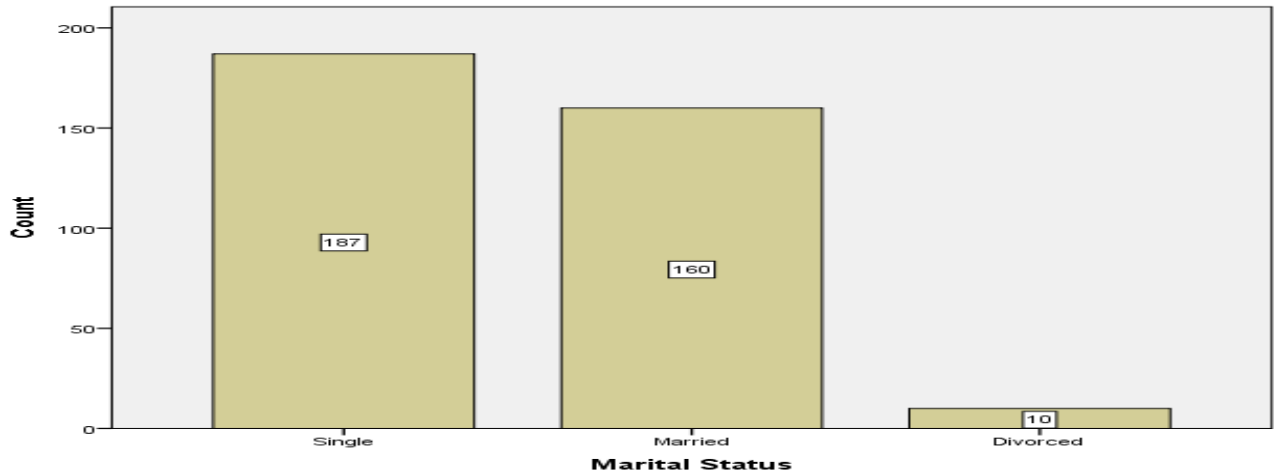


Chart 4.1 Composition of Marital Status of respondents

*Source: Researcher's Survey finding (2018)*

When we see the composition of Marital Status of the Respondents 187 was single while 160 have married marital status the rest 10 have divorced.

#### 4.1.3.1.4 Educational Status

Regarding the educational background of the respondents (36.4%) of the respondents were first degree holder, followed by the second larger respondents who attend high school (21.3%), followed by collage Diploma Holder (19.9) and the rest were educated in the level's of below high school, some college Course and Second degree holder with percentage of (6.2%), (8.7%) and (7.6% ) respectively.

Table 4.3 Education status of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Below high School	22	6.2	6.2	6.2
High School	76	21.3	21.3	27.5
Some College Course	31	8.7	8.7	36.1
Valid College Diploma	71	19.9	19.9	56.0
First Degree course	130	36.4	36.4	92.4
Second Degree and Above	27	7.6	7.6	100.0
Total	357	100.0	100.0	

*Source: Researcher's Survey finding (2018)*

#### 4.1.3.1.5 Monthly Income

Table 4.4 : Monthly Income of Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
	<=2000	70	19.6	19.6
	2001-4000	95	26.6	46.2
Valid	4001-8000	81	22.7	68.9
	8001-15000	91	25.5	94.4
	>15000	20	5.6	100.0
	Total	357	100.0	100.0

*Source: Researcher's Survey finding (2018)*

As we can see from the above table the majority of respondents earned ETB 2001-4000 average monthly income (26.6%) followed by those respondents who earn ETB 8001-15,000 who account for 25.5% of the total respondent. 22.7% of respondents are with income level between ETB 4001 and 8000 birr. The rest 19.6% and 5.6% of respondents were found with income range of less than ETB 2,000 and greater than ETB 15,000 Birr Respectively.

#### 4.1.3.2 Consumption Pattern of Walia Beer Analysis of respondents

Different respondents have different consumption pattern, depends on several personal characteristics.

##### 4.1.3.2.1 Frequency of Drinking Walia Beer

Regarding Walia Beer usage, respondents were asked how frequently they use or drink Walia Beer. The purpose of this particular question was to know whether the respondents are the real representatives of Walia Beer users, or not.

As below table 4.5 shows, more or less participants of the study are regular users of Walia Beer.

**Table 4.5 Frequency of Drinking Walia Beer**

	Frequency	Percent	Valid Percent	Cumulative Percent
Once in A day	58	16.2	16.2	16.2
More than Once in a day	36	10.1	10.1	26.3
once in a week	78	21.8	21.8	48.2
Valid More than once in a week	66	18.5	18.5	66.7
once Every Two Weeks	34	9.5	9.5	76.2
Others	85	23.8	23.8	100.0
Total	357	100.0	100.0	

*Source: Researcher's Survey finding (2018)*

Out of the total respondents, 16.2% indicated that they use Walia beer once in a day and respondents with 10.1% drink Walia Beer more than once in a day, 21.8% reported that they drink once in a week, 18.5% of respondents drink more than once in a week, whereas 9.5% of respondents drink once every two weeks and the rest 23.8% respondents reported that they drink or consume Walia Beer in other situation than the above listed option.

#### **4.1.3.2.2 Duration of Using Walia Beer**

As table 4.6 below illustrates, 133 respondents (37.3%) have been using Walia Beer for more than 2 years' and less than 3 years. 86 respondents (24.1%) have been using for less than one year's whereas 19.3% found with the usage pattern between 3-4 years and also the usage of years between 4 up to5 also have a percentage of 19.3%. This show that consumption pattern of Walia Beer respondents have a short history with connection to the establishment of the company.

**Table 4.6 Duration of Using Walia Beer**

	Frequency	Percent	Valid Percent	Cumulative Percent
<=1	86	24.1	24.1	24.1
Valid 2-3	133	37.3	37.3	61.3
3-4	69	19.3	19.3	80.7
4-5	69	19.3	19.3	100.0
Total	357	100.0	100.0	

*Source: Researcher's Survey finding (2018)*

### 4.1.3.3 Descriptive Analysis of Variables

The researcher uses itemized rating scale to construct a range. This range will be used to measure the perception level of the respondents towards each variable. The researcher uses the following formula to construct the range. Alhakimi & Alhariry (2014) states that likert scale response have to be putted on interval of mean, based on the following formula.

Max-Min / n1 which means  $5-1 / 5 = 0.80$ .

Thus the mean of each individual item ranging from 1- 5 falls within the following interval:

Interval of Mean	Perception
1. 1.00-1.80	Strongly Disagree
2. 1.81-2.60	Disagree
3. 2.61-3.40	Neutral
4. 3.41-4.20	Agree
5. 4.21-5.0	Strongly Agree

#### 4.1.3.3.1 Influence of price Discount sales promotion on consumer buying behavior

The mean scores have been computed for all seven items of price discount questions by equally weighting all the items under each dimension. Respondents were asked to rate their perception on a five-point Likert type scale ranging from 1 being strongly disagree to 5 strongly agree for influence of price discount sales promotion. The result is presented in Table below.

**Table 4.7: Descriptive Statistics Price Discount sales Promotion on Buying behavior**

	Mean	Std. Deviation	Variance
Price Discount offer influence you to purchase Repeatedly	4.51	.639	.408
Price Discount offer influence you to switch Brand	4.30	.940	.884
Price Discount offer influence you to drink without plan	3.13	1.054	1.111
Price Discount offer influence you to drink more	3.25	1.169	1.366
Compare to another person I buy Price Discount products	3.72	1.131	1.280
Price Discount Feels me as Good Buyer	4.13	.988	.976
I Comp Price Of Beer during Purchase	4.28	.957	.916

*Source: Researcher's Survey finding (2018)*

The above table shows the respondents perception towards the relationship between price and purchase decision of Walia Beer consumer. It shows that most respondents strongly agree on price discount offer influences them to purchase repeatedly, with mean score of 4.51. Similarly, respondents agree that, they usually switch from other competitor brand due to price discount offer with mean score of 4.3.

Furthermore, respondents are neutral with the statement that price discount offer influences them to drink more than usual when offered price discount with mean score of 3.25. This means if the company offers the price discount as means of sales promotion the consumer will purchase the product repeatedly as well as they will be shifted from other competing brands. However they are not influenced with this sales promotion to purchase a high quantity of beer.

Moreover, respondents are neutral to make unplanned purchase of Beer when the price discount is offered with mean score of 3.13. In addition, respondents also agree that they feel as good buyer when they purchase beer with discounted offer with mean score 3.72 and they will switch to other competing brands that provide price discount with mean score of 3.44. At the end respondents agree with the question of price compression during their purchase with mean score of 4.28.

#### 4.1.3.3.2 Analysis of respondents perception towards Coupon sales promotion and consumer buying behavior

According to the data illustrated below respondents strongly agree that coupon enforce them to purchase the Beer repeatedly with the mean score of 4.28, they are also encouraged to switch from other competing brand as we see with the mean score of 3.98. In addition respondents felt as a good buyer when they purchase the product that offer coupons with mean score of 3.73. Respondents are also agreeing that they intend to make a purchase more often when the value of the coupon is higher with mean score of 3.94.

In addition, respondents have neutral attitude towards comparison of purchasing products that have free coupon with mean score of 3.01. On the other respondents are felt as good buyer while they purchase the product that offer coupon with mean score 3.0 and at the end respondents agree with the statement that the amount of Coupon offered on the Beer during purchase with mean score 3.94.

**Table 4.8: Descriptive Statistics of Coupon perceptions of respondents**

	Mean	Std. Deviation	Variance
Coupon offer influence you to purchase Repeatedly	4.28	.682	.465
Coupon offer influence you to switch Brand	3.98	.968	.938
Coupon offer influence you to drink without plan	2.48	1.013	1.026
Coupon offer influence U to drink more	2.35	1.043	1.087
Compare to another person I buy Coupon products	3.01	1.105	1.222
Coupon Feels me as Good Buyer	3.73	1.016	1.033
Amount of Coup on Beer during Purchase	3.94	.991	.982

*Source: Researcher's Survey finding (2018)*

This shows that not only offering coupon but also the amount offered will also matter to influence the customers during their purchase time. However respondents disagree with the idea of making unplanned purchase and more quantity due to influence of coupon with means score of 2.48 and 2.35 respectively.

#### 4.1.3.3.3 Analysis of respondents perception towards Free sample sales promotion and consumer buying behavior

According to the illustrated data on the below table regarding the perception of respondents towards the free samples and their purchase decision, respondents are strongly agree that free samples influences them to purchase the Beer repeatedly, to switch from other brand with mean score of 4.5 and 4.34 respectively. on the other hand respondents are also strongly agree with idea that that they felt as a good buyer while they purchase the beer that offer Free Sample and with comparisons the amount of free sample offered on the Beer during they made purchase with the means score of 4.23 and 4.29 respectively.

In addition respondents are also agreed with the statement of purchasing products that have free sample when they compare themselves with other purchaser with the mean score of 3.75. However, respondents have a neutral attitude when asked if they are willing to buy unplanned purchase of beer and more quantities with mean score of 2.97 and 3.13 respectively.

**Table 4.9: Descriptive Statistics of Free Sample perceptions of respondents**

	Mean	Std. Deviation	Variance
Free Sample offer influence you to purchase Repeatedly	4.50	.660	.436
Free Sample offer influence you to switch Brand	4.34	.666	.444
Free Sample offer influence you to drink without plan	2.97	1.088	1.184
Free Sample offer influence you to drink more	3.13	1.103	1.216
Compare to another person I buy Free Sample product	3.75	1.050	1.103
Free Sample Feels me as Good Buyer	4.23	.810	.656
I Compare amount Free Sample on Beer during Purchase	4.29	.803	.644

*Source: Researcher's Survey finding (2018)*

#### 4.1.3.3.4 Analysis of respondents perception towards Sweepstakes and contest sales promotion and consumer buying behavior

**Table 4.10: Descriptive Statistics of sweepstakes and contest perceptions of respondents**

	Mean	Std. Deviation	Variance
Sweepstakes and contest offer influence you to purchase Repeatedly	4.34	.718	.516
Sweepstakes and contest offer influence you to switch Brand	4.25	.771	.595
Sweepstakes and contest offer influence you to drink without plan	3.57	.892	.796
Sweepstakes and contest offer influence you to drink more	2.60	1.068	1.140
Compare to another person I buy Sweepstakes and contest products	3.71	.970	.942
Sweepstakes and contest Feels me as Good Buyer	3.81	1.065	1.134

*Source: Researcher's Survey finding (2018)*

According to the above descriptive statistics table of Sweepstakes and contest perceptions, respondents strongly agree with the influence of sweepstakes and contest to purchase the beer repeatedly and also to switch other competing beer brand by the mean score of 4.34 and 4.25 respectively. In addition, respondents also agree with the statement of making unplanned purchase, purchasing products that have sweepstakes and contest when they compare themselves with other purchaser and feeling as good buyer when they purchased product that have free sample with mean score 3.57 and 3.71 and 3.81 respectively. However, respondents are neutral with the influence of sweepstakes and contents to drink more beer with the mean score of 2.60.

#### 4.1.3.3.5 Analysis of respondents perception towards Buy one Get One Free/B1G1F/ sales promotion and consumer buying behavior

As we see from below descriptive statistics of buy one get one free perception of respondents on their buying behavior, they agree with repeatedly purchase and switching from other brand due to influence of Buy One Get One Free with the mean score of 4.08 and 3.92 respectively. This shows that consumer will make repeated purchase when they got the above type of sales promotion incentive.

However, respondent response shows that they are neutral with the statement of unplanned purchase and more quantities with the mean score 3.08 and 2.75, and they are also neutral with

the purchase of product that have Buy one get one free when they compare them with other purchaser and feeling as good buyer while they purchase the product that have this incentive with the mean score of 3.11 and 3.40 respectively.

**Table 4.11: Descriptive Statistics of Buy one Get one Free of respondents**

	Mean	Std. Deviation	Variance
Buy One Get One Free offer influence you to purchase Repeatedly	4.08	.943	.889
Buy One Get One Free offer influence you to switch Brand	3.92	.850	.722
Buy One Get One Free offer influence you to drink without plan	3.08	1.037	1.075
Buy One Get One Free offer influence you to drink more	2.75	1.074	1.153
Compare to another person I buy Buy One Get One Free products	3.11	.979	.959
Buy One Get One Free Feels me as Good Buyer	3.40	1.035	1.072

*Source: Researcher's Survey finding (2018)*

## 4.2 Tests of Data

### 4.2.1 Reliability Test

After coding and entry of data into SPSS version 20 model, reliability test was conducted.

**Reliability:** - is the extent to which a measurement reproduces consistent results if the process of measurement were to be repeated. A Cronbach's alpha coefficient, a widely used measure of internal consistency, was calculated to determine the reliability of the items. Cronbach's alpha is a reliability metric used to evaluate the extent to which item responses derived from a scale correlate with each other. This coefficient varies from 0 to 1 (Shelby, 2011). Even though there is no universally accepted scale of Cronbach's alpha, the more it tends to 1 the better it is.

A minimum Cronbach's alpha score that ranges from 0.4 to 0.9 has been used in previous studies (George & Mallery, 2003) None the less, Malhotra & Birks (2007) state that a value of 0.6 or less generally indicates unsatisfactory level of internal consistency.

Hence, a Cronbach's Alpha score of 0.6 and above was chosen as the acceptable reliability coefficient. Accordingly, the result of the test indicated that the items used in the instrument are reliable. Cronbach-alpha was run using SPSS 20 version and all of the scales used for this study

are found to be reliable as their respective alpha values are higher than 0.6, and for most closer to 1. The results of the Cronbach's alpha test are presented below in Table 4.10. and all variables are tolerated their reliability.

**Table 4.12 Reliability Statistics summary**

Cronbach's Alpha	Cronbach's Alpha Based on Standardized Items	N of Items
.945	.951	38

*Source: Researcher's Survey finding (2018)*

The Cronbach's Alpha of the data 0.945 shows that there internal consistency among the measurement used. The more cronbach's alpha tend to 1 the better internal consistency it has.

#### **4.2.2 Validity Test**

Validity, also known as the assessment of the correspondence of the variables to be included into a summated scale and its conceptual definition (Hair et al.,1998). All variables (items) were inspected by the researcher and our advisors to ensure that they were an adequate and a thorough representation of the construct under investigation.

Comprehensive review of literature was also conducted. The researcher used measures drawn from previous research, which have been proven to be valid, to measure variables. To test the questionnaire for clarity and to provide a coherent research questionnaire, a macro review was accurately performed. Some items were added, based on their valuable recommendations. Some others were reformulated to become more accurate and clear, and this was required for the purpose of enhancing the research instrument.

In addition to this one The KMO measures the sampling adequacy (which determines if the responses given with the sample are adequate or not) which should be close than 0.5 for a satisfactory factor analysis to proceed. Kaiser (1974) recommend 0.5 (value for KMO) as minimum (barely accepted), values between 0.7-0.8 acceptable, and values above 0.9 are superb.

Looking at the table below, the KMO measure is 0.827, which is close of 0.7-0.8 and therefore can be adequately accepted (Table 4.11).

**Table 4.13: KMO and Bartlett's Testa**

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.827
	Approx. Chi-Square	6244.098
Bartlett's Test of Sphericity	Df	528
	Sig.	.000

a. Based on correlations

There is no significant answer to question “How many cases respondents do I need to factor analysis?”, and methodologies differ. A common rule is to suggest that a researcher has at least 10-15 participants per variable. Kaiser (1974) says that in general over 300 Respondents for sampling analysis is probably adequate. There is universal agreement that factor analysis is inappropriate when sample size is below 50.

Bartlett’s test is another indication of the strength of the relationship among variables. This tests the null hypothesis that the correlation matrix is an identity matrix. An identity matrix is matrix in which all of the diagonal elements are close to 0. You want to reject this null hypothesis. From the same table, we can see that the Bartlett’s Test of Sphericity is significant (0.00). That is, significance is less than 0.05. This means that correlation matrix is not an identity matrix.

## 4.3 Discussions

To test the hypotheses of the research, Correlation t- test, and multi linear Regression analysis using ANOVA table were used as follows:

### 4.3.1 Correlation

Correlations are perhaps the most basic and most useful measure of association between two or more variables (Marczyk et al., 2005). This study employs the correlation analysis, which investigates the strength of relationships between the dependent and independent variables.

One of the commonly used, Pearson's correlation test was used to examine the associations between Sales Promotion components and Buying behavior of consumer's. Afterwards, the correlation coefficient ( $r$ ) was seen if there is a strong or weak relationship between the variables.

A correlation coefficient ( $r$ ) closer to -1 or +1 means the two variables are closely related. In contrast, when  $r$  is close to 0, it means the two variables are weakly correlated (Coakes, 2005). According to Cohen (1998), strength of correlations can be interpreted as follows: Strength of correlation.

- ❖  $r = -+0.10$  up to  $-+0.29$                       *Small effect*
- ❖  $r = -+0.30$  up to  $-+0.49$                       *Medium effect*
- ❖  $r = -+0.50$  up to  $-+ 1.00$                       *strong Effect*

Depending on this assumption, all basic constructs were included into the correlation analysis and a bivariate two tailed correlation analysis was done and it show that variables are strongly correlated with dependent variables. Because the person correlation of the variables is above 0.5 and which tends to 1.00.

**Table 4.14 Correlation Matrix**

		Mean of Price Discount	Mean of Free Coupon	Mean of Free Sample	Mean of Swee& Contest	Mean of B1G1F	Mean of Buying Behavior
Mean of Price Discount	Pearson Correlation	1	.851**	.894**	.878**	.807**	.919**
	Sig. (2-tailed)		0	0	0	0	0
	N	357	357	357	357	357	357
Mean of Fre Coupon	Pearson Correlation	.851**	1	.865**	.808**	.718**	.889**
	Sig. (2-tailed)	0		0	0	0	0
	N	357	357	357	357	357	357
Mean of Free Sample	Pearson Correlation	.894**	.865**	1	.882**	.803**	.935**
	Sig. (2-tailed)	0	0		0	0	0
	N	357	357	357	357	357	357
Mean of Swpstake and Contest	Pearson Correlation	.878**	.808**	.882**	1	.817**	.925**
	Sig. (2-tailed)	0	0	0		0	0
	N	357	357	357	357	357	357
Mean of B1G1F	Pearson Correlation	.807**	.718**	.803**	.817**	1	.867**
	Sig. (2-tailed)	0	0	0	0		0
	N	357	357	357	357	357	357
Mean of Buying Behavior	Pearson Correlation	.919**	.889**	.935**	.925**	.867**	1
	Sig. (2-tailed)	0	0	0	0	0	
	N	357	357	357	357	357	357

*Source: Researcher's Survey finding (2018)*

From the above table correlation coefficients of sales promotion tools with the buying behavior that measured by r which shows that the price discount have  $r = .91$ , Free coupon  $r = .88$ , Free sample  $r = .93$ , sweepstakes and contest  $r = .92$  and Buy one Get one free  $r = 0.86$ .

This pearson correlation of the independent variable against dependent variable was greater than 0.5. According to Cohen (1998) the correlation coefficient has strongly effect on buying behavior.

### **4.3.2 Regression Analysis**

Albaum (1997) noted that regression is a technique used to predict the value of a dependent variable using one or more independent variables. Again Malhotra (2007) showed that regression analysis is a statistical tool for the investigation of relationships between variables. In order to ascertain the causal influence of one variable upon another, researchers assemble data on the underlying variables of the causal variables upon the variable that they influence (Malhotra, 2007). Researchers typically evaluate the “statistical significance” of the estimated relationships, namely, the degree of confidence that the true relationship is close to the estimated relationship (Malhotra, 2007).

Multiple regression analysis was conducted to examine the effect of sales promotion tools on customer purchase decision. The significance level of 0.05 was used with 95% confidence interval. In this survey, five hypotheses were developed to study the individual impact of the five components of sales promotions: price discount, free coupon, free sample, sweepstakes and contest, and buy one get one free on consumer purchase decision.

#### **4.4.3.1 Requirements for Regression Analysis**

Testing the data for compliance with the statistical assumption and underlying the multivariate techniques is big issue. Because it deals with the foundation upon which the techniques make statistical inferences and results. Some techniques are less affected by violating certain assumption which is termed robustness but in all case meeting some of the assumption will be critical to successful analysis.

Thus the researcher must be aware of any assumption violation and implication they have for the estimation process or the interpretation results. The Seven most important conditions to be fulfilled before conducting regression analysis are tested below.

### ***1. Sample Size Test***

The adequacy of the sample size is the first important thing for multivariate regression analysis. The size of the sample has a direct effect on the statistical power of the significance testing in multiple regressions, which refers to the probability of detecting statistically significant R-square or a regression coefficient at a specified significance level (Hair, 1998).

Hair (1998) also suggested the sample size (the number of cases) to be at least 20 times more than the number of independent variables, as a rule of thumb, in order to get the desired level of statistical power. Given this rule of thumb, the number or sample size for this case of study used (357 respondents) and this would be over the required criteria.

### ***2. Normality Test***

The most fundamental assumption in multivariate analysis is normality, referring to the shape of the data distribution for an individual metric variable and its correspondence to the normal distribution, the benchmark for statistical methods. If the variation from the normal distribution is sufficiently large, all resulting statistical tests are invalid, because normality is required to use the F and t statistics. In terms of this assumption, a check for normality term is conducted by a visual examination of the normal probability plot of variables (Malhotra et al., 2007). To test the assumption of normality, a Normal P-Plot was conducted for the five independent variables and one dependent variable.

For all variables, while we see the plotted graph the points lied in reasonably straight lines, therefore, the assumption of normality was found tenable. The P-P plots were approximately a straight line instead of a curve. Accordingly, the variables were deemed to have a reasonably normal distribution, as suggested by (Hair et al., 1998) (see Appendix2).

### ***3. Linearity Test***

Linearity is the assumption that the relationship between dependent variables and independent variables can be characterized linear. Linearity relationship between the dependent and independent variable represented the degree to which the change in the dependent variable is associated with the independent variable (Hair et al., 1998). In a simple sense, linear models

predict values falling in a straight line by having a constant unit change (slope) of the dependent variable for a constant unit change of the independent variable (Hair et al., 1998).

Conventional regression analysis will underestimate the relationship when nonlinear relationships are present, i.e., R<sup>2</sup> underestimates the variance explained overall and the betas underestimate the importance of the variables involved in the non-linear relationship (Malhotra et al. 2007). Substantial violation of linearity implies that regression results may be more or less unusable (Malhotra et al. 2007).

The scatter plot of independent variables with dependent variables as we see from (appendix 3) is straight line. Thus the plots reveal that all independent variables has a linearity with dependent variable buying behavior and the data provided support specified linear relationship, as suggested by (Malhotra et al. 2007).

**4. Multicollinarty Test**

This is the assumption that predictors are not too highly correlated with one another. Thus before proceeding to the multiple regression analysis, the researcher tested the existence of multicollinearity problem. In regression it occurs when independent variables in the regression model are more highly correlated with each other than with the dependent variable.

Thus to indicate whether multicollinearity was violated, the tolerance and VIF were evaluated as can be seen from table 4.17. The tolerance values for each of the variables scales ranged from .143 to .289 which are not less than .10; thus, further verifying that the assumption is not violated.

**Table 4.15 Collinarty Statistics**

Collinearity Statistics	
Tolerance	VIF
.143	6.978
.220	4.543
.132	7.560
.166	6.019
.289	3.463

**Source: Researcher’s Survey finding (2018 )**

No multicollinearity was also verified by the VIF values which ranged from 3.463 to 7.560. These values are under 10 suggesting that the assumption of no multicollinearity is tenable (Malhotra et al., 2007). This implies that the data is suitable for conducting multiple regression analysis.

### ***5. Homoscedasticity Test***

Homoscedasticity refers to the assumption that dependent variables exhibit equal levels of variance across the range of predictor variables. Homoscedasticity is desirable because the variance of dependent variable being explained in the dependent relationship should not be concentrated in only a limited range of independent values.

According to Hair et al. (1998) identified homoscedasticity as homogeneity of variance. This assumption is referred to as the description of data in which the variance of the error terms ( $e$ ) appears constant over the range of values of an independent variable. The assumption of equal variance of the population  $\varepsilon$  (where  $\varepsilon$  is estimated from the sample value,  $e$ ) is critical to the proper application of linear regression. When the error terms have increasing or modulating variance, the data are considered as heteroscedastic (Hair et al., 1998).

To test the fifth assumption, the researcher needs to look at the final graph of the output. This tests the assumption of homoscedasticity, which is the assumption that the variation in the residuals (or amount of error in the model) is similar at each point of the model. This graph plots the standardized values our model would predict, against the standardized residuals obtained. As we see the predicted values increase (along the X-axis), the variation in the residuals also roughly similar. Thus the researcher proves that there is no homoscedasticity problems with the data.

The error terms were expected to have equal variances. In the scattered residual plots (see Appendix 4), the residuals scattered randomly about the zero line and did not exhibit a triangular-shaped pattern, thus providing sufficient evidence to satisfy the assumption for homoscedasticity of the error terms.

## ***6. Normality of the Error Term Distribution***

In terms of this assumption, a check for normality of the error term is conducted by a visual examination of the normal probability plots of the residuals (Malhotra et al., 2007). According Malhotra et al. (2007) propose that normal probability plots are often conducted as an informal means of assessing the non-normality of a set of data. According to Hair et al. (1998), the plots are different from residuals plots in that the standardized residuals are compared with the normal distribution. In general, the normal distribution makes a straight diagonal line, and the plotted residuals are compared with the diagonal (Hair et al., 1998). If a distribution is normal, the residual line will closely follow the diagonal (Hair et al., 1998). Malhotra et al. (2007) explain that the “correlation coefficient” will be near unity if the data fall nearly on a straight line. The “correlation coefficient” will become smaller if the plot is curved.

The normality probability plots were plotted to assess normality (see Appendix 5). The P-P plots were approximately a straight line instead of a curve. Accordingly, the residuals were deemed to have a reasonably normal distribution, as suggested by (Hair et al., 1998).

## ***7. The value of Residual are independent***

This is basically the same as saying that we need our observations (or individual data points) to be independent from one another (or uncorrelated). We can test this assumption using the Durbin-Watson statistic. This statistic can vary from 0 to 4. For this assumption to be met, we want this value to be close to 2. Values below 1 and above 3 are cause for concern and may render our analysis invalid. Thus the Durbin Watson statistic shows that 2.003 which close to 2 and this prove the assumption of value for residual are independents was not to be violated. According to Malhotra et al. (2007) the Durbin Watson statistic was found with the range of 0 to 4, and as the value close to 2 it shows the independency of residual in the data.

### **4.3.3 Regression of sales promotion tools and consumer buying behavior**

Hair et al. (1998) demonstrate that the ultimate goal for adopting regression analysis is to predict a single dependent variable from the knowledge of one or more independent variables. This statistical technique is termed as a simple regression when the problem involves a single

independent variable (Hair et al., 1998). In general, simple regression analysis allows researchers to determine how one variable changes in relation to the change in another variable (Zikmund, 2003).

Thus the researchers use the equation for a straight line instead of some other type of curve. According to Malhotra et al. (2007), the simple linear regression model is given below:  
 $y = \beta_0 + \beta_1x + \varepsilon$  .....Equation 4.1:

Simple linear regression model

Where: y = Dependent variable

x = Independent variable

$\beta_0$  = Intercept

$\beta_1$  = Slope of the line (defined as the ratio Rise/Run)

$\varepsilon$  = Error variable

Table 4.18 presents the regression results of the sales promotion tools like Price Discount, Coupon, Free Sample, sweepstakes and Contests, and buy one get one free as independent variable on dependent variable Consumer buying behavior.

**I. Model summery**

**Table 4.16 Model Summary**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin-Watson
					R Square Change	F Change	df1	df2	Sig. F Change	
1	.975 <sup>a</sup>	.951	.951	.11825	.951	1376.381	5	351	.000	2.003

a. Predictors: (Constant), Mean of B1G1F, Mean of Free Coupon, Mean of Sweepstake and Contest, Mean of Price Discount, Mean of Free Sample

b. Dependent Variable: Mean of Buying Behavior

**Source: Researcher’s Survey finding (2018)**

The above regression model is the outcome of multiple regression analysis. The adjusted r square indicates the proportion of the variation in the dependent variable accounted by the explanatory variables. The first statistic, R, is the correlation coefficient between the predictor variable (Price Discount, Free Coupon, free Sample, Sweepstakes and contest, and B1G1F) and the dependent variable (consumer buying behavior).

The R was (0.97) at level ( $\alpha \leq 0.05$ ); whereas the model's coefficient of determination, R<sup>2</sup> was (0.95). This is frequently used to describe the goodness-of-fit or the amount of variance explained by a given set of predictor variables. This means the 95% of consumer buying behavior changeability's or variance results from the changeability in sales promotion tools that listed above, while the remaining 5% are explained by other variables out of this model.

This higher R<sup>2</sup> value indicated that besides the sales promotion tools that listed above, there are also other variables which change consumer buying behavior. Adjusted R<sup>2</sup> = 0.95 or 95% with estimated standard deviation 0.11825, the regression model is statistically significant since the probability level is 0.000.

## II. ANOVA

Table 4.17 ANOVA a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	96.225	5	19.245	1376.381	.000 <sup>b</sup>
	Residual	4.908	351	.014		
	Total	101.132	356			

a. Dependent Variable: Mean of Buying Behavior

b. Predictors: (Constant), Mean of B1G1F, Mean of Fre Coupon, Mean of Swpstake and Contest, Mean of Price Discount, Mean of Free Sample

*Source: Researcher's Survey finding (2018)*

The second table output is an ANOVA table that describes the overall variance accounted for in the model. The F statistic represents a test of the null hypothesis that the regression coefficients are all equal to zero. Put another way, this F statistic tests whether the R square proportion of variance in the dependent variable accounted for by the predictors is zero. If the null hypothesis

were true, then that would indicate that there is no (linear) regression relationship between the dependent variable and the predictor variables.

The ANOVA analysis in the second table shows that, there is a significant main effect of Sales promotion tools like: Price Discount, Free Coupon, free Sample, Sweepstakes and contest, and B1G1F on consumer buying behavior  $F(1, 357) = 1376.38, p < 0.01$  at the 0.05 alpha level ( $F$  calculated,  $1376.38 > F$  table, 3.84).

The mean square, which indicates the amount of variance (sums of Squares) divided by the degrees of freedom.

Generally the above ANOVA table shows the acceptability of the model. It shows the overall significance of the model from a statistical perspective. As the significance p-value shows a value (.000), which is less than  $p < 0.05$ , the model is significant. This indicates that the variation explained by the model is not due to chance.

### III. Summary of Regression Coefficient

Table 4.18 Regression coefficient

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	.689	.044		15.654	.000
1 Mean of Price Discount	.117	.028	.129	4.153	.000
Mean of Free Coupon	.223	.026	.217	8.650	.000
Mean of Free Sample	.219	.029	.242	7.496	.000
Mean of Sweepstake and Contest	.230	.026	.255	8.846	.000
Mean of B1G1F	.195	.021	.205	9.359	.000

Source: *Researcher's Survey finding (2018)*

The Beta value (standardized coefficient) in the third table indicates the effect of change in the independent variables on dependent variables. For instance, a unit increases in price discount results in an increase of consumer buying behavior by 0.13 or 13% , viceversa, keeping other factors constant. Again a unit increases in Free Coupon results in an increase of consumer buying

behavior by 0.210 or 21%, vice versa, keeping other factors constant. In other word, a 100% change in free coupon causes a 21% change in consumer buying behavior.

A unit increases in free sample results in an increase of consumer buying behavior by 0.242 or 24.2%, vice versa, keeping other factors constant. A unit increases in Sweepstake and Contest results in an increase of consumer buying behavior by 0.255 or 25.5%, vice versa, keeping other factors constant at the end a unit increases in B1G1F results in an increase of consumer buying behavior by 0.205 or 20.5%, vice versa, keeping other factors constant.

The prediction equation for the “influence of sales promotion tool son consumer buying behavior” is given as;

$$Y1 = 0.13X1 + 0.21X2 + 0.24X3 + 0.25X4 + 0.20X5 + 0.68$$

Whereas:

- Y1 = Consumer Buying Behavior
- X1= Price Discount
- X2= Coupon
- X3= Free Sample
- X4= Sweepstakes and contest
- X5= Buy one Get one free
- 0.68 = Constant

All the Sales promotion tools measures have positive effect on consumers' buying behavior.

Sales promotion tools that listed above like price discount, coupon, free sample Sweepstakes and contest, and Buy one get one Free with a coefficient 0.13, 0.21, 0.24., 0.25, and 0.20 respectively this shows that each tools have a significant effect or influence on buying behavior of consumer. This implies that sales promotions have influence on the buying behavior and company should have focus on implementing these tools.

The regression coefficient explains the average amount of change independent variable that is caused by a unit of change in the independent variable. The larger value of Beta coefficient that an independent variable has, brings the more support to the independent variable as the more important determinant in predicting the dependent variable. The t-tests were also used to test the significance of the coefficient of each independent variable.

In general as table 4.14 clearly shows, among the five predictors, multiple linear regression (Beta coefficients) analysis revealed that, Sales promotion tools (Price Discount, Coupon, Free Sample, sweepstakes and contest, and buy one get one free) is the most significant Variable for consumers buying behavior. Hierarchically when we see the influence of sales promotion has on consumer buying behavior sweepstakes and contest, free sample, buy one get one free, coupon and price discount respectively.

#### **4.4 One way ANOVA Test**

The researcher went to see one way ANOVA for dependent variable buying behavior and demographic factors of the respondents.

One way ANOVA is used to determine whether there are any statistical significant differences between the means of two or more independent (unrelated) groups of sales promotion tools have on dependent variable which was consumer buying behavior.

But, before we proceed to ANOVA test there are assumptions that have to be checked whether the data that the researcher went to analyze can actually be analyzed using a one –way ANOVA. We need to do this because it is only appropriate to use a one-way ANOVA if the data “passes” five assumptions that are required for one-way ANOVA to give us a valid result. According Hair et al. (1998) demonstrate that in order to use one way ANOVA six assumptions have to fulfill.

Let us see each assumption for Different Demographic Character of respondent whether they meet this assumption or no. If the assumption was not meet no need to do One Way ANOVA.

**Table 4.19 One Way ANOVA Assumption test**

Variables	Assumptions 1	Assumptions 2	Assumptions 3	Assumptions 4	Assumptions 5
Age	Pass	Pass	pass	pass	Fail
Marital Status	Pass	Pass	pass	pass	Pass
Education Status	Pass	Pass	pass	pass	Pass
Income Level	pass	pass	pass	fail	Pass
Frequency Walia Usage	Pass	Pass	pass	pass	Fail
Duration for being User	Pass	Pass	pass	pass	Fail

*Source: Researcher's Survey finding (2018)*

- **Assumption one:** Our Dependent variable should be measured as continuous:
- **Assumption two:** Dependent Variable should consist of two or more categorical independent group
- **Assumption three:** There should be independence of observation which means there is no relationship between the observations in each groups.
- **Assumption four:** Dependent variable should be approximately normally distributed for each category of independent variables which tested by Shapiro-ilk test for normality.
- **Assumption five:** There should be homogeneity of variance, which tested by Leven's test for homogeny of variance.

We can see from (Appendix 8) for detail Assumption test of ANOVA.

From the above table of ANOVA assumption tests of demographic respondent as independent variable on buying behavior, one two variable marital statuses and Education of respondents meet the assumption of ANOVA, thus we can see detail of it as below.

## A. Marital status

### ANOVA

Mean of Buying Behavior  
and buying behavior

**Table 4.20 One way ANOVA analysis between Marital status**

	Sum of Squares	Df	Mean Square	F	Sig.
Between Groups	3.601	2	1.801	6.536	.002
Within Groups	97.531	354	.276		
Total	101.132	356			

*Source: Researcher's Survey finding (2018)*

This table shows that output of the ANOVA analysis and whether there is a statistically significant difference between our group means. We can see that the significant value is 0.002 ( $p=0.002$ ) which is below 0.05 and therefore, there is a statically significant difference in the mean buying behavior of consumer between the different marital status of the respondents.

From the result so far, we know theta there are statistically significant difference between the groups as whole. The table below multiple comparisons shows us which groups differed from each other. The Turkey Post hoc test is generally the preferred test for conducting post hoc test on a one way ANOVA. We can see from the table below that there is statically significant difference on buying behavior of single and divorced marital status of respondents ( $p=0.001$ ), and also Married and divorced marital status of respondents ( $p=0.001$ ). However, there were no differences between the groups with marital status of single and married ( $p=0.1$ ).

Therefore we can conclude that there was a statically significant difference between groups as determined by one-way ANOVA ( $F(2,354) = 6.56, p= 0.002$ ). A Turkey post hoc test revealed there was no significant difference between the respondents with marital status of single and married groups on their buying behavior ( $p= 0.99$ ).

**Multiple Comparisons**

Dependent Variable: Mean of Buying Behavior

**Table 4.21 Host hoc Test**

(I) Marital Status	(J) Marital Status	Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
					Lower Bound	Upper Bound
Single	Married	.000	.057	1.000	-.13	.13
	Divorced	-.609*	.170	.001	-1.01	-.21
Married	Single	.000	.057	1.000	-.13	.13
	Divorced	-.609*	.171	.001	-1.01	-.21
Divorced	Single	.609*	.170	.001	.21	1.01
	Married	.609*	.171	.001	.21	1.01
Single	Married	.000	.057	.999	-.11	.11
	Divorced	-.609*	.170	.000	-.94	-.27
Married	Single	.000	.057	.999	-.11	.11
	Divorced	-.609*	.171	.000	-.95	-.27
Divorced	Single	.609*	.170	.000	.27	.94
	Married	.609*	.171	.000	.27	.95

\*. The mean difference is significant at the 0.05 level. *Source: Researcher's Survey finding (2018)*

***B. Education status***

This below table shows that output of the ANOVA analysis and whether there is a statistically significant difference between our group means. We can see that the significant value is 0.003 (p=0.002) which is below 0.05 and therefore, there is a statically significant difference in the mean buying behavior of consumer between the different Education status of the respondents

## ANOVA

Mean of Buying Behavior Table 4.22 One way ANOVA analysis between Education and buying behavior

	Sum of Squares	df	Mean Square	F	Sig.
Between Groups	5.061	5	1.012	3.698	.003
Within Groups	96.071	351	.274		
Total	101.132	356			

*Source: Researcher's Survey finding (2018)*

Thus the buying behavior of individuals was vary across the educational status they attend, even though we couldn't conclude the higher the education level they attend the more they were influenced by sales promotion and the reverse. We can see the from (Appendix 8)

## 4.5 Hypotheses testing

According to Ailawadi (2001) sales promotions have a positive long term effect on sales because promotions persuade consumers to change brands and to buy in a larger quantity. In contrast, other research shows that after a promotional purchase probability for a repeat purchase is lower than after a non-promotional purchase.

Considerately this study used a quantitative research method and the population of the study was users of Walia beer customers. Ordinal data collected by Likert Scale from respondent on different sales promotion tools was analyzed by using descriptive analysis and inferential analysis, namely one-way ANOVA, multiple regressions by SPSS analysis.

### 4.5.1 Price discount and Consumer buying behavior

**H<sub>1</sub>:** Price discount has significant influence and positive relationships on buying behavior.

**H<sub>0</sub>:** Price discount has no significant influence and positive relationships on consumer buying behavior.

The *first hypothesis* of the study states that there is a significant influence and positive relationship between price discount and consumer's buying behavior. The results show that there is a positive correlation between sales promotion and consumer's buying behavior with  $r = 0.919$  is significant at 95% confidence interval. In addition the result of multiple regression also shows that price discount have a significant influence on consumer buying behavior with standardized Beta Coefficient 0.13 and  $t = 4.153$  significant  $P = 0.00$  at 95% confidence interval.

- ❖ Therefore, the researcher accepts the alternative hypothesis that price discount has significant influence and positive relationship on consumer buying Behavior.

The results of this study reaffirmed that findings of previous study by, Blackwell, Miniard and Engel (2001) that price discounts play significant roles in influencing consumers' purchase trial behavior, and (Smith and Sinha, 2000), price promotions can induce consumers' buying behavior and result in a short term increases in sales. Assunção & Meyer (1993) show that consumption is an indigenous decision variable driven by price discounts. Similarly, in another analytical study, Chandon et al. (2002) stated that stockpiling is often observed when there is a heavy price discount on convenience goods. Ndubisi and Chiew (2006) stated that product trial can be increased through offering great price discount.

#### **4.5.2 Coupon and Consumer buying behavior**

**H<sub>1</sub>:** Coupon has significant influence and positive relationship on consumer buying behavior

**H<sub>0</sub>:** Coupon has no significant influence and positive relationships on consumer buying behavior

The *Second hypothesis* states that there is significant influence and positive relationship between coupons and consumer buying behavior. The hypothesis result revealed that there is a positive correlation between coupons and consumer's purchase decision with  $r = 0.889$  significant at 95% confidence interval. In addition the result of multiple regression also shows that coupon have a significant influence on consumer buying behavior with standardized Beta Coefficient 0.21 and  $t = 8.65$  significant  $P = 0.00$  at 95% confidence interval.

- ❖ Therefore the researcher accepts the alternative hypothesis that Free Coupon has significant influence and positive relationship on consumer buying behavior.

The result of this study is consistent with the findings of the previous studies. Cummins (2008) stated that coupons provide an upfront discount on a product or service; as such it helps retailers to attract new buyers, and deal prone consumers to make an instant purchase. According to (Cook, 2003) coupons are easily understood by the consumers and can be highly useful for trial purchase. Similarly Roger et al. (1998) suggest that coupons encourages customer to try new products far more easily. Although it has been proved that coupon have a positive impact on the customer's purchase decision, and it encourages customers to try new products easily, the researcher delved deeper to understand how customers belonging to different socio economic status react to coupons and new product trial.

Furthermore according to Cook (2003), coupons are easily understood by the customer and can be extremely useful for trial purchase. Coupon is a confirmed method by which producers can communicate with customers and it can be used as a strong brand-switching tool. Gardener and Trivedi (1998) reported that for many years as a means of presenting the customer a one-time reduction in price and constructing brand consciousness and loyalty, for this purpose coupons have been used as key advertising tools

### **4.5.3 Free Sample and Consumer buying behavior**

**H<sub>1</sub>:** Free sample has significant influence and positive relationship on consumer buying behavior.

**H<sub>0</sub>:** Free sample has no significant influence and positive relationships on consumer buying behavior.

The *third hypothesis* of the study states that there is significant influence and positive relationship between free samples and consumer's buying behavior. The results show that there is a positive correlation between free samples and consumer's purchasing decision with  $r = 0.935$  significant at 95% confidence interval. In addition the result of multiple regression also

shows that free sample have a significant influence on consumer buying behavior with standardized Beta Coefficient 0.24 and  $t= 7.49$  significant  $P= 0.00$  at 95% confidence interval.

❖ Therefore, the researcher accepts the alternative hypothesis that Free Sample has significant influence and positive relationship on consumer buying behavior.

The result of this research is consistent with the previous studies that support the statement that consumer's purchase decision is influenced by free samples. Fill (2002) stated that free sample has a great impact on consumers purchase decision as it provides a product presentation in front of customers at free of charge. Shimp (2003) stated that a free sample had influence on consumers' buying behavior. Besides, Lammers (1991) also verified that free samples did have a positive impact on immediate sales of the product.

According to Shimp (2003), free sample of product affect the consumers buying power. Free sample had positive relation to immediate sales of that product. Free sample had a considerable relationship with product trial behavior of consumer. The Result shows that Free Sample is significant relationship with the Sale Promotion. Sampling is a process in which a real or trial-sized product is send to customers. Free sample of product are given to consumers so that consumers have an opportunity to try and utilize the products. Sampling is process to give some sample without any cost so that customer checks the product and then purchase it.

#### **4.5.4 Sweepstakes and Contest and Consumer buying behavior**

**H<sub>A</sub>:** Sweepstakes and contest has significant influence and positive relationship on consumer buying behavior.

**H<sub>0</sub>:** Sweepstakes and contest has no significant influence and positive relationships on consumer

The *Fourth Hypothesis* of the study states that there is significant influence and positive relationship between Sweepstakes and contests and consumer's buying behavior. The results show that there is a positive correlation between Sweepstakes and contests and consumer's buying behavior with  $r = 0.925$  significant at 95% confidence interval. In addition the result of multiple regression also shows that Sweepstakes and contests have a significant influence on

consumer buying behavior with standardized Beta Coefficient 0.255 and  $t= 8.846$  significant  $P= 0.00$  at 95% confidence interval. The researcher hypotheses also comply with the pervious empirical literatures’.

- ❖ Therefore the researcher accepts the alternative hypothesis that Sweepstakes and contest has significant influence and positive relationship on consumer buying behavior

Liao et al (2009) identified that sales promotional techniques of instant rewards like Buy-One-Get-One-Free, price off and free samples motivates the reminder impulse buying than the delayed rewards like sweepstakes, loyalty reward points and competitions.

“Contests and sweepstakes offer the opportunity to win an exciting prize” (Solomon et al., 2010), not actually connected to the place of shopping. “The difference between the two is that a contest is a test of skill, whereas a sweepstakes is simply based on luck” (Solomon et al., 2010). Sweepstakes might obtain various forms in Lithuania (Solomon et al., 2010), emphasize that an entry form should be filled in. The most popular form is collecting a certain amount of items (e.g. bottle caps from Coca-cola or a national brand soda drink) and exchange then into a souvenir.

#### **4.5.5 Buy one Get one Free and Consumer buying behavior**

**H1** Buy one Get one free /B1G1F/ has significant influence and positive relationship on consumer buying behavior.

**H0:** Buy one Get one free /B1G1F/ has no significant influence and positive relationships on consumer buying behavior.

The *Fifth Hypothesis* of the study states that there is significant influence and positive relationship between Buy one get one free /B1G1F/ and consumer’s buying behavior. The results show that there is a positive correlation between Buy one get one free /B1G1F/and consumer’s buying behavior with  $r = 0.867$  significant at 95% confidence interval. In addition the result of multiple regression also shows that Buy one get one free /B1G1F/ have a significant influence on consumer buying behavior with standardized Beta Coefficient 0.20 and  $t= 9.359$  significant  $P= 0.00$  at 95% confidence interval.

- ❖ Therefore the researcher accepts the alternative hypothesis that Buy one Get one Free/B1G1F/ has significant influence and positive relationship on consumer buying behavior

The researcher hypotheses also comply with the pervious empirical literatures'. Gardener and Trivedi (1998) have written that larger size of package and proper advertising of the product help to make the promotion more attractive. When the extra product is offered without any additional price, the customer could be influenced to purchase the product. The bonus packages inspire the consumers to purchase the produce (Perc et al., 2001).

While we take the over result of this research, it was consistent with the previous studies that support the statement that consumer's buying behavior is influenced by the sales promotion. Studies regarding behavioral and economic theory have also provided supporting facts that sales promotion has direct impact on consumer behavior and it accelerates the selling process by influencing consumer to make a swift purchase. Wansink & Despande (1994) support that customer's consumption behavior responds to sales promotion. Similarly, other studies highlight that customer's purchase decision is highly influenced by sales promotion on products of high convenience compared to that of low convenience.

This research studies confirmed that how sales promotion influences consumer buying behavior case of Walia Beer by examining their purchases due to this promotional tools. Severe competition in the Beer industry markets and present economic situation make it an interesting and current topic. Multiple market entries from different beer industry due to free from entry barriers and strong existing participants create a wide array of beer market for consumers to choose from. As a result, consumers may have multiple choice of beer with similar price and quality in their nearly place which creates the challenge of how to choice from different stockpile of beer. The main feature in communicating the position to consumers is through unique sales promotions program, which rewards consumers for Walia Beer purchases. The depth of consumer decision-making varies according to the complexity and type of a good they purchase.

## **CHAPTER FIVE**

### **5. SUMMARY, CONCLUSIONS AND RECOMMENDATIONS**

#### **5.1 Introduction**

In this chapter, an attempt has been made to present the summary, conclusion, recommendations and limitation and future research direction. At the end of the chapter, limitations and suggestions for future research are discussed.

#### **5.2 Summery**

The purpose of this study was to investigate how does sales promotion influences consumer buying behavior the case of Walia Beer. Thus the study entails that sales promotion influences the customer buying behavior with different extent depending on the type of tools. Every individual has their own personal characteristics especially in choosing and making purchase decision of goods and service. With the growing number of sales promotion in today's intensive market competition, it is a key thing to know the consumers' perception toward their products buying behavior.

A sales promotion tools that researched in this study were founded that they have significant and positive influences on consumers buying behavior. Which means a failure to provide this sales promotion tools may cause negative impact on consumer buying behavior or they will switch to other competing brands. Furthermore, the findings of the study have shown that consumer has different response to different sales promotion tools.

In this research, data collected were analyzed using descriptive and inferential statistics. Descriptive statistics like; frequency, mean, mode were used so as to investigate the respondents extent of agree towards various sales promotion tools and deviation from it. In addition to descriptive analysis multivariate regression was employed for further analysis of the results. Bivarait correlation analysis (BCA) was performed to test whether the relationship between dependent and independent variables fit hypothesized measurement model. The proposed model

(Multivariate Regression) was tested through ANOVA to test predictions and to explore the relationship among sales promotion tools like: price discount, coupon, free sample, Sweepstakes and contest, and Buy one get one free with predictor variable consumer buying behavior.

The findings demonstrate how this sales promotion tools influences the consumer buying behavior. Because consumers are believed that during the sales promotion, prices of all products are cheaper than usual and they felt they are getting a good buy or they are getting some extra incentive ahead of what they got in a normal condition and with the same cost they incur. It meant that the more positive or favorable to the attitude towards sales promotional tools, the more increasing possibility the consumers make purchase decision during sales promotion. The overall findings offer strong empirical support for the intuitive notion that providing or offering sales promotion tools can increase or influence favorable buying behavior of individuals. From the findings, it was noticed that consumers were respond positively to the various promotional tools that promoted by the company.

### **5.3 Conclusions**

To conclude sales promotions play an important role in the marketing programs of marketers, retailers and producers. A large percentage of marketers' sales are made on promotion. This situation is becoming increasingly common in today's market fluctuation. The marketers are rather use variety of promotional tools to offers consumers an extra inducement to buy their products than advertising in classic media. It is supported by the research from Cuizon (2009) who stated that sales promotions are not only effective in attaining short-term sales, but they are also more cost-effective compared to other integrated marketing communications tools such as advertising.

As such, the result of this research confirms that sales promotion tools such as price discounts, coupons, sampling, sweepstakes and contest, and buy one get one free play a key role in influencing the consumer's purchase decision. This research has proved that sales promotions stimulate interest in consumers and consumers are bound to make purchase decision provided

that they are offered with price discount, coupons, sampling, sweepstakes and contest, and buy one get one free.

The results of this study have several implications and recommendation on how does sales promotion tools influences consumer buying behavior from different perspective theories. From the company's marketer's perspective, they can have a better understanding of their consumers' buying behavior so that they can better predict the wants and needs of potential consumers. Beside this one, the company will develop workable marketing and communication strategies on sales promotion so as to get the higher market share by attracting the newly customers and retaining the existing customers. The information derived from this research enable marketers to aware of the consumer behavior and influence of sales promotion tools they have on them. It will help them utilize the right and the most effective promotion technique to attract customers.

Moreover, the study from Ndubisi and Chew (2006) also supported that by offering the right promotional tools, it help organizations to carefully plan their promotional strategies by giving preference to the more effective tools. It is vital because the precise marketing strategies decision assists the company to minimize cost and maximize their profit. In addition, the current research made consumers more aware for their easily influence behavior to sales promotion because it present better understanding and information to consumers where they respond differently due to different type of promotional tools.

The research also created consumer awareness to make careful analysis before they decide to buy products and services. Hence, the consumers will apprehend the importance's and understand the changing environment to update themselves from time to time (Hing, 2008). Finally, consumers were benefited through this study and becoming smarter day to day.

## **5.4 Recommendations**

Based on the finding the study the researcher draws the following recommendation to Walia Beer.

- Brewery industry is characterized by low brand loyalty and high brand switching. With the new entrants of other companies to the industry, this poses threat to Walia beer. The

market share may change rapidly as consumers' exhibit low brand loyalty. So, the company should focus on associating the product with the consumers through incentives of sales promotion so as to retain them and attract the new ones.

- There is no doubt that the ultimate objective of the company is to generate certain level of sales that may create profit to continue the business activities. Thus for generating this sales they should have specialize there marketing strategies like sales promotion tools to influence the buying behavior of individuals.
- The company should have to understand the type of sales promotion that have a great influence on the buying behavior. As the study affirmed us when we see descending order of their influences sweepstakes and contest comes first followed by buy one get one free, followed by free sample, followed by coupon and price discount. Thus it is best to use sweepstake and contest sales promotion tools, because this has great influence on consumer purchase decision.
- Sales promotion is a much interesting term that has usually come to donate activities that supplement advertising and personal selling, and it also very important promotional mix. Thus Walia Beer Company should have to closely interlink the other components of marketing communication with sales promotion tools they will use.
- Many marketers believe that brand loyalty is a key factor for business successful. Which means it was customer commitment and willingness to repurchase or patronize the product they like regularly for long time. But loyalty is not come overnight, thus the company should have to attract his future loyal customer and build good image in the mind of them through sales promotion incentive. Then after the company got high market share they will turn to brand loyalty. Because satisfaction or indeed pleasure with sales promotion can not only limited to repurchase, but may in fact be able to transfer or linked with brand loyalty.
- Company should have to develop sales promotion tools that go with company's vision and mission to add some extra value to a product above a normal offering in order to achieve their marketing objective.

- Sales promotion deals basically with motivation and persuasion of particular group to react in the interest of initiator which means to purchase their goods and service. But the company should have to know those particular groups who they are and what they need from the company. This means, all customers of the company have different needs and wants, depending on their personal characteristics and the environment they will involved. Diversification of sales promotion tools depending on the target need they need meet.
- The study recommends that the management of Walia Beer should formulate comprehensive and effective sales promotion strategies that seek to build brand awareness, creating favorable brand attitudes, gaining market share, inducing purchase, building brand loyalty and increasing sales.
- At the last not the least we would like to extend recommendation to the company, should have to be familiar with this sales promotion tools. Because as a result of globalization and stiff marketing competition in brewery industry has become more aggressive, they have to change their market approach. In addition today there was departure of environment from the past, when they sale their goods to customers with a little regards to quality assurance and satisfaction. In today's customer centric world market and to compete with other industry the company should have to intimated and dedicated to develop new sales promotion tools over ever time.

## **5.5 Limitation and Future research Suggestion**

Although this research has taken vital steps to identify the influence of sales promotion on consumer buying behavior, it also has certain limitations. Firstly, the limitation of the data prevents further exploration of the study to other brewer companies outside Walia Beer, There was also respondents limit because the number of respondents that have been participated in this study was only 357. Different stages of life cycles of respondents would yield different results. Therefore, future researchers are suggested to increase the sample size variety especially in respondents' age to decrease the error for the purpose of the generalizing result to a wider

population. Secondly, future researchers may further scope to duplicate the study in different environment and different geographical locations.

Different environment played a significant factor that influence respondents behavior specifically workplace and pleasure place. Even before drinking and after drink respondents response will differ. Besides, the individuals who do not have educational background may also behave differently because the understanding and experience of respondents towards the questions might influence their answers. Since this study was conducted in Addis Ababa, it could not represent other people in urban or rural areas where the quality of life is different.

Thirdly, future researchers are suggested to use interview technique in doing research especially at the place where transactions happen. This will enable the researchers obtain an accurate information based on the respondents' fresh memory. Last but not least, this research has only examines five promotional tools that influence buying behavior. Future researchers are suggested to determine other promotional tools such as rebates, in pack premiums and so forth.

Besides, the study can also specify in category of products or services to have more focus information. However, for more meaningful findings the different promotional tools can be investigate together rather than separately so that the interactions among them can be better understand. As a result, it can assist marketers and consumers understand other promotional tools that may influence the buying behavior.

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**Appendix 1: Descriptive Analysis**

**Frequency Table**

**Frequency Table Gender**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Male	295	82.6	82.6	82.6
Female	62	17.4	17.4	100.0
Total	357	100.0	100.0	

**Age**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 18-27 years	134	37.5	37.5	37.5
28-37 years	130	36.4	36.4	73.9
38-47 Years	63	17.6	17.6	91.6
Above 48 years	30	8.4	8.4	100.0
Total	357	100.0	100.0	

**Marital Status**

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid Single	187	52.4	52.4	52.4
Married	160	44.8	44.8	97.2
Divorced	10	2.8	2.8	100.0
Total	357	100.0	100.0	

**Education**

	Frequency	Percent	Valid Percent	Cumulative Percent
Below high School	22	6.2	6.2	6.2
High School	76	21.3	21.3	27.5
Some College Course	31	8.7	8.7	36.1
Valid College Diploma	71	19.9	19.9	56.0
First Degree course	130	36.4	36.4	92.4
Second Degree and Above	27	7.6	7.6	100.0
Total	357	100.0	100.0	

**Monthly Income**

	Frequency	Percent	Valid Percent	Cumulative Percent
<=2000	70	19.6	19.6	19.6
2001-4000	95	26.6	26.6	46.2
4001-8000	81	22.7	22.7	68.9
Valid 8001-15000	91	25.5	25.5	94.4
>15000	20	5.6	5.6	100.0
Total	357	100.0	100.0	

**How Often Did You Drink**

	Frequency	Percent	Valid Percent	Cumulative Percent
Once in A day	58	16.2	16.2	16.2
More than Once in a day	36	10.1	10.1	26.3
once in a week	74	20.7	20.7	47.1
More than once in a week	66	18.5	18.5	65.5
Valid once Every Two Weeks	34	9.5	9.5	75.1
Others	85	23.8	23.8	98.9
33	4	1.1	1.1	100.0
Total	357	100.0	100.0	

**How Long Did You have used**

	Frequency	Percent	Valid Percent	Cumulative Percent
<=1	86	24.1	24.1	24.1
2-3	133	37.3	37.3	61.3
Valid 3-4	69	19.3	19.3	80.7
4-5	69	19.3	19.3	100.0
Total	357	100.0	100.0	

**Descriptive Statistics of Price Discount**

	N	Minimum	Maximum	Mean	Std. Deviation
PD offer influence U to purchase Rep	357	2	5	4.51	.639
PD offer influence U to switch Brand	357	1	5	4.30	.940
PD offer influence U to without plan	357	1	5	3.13	1.054
PD offer influence U to drink more	357	1	5	3.25	1.169
Compare to another person I buy PD pro	357	1	5	3.72	1.131
PD Feels me as Good Buyer	357	1	5	4.13	.988
I Comp Price Of Beer dur Pur	357	1	5	4.28	.957
Valid N (listwise)	357				

**Descriptive Statistics of Coupon**

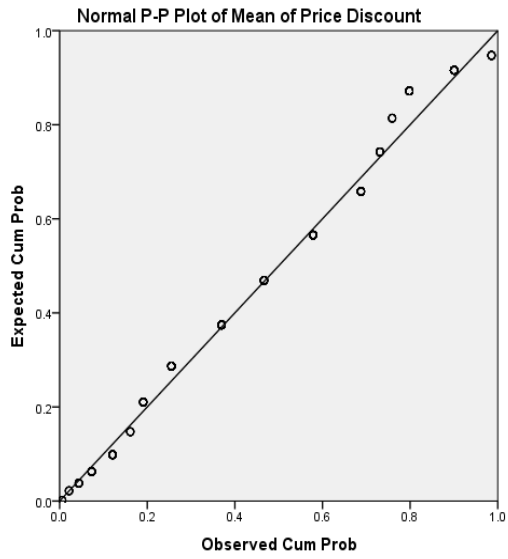
	N	Minimum	Maximum	Mean	Std. Deviation
COU offer influence U to purchase Rep	357	2	5	4.28	.682
COU offer influence U to switch Brand	357	2	5	3.98	.968
COU offer influence U to without plan	357	1	5	2.48	1.013
COU offer influence U to drink more	357	1	5	2.35	1.043
Compare to another person I buy COU pro	357	1	5	3.01	1.105
COU Feels me as Good Buyer	357	1	5	3.73	1.016
Amount of Coup on Beer dur Pur	357	1	5	3.94	.991
Valid N (listwise)	357				

**Descriptive Statistics of buy one get one free**

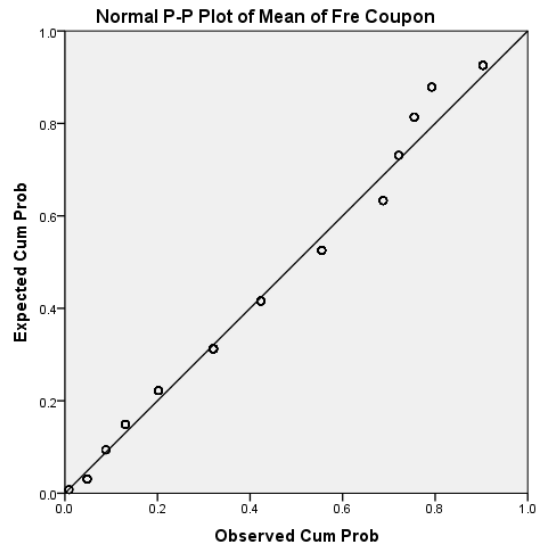
	N	Minimum	Maximum	Mean	Std. Deviation
B1G1F offer influence U to purchase Rep	357	1	5	4.08	.943
B1G1Foffer influence U to switch Brand	357	1	5	3.92	.850
B1G1Foffer influence U to without plan	357	1	5	3.08	1.037
B1G1Foffer influence U to drink more	357	1	5	2.75	1.074
Compare to anoth I buy B1G1F pro	357	1	5	3.11	.979
B1G1F Feels me as Good Buyer	357	1	5	3.40	1.035
Valid N (listwise)	357				

Appendix 2: Normality Plot

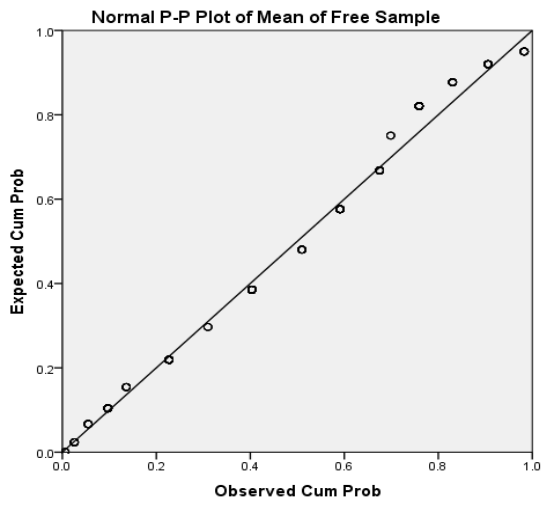
**Probability Plot of Price Discount**



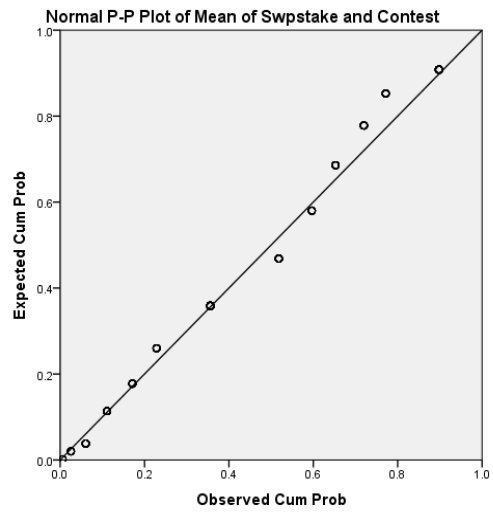
**Probability Plot of Free Coupon**



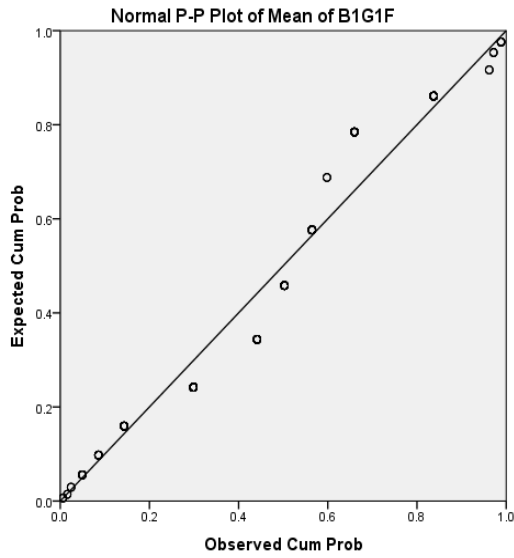
**Probability Plot of Free Sample**



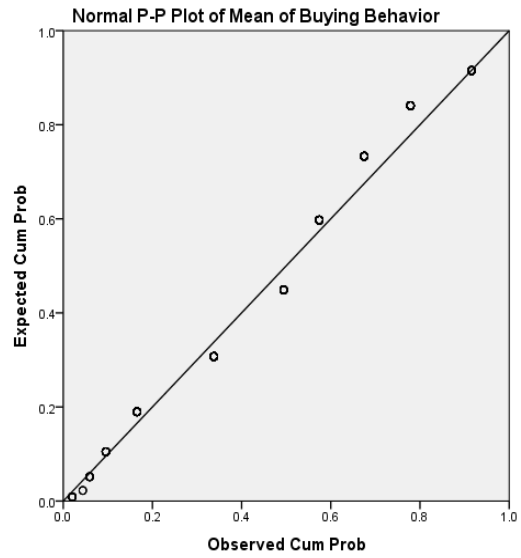
**Probability Plot of sweepstakes and Contest**



## Probability Plot of B1G1F



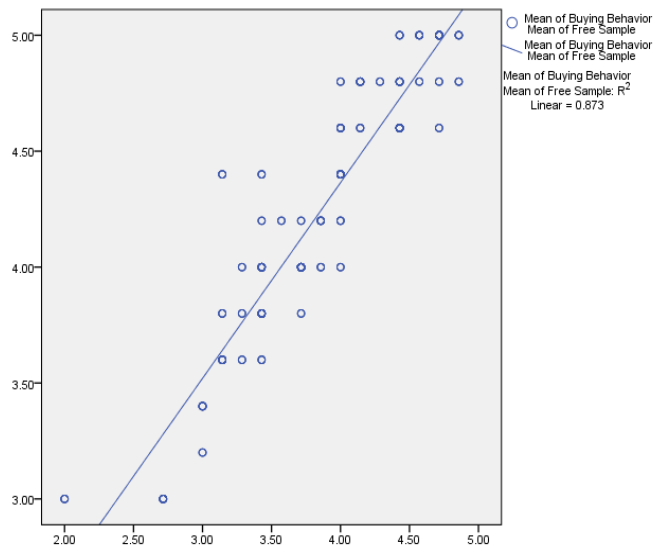
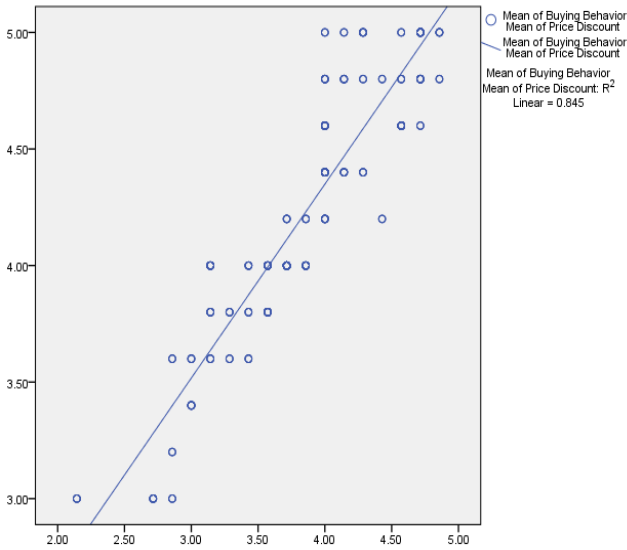
## Probability Plot of Buying Behavior



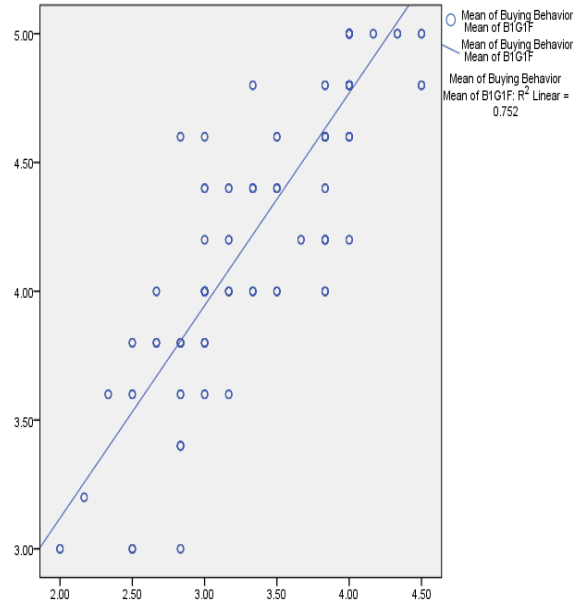
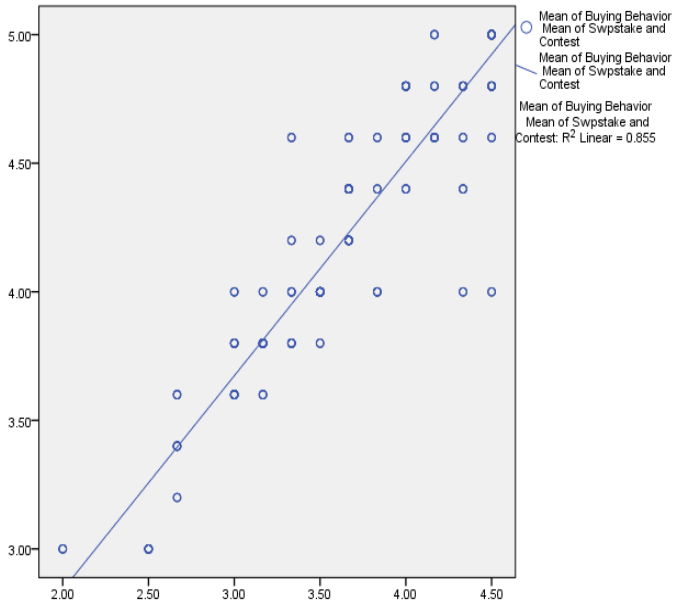
### Appendix 3: Linearity Plot

*Linearity between Buying Behavior and Price Discount*

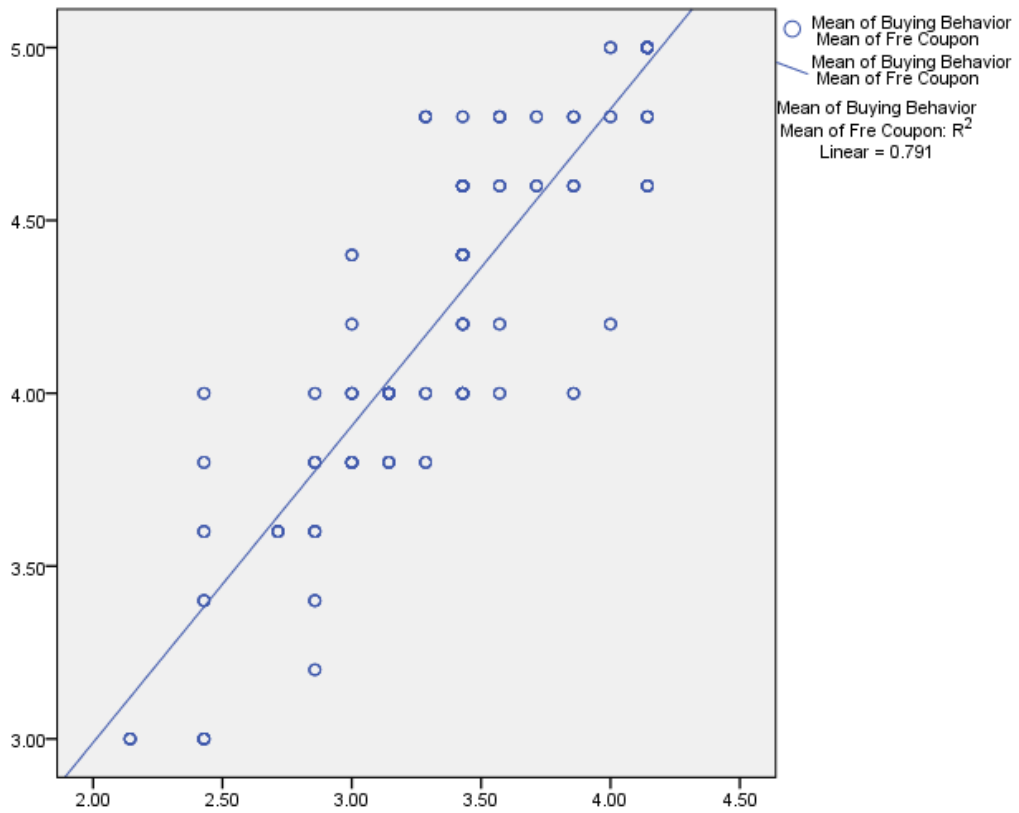
*Linearity between Buying Behavior and Free Saample*



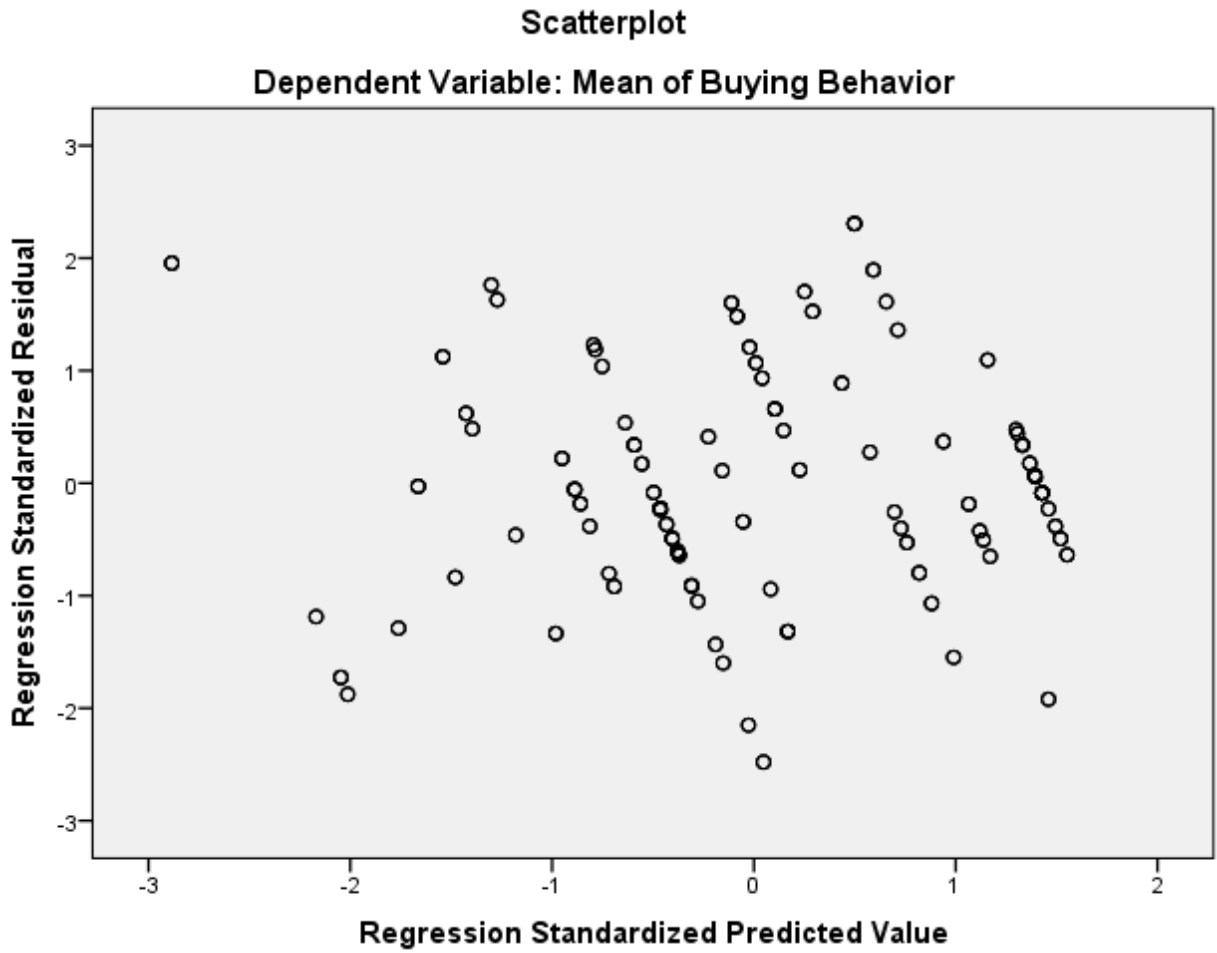
*Linearity between Buying Behavior and Swep & Cont*      *Linearity between Buying Behavior and BIGIF*



*Linearity between Buying Behavior and Free Coupon*



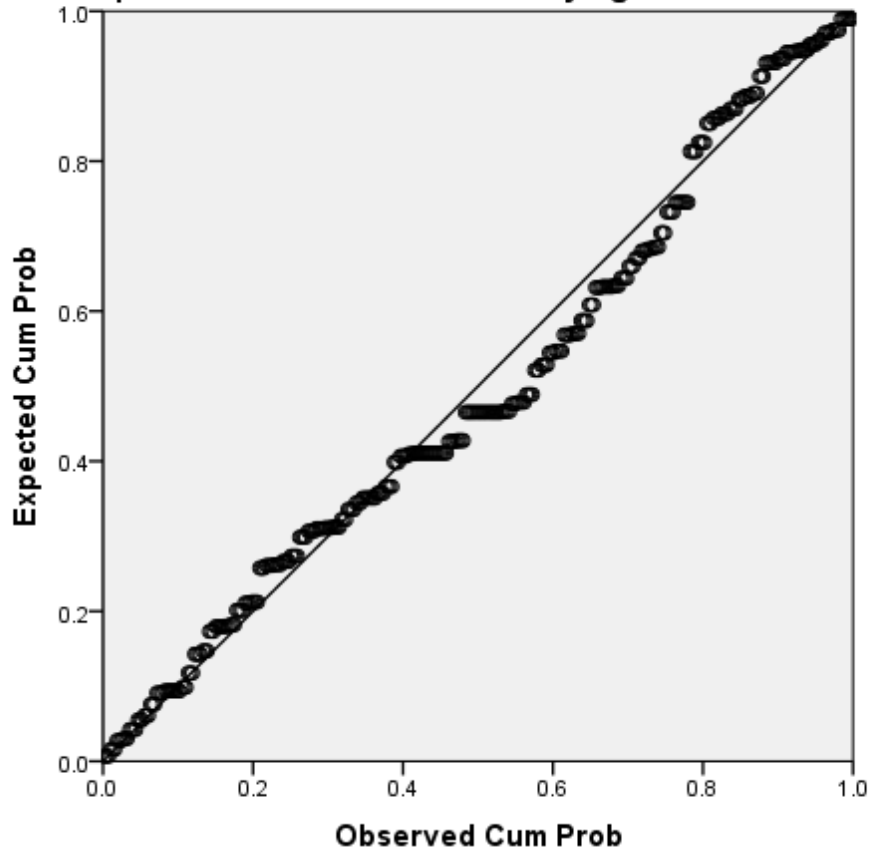
Appendix 4: Homoscedasticity



Appendix 5: Normality of Residual by P Plot

**Normal P-P Plot of Regression Standardized Residual**

**Dependent Variable: Mean of Buying Behavior**



**Appendix 6: Missing Value Statistics**

	N	Mean	Std. Deviation	Missing		No. of Extremes <sup>a,b</sup>	
				Count	Percent	Low	High
Sex	357	1.17	0.379	0	0	.	.
Age	357	1.97	0.943	0	0	0	0
Marital status	357	1.5	0.554	0	0	0	0
Education	357	3.82	1.46	0	0	0	0
Monthly income	357	2.71	1.204	0	0	0	0
How often	357	4	3.547	0	0	0	4
How long	357	2.34	1.047	0	0	0	0
POPurReptdely	357	4.51	0.639	0	0	6	0
POswitchfromCom	357	4.3	0.94	0	0	26	0
PDallowwithoutPlan	357	3.13	1.054	0	0	0	0
PDallowmoreQuant	357	3.25	1.169	0	0	0	0
ComBuyPDO	357	3.72	1.131	0	0	0	0
PDOfeelGBuyer	357	4.13	0.988	0	0	33	0
PriceComaprision	357	4.28	0.957	0	0	31	0
COPPurchasereptdely	357	4.28	0.682	0	0	10	0
COswitchfromCom	357	3.98	0.968	0	0	41	0
COallowwithoutPlan	357	2.48	1.013	0	0	0	14
COallowmoreQuant	357	2.35	1.043	0	0	0	13
ComBuyCPO	357	3.01	1.105	0	0	0	0
COfeelGBuyer	357	3.73	1.016	0	0	4	0
ValuofCoupon	357	3.94	0.991	0	0	0	0
FSPurReptdely	357	4.5	0.66	0	0	11	0
FSswitchfromCom	357	4.34	0.666	0	0	6	0
FSallowwithoutPlan	357	2.97	1.088	0	0	0	0

FSallowmoreQuant	357	3.13	1.103	0	0	0	0
ComBuyFS	357	3.75	1.05	0	0	0	0
FSfeelGBuyer	357	4.23	0.81	0	0	14	0
ValuofSamples	357	4.29	0.803	0	0	14	0
SWCOPurReptdely	357	4.34	0.718	0	0	11	0
SWCOswitchfromCom	357	4.25	0.771	0	0	18	0
SWCOallowwithoutPlan	357	3.57	0.892	0	0	4	0
SWCOallowmoreQuant	357	2.6	1.068	0	0	0	3
ComBuySWCO	357	3.71	0.97	0	0	4	0
SWCOfeelGBuyer	357	3.81	1.065	0	0	.	.
BOGOFpurReptdely	357	4.08	0.943	0	0	32	0
BOGOFswitchfromCom	357	3.92	0.85	0	0	3	0
BOGOFallowwithoutPlan	357	3.08	1.037	0	0	0	0
BOGOFallowmoreQuant	357	2.75	1.074	0	0	0	0
ComBuyBOGOF	357	3.11	0.979	0	0	0	0
BOGOFfeelGBuyer	357	3.4	1.035	0	0	11	0
BB1	357	4.45	0.601	0	0	0	0
BB2	357	4.05	0.611	0	0	.	.
BB3	357	4.43	0.57	0	0	0	0
BB4	357	4.31	0.613	0	0	0	0
BB5	357	4.1	0.675	0	0	0	0

a. Number of cases outside the range ( $Q1 - 1.5 \cdot IQR$ ,  $Q3 + 1.5 \cdot IQR$ ).

b. . indicates that the inter-quartile range (IQR) is zero.

**Appendix 7: Correlation Matrix for Variables**

		Mean of Price Discount	Mean of Free Coupon	Mean of Free Sample	Mean of Swpstake and Contest	Mean of B1G1F	Mean of Buying Behavior
Mean of Price Discount	Pearson Correlation	1	.851**	.894**	.878**	.807**	.919**
	Sig. (2-tailed)		0	0	0	0	0
	N	357	357	357	357	357	357
Mean of Free Coupon	Pearson Correlation	.851**	1	.865**	.808**	.718**	.889**
	Sig. (2-tailed)	0		0	0	0	0
	N	357	357	357	357	357	357
Mean of Free Sample	Pearson Correlation	.894**	.865**	1	.882**	.803**	.935**
	Sig. (2-tailed)	0	0		0	0	0
	N	357	357	357	357	357	357
Mean of Swpstake and Contest	Pearson Correlation	.878**	.808**	.882**	1	.817**	.925**
	Sig. (2-tailed)	0	0	0		0	0
	N	357	357	357	357	357	357
Mean of B1G1F	Pearson Correlation	.807**	.718**	.803**	.817**	1	.867**
	Sig. (2-tailed)	0	0	0	0		0
	N	357	357	357	357	357	357
Mean of Buying Behavior	Pearson Correlation	.919**	.889**	.935**	.925**	.867**	1
	Sig. (2-tailed)	0	0	0	0	0	
	N	357	357	357	357	357	357

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

**Appendix 8: Regression Analysis**

a. Dependent Variable: Mean of Buying Behavior

b. All requested variables entered.

**Model Summary<sup>b</sup>**

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics		
					R Square Change	F Change	df1
1	.975 <sup>a</sup>	.951	.951	.11825	.951	1376.381	5

**Model Summary<sup>b</sup>**

Model	Change Statistics		Durbin-Watson
	df2	Sig. F Change	
1	351 <sup>a</sup>	.000	2.003

a. Predictors: (Constant), Mean of B1G1F, Mean of Fre Coupon, Mean of Swpstake and Contest, Mean of Price Discount, Mean of Free Sample

b. Dependent Variable: Mean of Buying Behavior

**ANOVA<sup>a</sup>**

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	96.225	5	19.245	1376.381	.000 <sup>b</sup>
	Residual	4.908	351	.014		
	Total	101.132	356			

a. Dependent Variable: Mean of Buying Behavior

b. Predictors: (Constant), Mean of B1G1F, Mean of Free Coupon, Mean of Sweepstake and Contest, Mean of Price Discount, Mean of Free Sample

**Coefficients<sup>a</sup>**

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	.689	.044		15.654	.000
Mean of Price Discount	.117	.028	.129	4.153	.000
Mean of Fre Coupon	.223	.026	.217	8.650	.000
Mean of Free Sample	.219	.029	.242	7.496	.000
Mean of Swpstake and Contest	.230	.026	.255	8.846	.000
Mean of B1G1F	.195	.021	.205	9.359	.000

a. Dependent Variable: Mean of Buying Behavior

**Residuals Statistics<sup>a</sup>**

	Minimum	Maximum	Mean	Std. Deviation	N
Predicted Value	2.7687	5.0753	4.2683	.51990	357
Residual	-.29314	.27278	.00000	.11741	357
Std. Predicted Value	-2.884	1.552	.000	1.000	357
Std. Residual	-2.479	2.307	.000	.993	357



**ADDIS ABABA UNIVERSITY**  
**SCHOOL OF COMMERCE**

**Appendix 9: English Questioner**

Dear Participants,

I am a graduate student at Addis Ababa University School of Commerce and currently I am conducting a research for the completion of my masters in marketing management. This questionnaire is meant to collect information about influence of sales promotion on consumer buying behavior of Walia Beer.

Your keen participation in terms of providing genuine data is highly essential for the successful completion of the study and the output of this study will be helpful to all who use it. Therefore, I pledge you to give your genuine response to the questions hereunder.

The information you provide will be kept confidential and be used only for an academic purpose. I would like to thank you in advance for your participation and sharing of your busy schedule. If you need further information about this study, or have problem incompleting this Questionnaire please contact me via +251 -912-774-480or Email Address [abushgi@gmail.com](mailto:abushgi@gmail.com). There is no need to write your name. It is your full right to participate in the survey.

So are you willing to stay with the questionnaire for few minutes to answer the question?

Put 'X' mark in the box you chose

Yes  No

If yes, please go to the next page. If no, please return the questionnaire.

***Thank You!***

## **Part I: Demographic and General Information Questions**

Please CIRCLE the appropriate items that best describes your answer

1. Your gender is: 1) Male 2) Female
2. Which one of the following age categories do you currently fall in:
  - 1) 18-27 Years
  - 2) 28-37 Years
  - 3) 38-47 Years
  - 4) 48 Years and above
3. What is your marital status?
  - 1) Single 2) Married
  - 3) Divorced 4) Widowed
4. What is the highest educational level you have attained?
  - 1) Below high school 2) High school
  - 3) Some College course 4) College Diploma
  - 5) First Degree courses 6) Second degree & above
5. What is your average monthly Income in Birr?
  - 1) Below Birr 2,000 2) Birr. 2,001 – 4,000
  - 3) Birr. 4,001 – 8,000 4) Birr. 8,001 – 15,000
  - 5) Above Birr. >15,000

## **Part II Consumption Pattern of Walia Beer**

- 1) How often do you drink Walia Beer?
  1. Once in a day 2. More than once a day
  3. Once in a week 4. More than once in a week
  5. Once every two weeks 6. Others
- 2) How long have you been using Walia Beer?
  1. Less than 1 year 2. 2 - 3 years
  3. 2-3 years 4. 4-5 years

## **Part III Influence of Sales Promotion on consumer Buying Behavior: Case of Walia Beer**

Please tick the answer of your choice among the five alternatives for each of the statements in the box below. Where 1=strongly disagree; 2=Disagree; 3=Neutral; 4=Agree; 5=strongly agree

**NB: Dear Participants the Question will be to Address Walia beer only.**

## 1. Price Discount

No	Statements	Strongly Disagree	Disagree	Neutral	Agree	strongly agree
1	If Walia Beer offers price discount promotion, that could be a reason for me to purchase it repeatedly	1	2	3	4	5
2	If there is price discount on Walia Beer, it will influence me to switch from other competing beer brands	1	2	3	4	5
3	A price discount has allowed me to drink the beer without my plan.	1	2	3	4	5
4	A Price discount has allowed me to drink more quantities of beer than I plan.	1	2	3	4	5
5	Compared to most people, I am more likely to buy brands that offers price discount.	1	2	3	4	5
6	When I buy a beer that offers price discount, I feel am a good buyer	1	2	3	4	5
7	I make price comparison when I go to drink beer					

## 2. Coupon

No	Statements	Strongly Disagree	Disagree	Neutral	Agree	strongly agree
1	If Walia Beer offers coupon promotion, that could be a reason for me to purchase it repeatedly	1	2	3	4	5
2	If there is coupon on Walia Beer, it will influence me to switch from other competing beer brands	1	2	3	4	5
3	Coupon promotion has allowed me to drinkthe beer without my plan.	1	2	3	4	5
4	Coupon promotion has allowed me to drink more quantities of beer than I plan.	1	2	3	4	5
5	Compared to most people, I am more likely to buy brands that offer Coupon.	1	2	3	4	5
6	When I buy a beer that offers Coupon, I feel am a good buyer	1	2	3	4	5
7	I tend to make a purchase of Walia Beer, more often when the value ofthe coupon is higher.	1	2	3	4	5

### 3. Free Samples

No	Statements	Strongly Disagree	Disagree	Neutral	Agree	strongly agree
1	If Walia Beer offers Free Samples promotion, that could be a reason for me to purchase it repeatedly	1	2	3	4	5
2	If there is Free samples on Walia Beer, it will influence me to switch from other competing beer brands	1	2	3	4	5
3	Free samples promotion has allowed me to drink the beer without my plan.	1	2	3	4	5
4	Free samples promotion has allowed me to drink more quantities of beer than I plan.	1	2	3	4	5
5	Compared to most people, I am more likely to buy brands that offer Free samples.	1	2	3	4	5
6	When I buy a beer that offers Free samples , I feel am a good buyer	1	2	3	4	5
7	I tend to make a purchase of Walia Beer, more often when the number of Free samples is higher.	1	2	3	4	5

### 4. Sweepstakes and Contest

No	Statements	Strongly Disagree	Disagree	Neutral	Agree	strongly agree
1	If Walia Beer offers Sweepstakes and contest promotion, that could be a reason for me to purchase it repeatedly	1	2	3	4	5
2	If there is Sweepstakes and contest on Walia Beer, it will influence me to switch from other competing beer brands	1	2	3	4	5
3	Sweepstakes and contest promotion has allowed me to drink the beer without my plan.	1	2	3	4	5
4	Sweepstakes and contest promotion has allowed me to drink more quantities of beer than I plan.	1	2	3	4	5
5	Compared to most people, I am more likely to buy brands that offer Sweepstakes and contest.	1	2	3	4	5
6	When I buy a beer that offers Sweepstakes and contest , I feel am a good buyer	1	2	3	4	5

## 5. BOGOF

No	Statements	Strongly Disagree	Disagree	Neutral	Agree	strongly agree
1	If Walia Beer offers Buy-one-Get-one-Free promotion, that could be a reason for me to purchase it repeatedly	1	2	3	4	5
2	If there is Buy-one-Get-one-Free on Walia Beer, it will influence me to switch from other competing beer brands	1	2	3	4	5
3	Buy-one-Get-one-Free promotion has allowed me to drink the beer without my plan.	1	2	3	4	5
4	Buy-one-Get-one-Free promotion has allowed me to drink more quantities of beer than I plan.	1	2	3	4	5
5	Compared to most people, I am more likely to buy brands that offer Buy-one-Get-one-Free.	1	2	3	4	5
6	When I buy a beer that offers Buy-one-Get-one-Free , I feel am a good buyer	1	2	3	4	5

### III. Response of Buying Behavior Statements

No	Statements	Strongly Disagree	Disagree	Neutral	Agree	strongly agree
1	I compare the Price of the product during Purchase	1	2	3	4	5
2	I carefully watch how much I Spend	1	2	3	4	5
3	I usually buy well-known brands.	1	2	3	4	5
4	I Buy at much as possible at sale Price	1	2	3	4	5
5	I Buy the band that has Incentive	1	2	3	4	5



**አዲስ አበባ ዩኒቨርሲቲ**

**Appendix 9: Ameharic Questioner**

**የንግድ ሥራ ትምህርት ቤት**

**ለዋልያ ቢራ ተጠቃሚ የተዘጋጀ መጠይቅ**

ዉድ መሳሾች እኔ በአዲስ አበባ ዩኒቨርሲቲ ንግድ ስራ ትምህርት ቤት የገበያ አስተዳደር የድህረ ምረቃ ተማሪ ስሆን ባሁኑ ሰዓት ስገበያ አመራር ድህረ ምረቃ ትምህርት ክፍል ማሟያነት የሚሆን ጥናት እያካሄድኩ እገኛለሁ። የዚህ ጥናት ዓላማ የዋልያ ቢራ የሽያጭ ማስታወቂያ በደንበኞች የመግዛት ጸባይ ሳይ ያለዉ ተፅእኖ ሰማወቅ እና እንዲሁም በወደፊት ዉሳኔዎችሁ ሳይ ያለዉን አዎንታዊ ተፅእኖ ስመረዳት ነዉ።

ማንኛዉም ከዚህ ምሳሌ የሚገኝ መረጃ ከጥናቱ ዉጤት ባስፈ ስሌሳ አገልግሎት ወይም ስሌሳ ሦስተኛ ወገን ተሳልፎ የማይሰጥ በመሆኑ ምሳሻችሁን በነፃነትና በልበሙሉነት እንድትሰጡ በአክብሮት እጠይቃለሁ። የሚፈለገዉን መረጃ በመስጠት የሚኖራችሁ ንቁ ተሳትፎ ስኬታማ በሆነ መንገድ ጥናቱን ለማጠናቀቅ በከፍተኛ ደረጃ አስፈላጊ ነዉ። ስለዚህ ዉድ መሳሾች ከዚህ በታች ስተዘረዘሩት ጥያቄዎች ትክክለኛዉን መልስ በመስጠት እንድትተባበሩኝ ልጠይቅ እወዳለሁ።

ስለጥናቱ ተጨማሪ መረጃ ማግኘት ከፈለጉ ወይም ይህን መጠይቅ ለመሙላት ችግር ካጋጠምዎ በስ.ቁ. +251 912-774-480 ወይም በኢሜይል አድራሻ [abushgi@gmail.com](mailto:abushgi@gmail.com) ልደገኙኝ ይችላሉ። ስምዎትን በመጠይቁ ሳይ መጻፍ አያስፈልገም። ስለዚህ ስዚህ ጥናት ጊዜዎትን በመስጠት በመጠይቁ ለመሳተፍ ፍቃደኛ ኛት?

በሚመርጡት ሳይ የ “X” ምልክት ያደርጉ

አዎ  አይደለሁም

መልሱ “አዎ” ከሆነ ወደ ሚቀጥለዉ ገጽ ይህዱ። መልሱም “አይደለሁም” ከሆነ አባከዉን መጠይቁን ይመልሱ።

**አመሰግናለሁ**

**ክፍል 1. አጠቃላይ ጥያቄዎች**

**ትክክለኛውን መልስ ያክብቡ**

1. ጾታዎ
  - 1) ወንድ
  - 2) ሴት
2. ከመከተሉት የአድሜ ምደቦች ባሁኑ ጊዜ ከየትኛው ነዎት?
  - 1) ከ18-27 ዓመት
  - 2) ከ28-37 ዓመት
  - 3) ከ38-47 ዓመት
  - 4) 48 ዓመት እና ከዚያ በላይ
3. የጋብቻ ሁኔታ
  - 1) ያሳገጠ
  - 2) ያገጠ
  - 3) የተፋታ
  - 4) በሞት የተሰደየ
4. የደረሰብት የመጨረሻ የትምህርት ደረጃ ምንድነው
  - 1) ከከፍተኛ ሁለተኛ ደረጃ ት/ቤት በታች
  - 2) ከፍተኛ ሁለተኛ ደረጃ
  - 3) የኮሌጅ ኮርሶች
  - 4) የኮሌጅ ዲፕሎማ
  - 5) የመጀመሪያ ዲግሪ
  - 6) ሁለተኛ ዲግሪ እና ከዚያ በላይ
5. የሚያገኙት አማካኝ የወር ገቢ
  - 1) ከብር 2,000 በታች
  - 2) ከብር 2,001- 4,000
  - 3) ከብር 4,001- 8,000
  - 4) ከብር 8,001-15000
  - 5) ከብር 15,000 በላይ

**ክፍል ሁለት የዋልያ ቢራ የፍጆታ ሁኔታ**

1. ዋልያ ቢራን በምን ያህል ጊዜ ይጠጣሉ
  - 1) በቀን አንድ ጊዜ
  - 2) በቀን ከአንድ ጊዜ በላይ
  - 3) በሳምንት አንድ ጊዜ
  - 4) በሳምንት ከአንድ ጊዜ በላይ
  - 5) በሁለት ሳምንት አንድ ጊዜ
  - 6) ሲሳ
2. ዋልያ ቢራን ለምን ያህል ጊዜ ሲጠቀሙ ቆይተዋል?
  - 1) ከ1- ዓመት በታች
  - 2) ከ2-3 ዓመት
  - 3) ከ3-4 ዓመት
  - 4) ከ4-5 ዓመት

**ክፍል ሦስት: በዋልያ ቢራ በመግዛት ጸባይ ላይ ያለው የሽያጭ ማስታወቂያ ተጽእኖ::**

ከታች ስተሰጡት መግለጫዎች ከ1-5 ምርጫዎች ቀርበዋል:: የሚመረጡትን መልስ ያክብቡ 1= በጣም አስተማማኝም 2= አስተማማኝም 3= ገሰጠኑኝ 4= አስተማማኝም 5= በጣም አስተማማኝም

**ማሳሰቢያ- ወደ መላሽ ጥያቄው የሚመለከተው ወይም የወከለው ዋልያ ቢራን ብቻ ነው::**

**ሀ. ዋጋ ቅነሳ**

ቁጥር	መግለጫ	በጣም አልስማማም	አልስማማም	ገለልተኛ	እስማማለሁ	በጣም እስማማለሁ
1	ዋልዎ ቢራ ዋጋ ቅነሳ ቢያቀርብ በተደጋጋሚ እንደገዛ ምክንያት ይሆነኛል	1	2	3	4	5
2	ዋልዎ ቢራ ዋጋ ቅነሳ ቢያደርግ ሌላ ተወዳዳሪ ቢራ ትቼ ወደ ዋልዎ እንደመጣ ያደርገኛል።	1	2	3	4	5
3	የዋጋ ቅናሽ በመኖሩ ለመጠጣት ዕቅድ ሳይኖረኝ ወደ መጠጣት ይገፋፋኛል።	1	2	3	4	5
4	የዋጋ ቅናሽ በመኖሩ ከዕቅድ በላይ እንደጠጣ ያደርገኛል።	1	2	3	4	5
5	ከብዙ ሰዎች ጋር ስነፃፀር እኔ የበለጠ የዋጋ ቅናሽ ያስበትን ምርት /አገልግሎት አገዛለሁ	1	2	3	4	5
6	የዋጋ ቅነሳ ያለው ቢራ ስገዛ ፣ ፕራ ግዢ እንደፈጸምኩኝ ይሰማኛል።	1	2	3	4	5
7	ቢራ በምጠጣበት ጊዜ የዋጋ ንፅፅር አደርጋለሁ	1	2	3	4	5

**ለ. ነጻ ኩፍን**

ቁጥር	መግለጫ	በጣም አልስማማም	አልስማማም	ገለልተኛ	እስማማለሁ	በጣም እስማማለሁ
1	ዋልዎ ቢራ ነጻ ኩፍን ቢያቀርብ በተደጋጋሚ እንደገዛ ምክንያት ይሆነኛል	1	2	3	4	5
2	ዋልዎ ቢራ ነጻ ኩፍን ቢያቀርብ ሌላ ተወዳዳሪ ቢራ ትቼ ወደ ዋልዎ እንደመጣ ያደርገኛል።	1	2	3	4	5
3	ነጻ ኩፍን በመኖሩ ለመጠጣት ዕቅድ ሳይኖረኝ ወደ መጠጣት ይገፋፋኛል።	1	2	3	4	5
4	ነጻ ኩፍን በመኖሩ ከዕቅድ በላይ እንደጠጣ ያደርገኛል።	1	2	3	4	5
5	ከብዙ ሰዎች ጋር ስነፃፀር እኔ የበለጠ ነጻ ኩፍን ያስበትን ምርት /አገልግሎት አገዛለሁ	1	2	3	4	5
6	ነጻ ኩፍን ያለው ቢራ ስገዛ ፣ ፕራ ግዢ እንደፈጸምኩኝ ይሰማኛል።	1	2	3	4	5
7	ብዙ ጊዜ የዋልዎ ቢራ ነጻ ኩፍን ዋጋ ክፍ በማለቱ ቢራውን እንደጠጣሁ ያደርገኛል።	1	2	3	4	5

**ሐ. ነጻ የምርት ናሙና**

ቁጥር	መግለጫ	በጣም አልስማማም	አልስማማም	ገለልተኛ	እስማማለሁ	በጣም እስማማለሁ
1	ዋልዎ ቢራ ነጻ የምርት ናሙና ቢያቀርብ በተደጋጋሚ እንደገዛ ምክንያት ይሆነኛል	1	2	3	4	5
2	ዋልዎ ቢራ ነጻ የምርት ናሙና ቢያቀርብ ሌላ ተወዳዳሪ ቢራ ትቼ ወደ ዋልዎ እንደመጣ ያደርገኛል።	1	2	3	4	5
3	ነጻ የምርት ናሙና በመኖሩ ስመጣት ዕቅድ ሳይኖረኝ ወደ መጠጣት ይገፋፋኛል።	1	2	3	4	5
4	ነጻ የምርት ናሙና በመኖሩ ከዕቅድ በላይ እንደጠጣ ያደርገኛል።	1	2	3	4	5
5	ከብዙ ሰዎች ጋር ስነጥበብ እኔ የበለጠ ነጻ የምርት ናሙና ያሰበትን ምርት /አገልግሎት አገዛለሁ	1	2	3	4	5
6	ነጻ የምርት ናሙና ያለሁ ቢራ ስገዛ፣ ፕራ ግዢ እንደፈጸምኩኝ ይሰማኛል።	1	2	3	4	5
7	ብዙ ጊዜ የዋልዎ ቢራ ነጻ የምርት ናሙና ብዙ የሚሰጥ ከሆነ ቢራውን እንደጠጣ ያደርገኛል።	1	2	3	4	5

**መ. ዕጣ እና የሽልማት ወድድር**

ቁጥር	መግለጫ	በጣም አልስማማም	አልስማማም	ገለልተኛ	እስማማለሁ	በጣም እስማማለሁ
1	ዋልዎ ቢራ የዕጣ እና የሽልማት ወድድር ቢያቀርብ በተደጋጋሚ እንደገዛ ምክንያት ይሆነኛል።	1	2	3	4	5
2	ዋልዎ ቢራ የዕጣ እና የሽልማት ወድድር ቢያቀርብ ሌላ ተወዳዳሪ ቢራ ትቼ ወደ ዋልዎ እንደመጣ ያደርገኛል።	1	2	3	4	5
3	የዕጣ እና የሽልማት ወድድር በመኖሩ ዕቅድ ሳይኖረኝ ወደ መጠጣት ይገፋፋኛል።	1	2	3	4	5
4	የዕጣ እና የሽልማት ወድድር በመኖሩ ከዕቅድ በላይ እንደጠጣ ያደርገኛል።	1	2	3	4	5
5	ከብዙ ሰዎች ጋር ስነጥበብ እኔ የበለጠ የዕጣ እና የሽልማት ወድድር ያሰበትን ምርት /አገልግሎት አገዛለሁ።	1	2	3	4	5
6	የዕጣ እና የሽልማት ወድድር ያለሁ ቢራ ስገዛ፣ ፕራ ግዢ እንደፈጸምኩኝ ይሰማኛል።	1	2	3	4	5

**ሲ. አንድ በመግዛተ አንድ ነጻ ማግኘት**

ቁጥር	መግለጫ	በጣም አልሰማም	አልሰማም	ገለልተኛ	እስማማለሁ	በጣም እስማማለሁ
1	ዋሰያ ቢራ አንድ በመግዛት አንድ ነጻ ማግኘት ቢያቀርብ በተደጋጋሚ አንድገዛ ምክንያት ይሆነኛል።	1	2	3	4	5
2	ዋሰያ ቢራ አንድ በመግዛት አንድ ነጻ ማግኘት ቢያቀርብ ሌላ ተወዳዳሪ ቢራ ትቼ ወደ ዋሰያ አንድመጣ ያደርገኛል	1	2	3	4	5
3	አንድ በመግዛት አንድ ነጻ ማግኘት በመኖሩ ሰቅዶ ሳይኖረኝ ወደ መጠጣት ይገፋፋኛል።	1	2	3	4	5
4	የአንድ በመግዛት አንድ ነጻ ማግኘት በመኖሩ ከሰቅዶ በላይ አንድገዛ ያደርገኛል።	1	2	3	4	5
5	ከብዙ ሰዎች ጋር ስነጻጻር እኔ የበለጠ አንድ በመግዛት አንድ ነጻ ማግኘት ያሰበትን ምርት /አገልግሎት አገዛለሁ።	1	2	3	4	5
6	አንድ በመግዛት አንድ ነጻ ማግኘት ያሰጠው ቢራ ስገዛ፣ ጥሩ ገዢ አንድፈጸምክኝ ይሰማኛል።	1	2	3	4	5

**የመግዛት ጸባይ**

ቁጥር	መግለጫ	በጣም አልሰማም	አልሰማም	ገለልተኛ	እስማማለሁ	በጣም እስማማለሁ
1	ምርት/አገልግሎት በምገዛበት ጊዜ የዋጋ ንጽጽር አደርጋለሁ።	1	2	3	4	5
2	በምን ያህል መግዛት አንዳሰብኝ እጠነቀቃለሁ።	1	2	3	4	5
3	ብዙ ጊዜ ታዋቂ ብራንድ አገዛለሁ።	1	2	3	4	5
4	ብዙ ጊዜ በመሸጫ ዋጋ ስመግዛት አጥራለሁ።	1	2	3	4	5
5	ጥቅም ጥቅም ያሰጠውን ብራንድ አገዛለሁ።	1	2	3	4	5