



**ASSESSING THE EFFECTIVENESS OF COMMUNICATION
FACTORS AND BEHAVIORAL CHANGES OF AUDIENCES AS
A RESULT OF ADVERTISING EFFORTS: CASE OF
COMMERCIAL BANK OF ETHIOPIA**

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STATEMENT OF CERTIFICATION

This is to certify that **Genet Habtu** carried out this thesis on the topic entitled **“ASSESSING THE EFFECTIVENESS OF COMMUNICATION FACTORS AND BEHAVIORAL CHANGES OF AUDIENCES AS A RESULT OF ADVERTISING EFFORTS: CASE OF COMMERCIAL BANK OF ETHIOPIA.** This work is original in nature and is suitable for submission for the award of Masters Degree in Marketing Management.

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Declaration

I, Genet Habtu, hereby declare that the thesis entitled “ASSESSING THE EFFECTIVENESS OF COMMUNICATION FACTORS AND BEHAVIORAL CHANGES OF AUDIENCES AS A RESULT OF ADVERTISING EFFORTS”: CASE OF COMMERCIAL BANK OF ETHIOPIA” is my original work. I have carried out the present study independently with the guidance and support of the research advisor, Birara Tesfaye (PhD). Any other contributors or sources used for the study have been duly acknowledged. Moreover, this study has not been submitted for the award of any Degree or Diploma Program in this or any other institution.

Signature

Date

Genet Habtu

Contents

LIST OF TABLES	iv
LIST OF FIGURS	v
ACRONYMS	vi
ABSTRACT.....	vii
CHAPTER ONE	1
INTRODUCTION	1
1.1 Background of the study	1
1.2 Statement of the problem	4
1.3 Objective	6
1.3.1 General Objective	6
1.3.2 Specific Objective.....	7
1.4 Significance of the study	7
1.5 Delimitation of the study.....	8
1.6 Limitation of the study.....	8
1.7 Organization of the paper.....	8
CHAPTER TWO	10
REVIEW OF RELATED LITERATURE	10
2.1 Introduction.....	10
2.2 The concept and importance of Advertisement	10
2.3 History of Advertising	11
2.3.1 Emergence of Modern Advertising.....	11
2.3.2 Contemporary Advertising.....	12
2.4 Management of Marketing Communication	12
2.5 Measuring Advertising Effectiveness	14
2.5.1 Communication Factors	15
2.5.1.1 Message.....	15
2.5.1.2 Source Variable.....	16

2.5.1.3 Delivery Factor	19
2.5.2 Behavioral Factors	20
2.6 Communications Model.....	20
2.6.1 Defining Advertising Goals for Measured Advertising Results (DAGMAR).....	21
2.6.2 Traditional Response Hierarchy Model	22
2.6.2.1 The AIDA Model.....	22
2.6.2.2 Hierarchy of effects model.....	23
2.6.2.3 The innovation adoption model	24
2.6.2.4 Information processing model	24
2.6.2.3 Implication of the Traditional Hierarchy Models	24
2.7 Methods of advertising Research.....	25
2.8 Conceptual Frame Work	25
CHAPTER THREE	27
RESEARCH DESIGN AND METHODOLOGY	27
3.1 Introduction.....	27
3.2 Research Design.....	27
3.3 Sampling Design.....	27
3.3.1 Type of universe (Population).....	28
3.3.3 Sampling Unit.....	28
3.3.4 Sample size and Sampling technique.....	29
3.4 Data source and acquiring techniques.....	30
3.5 Data Analysis	31
3.5.1 Descriptive statistics	31
3.5.2 Inferential statistics	31
3.6 Reliability and Validity.....	32
3.6.1 Reliability.....	32
3.6.2 Validity	32
3.7 Ethical Issues	33
CHAPTER FOUR.....	34
DATA ANALYSIS AND PRESENTATION	34
4.1 Introduction.....	34
4.2 General Information about Respondents.....	34

4.3 Reliability Test.....	35
4.4 Descriptive Analyses	36
4.4.1 Analyses of Communication Factors	36
4.4.1.1 Message Quality.....	36
4.4.1.2 Message Source	37
4.4.2 Analyses of Behavioral Factors	39
4.4.2.1 Behavioral Factors Analyses – Hierarchy of Model	39
4.4.2.1.1 Awareness	40
4.4.2.1.2 Knowledge	40
4.4.2.1.3 Liking	41
4.4.2.1.4 Preference	42
4.4.2.1.5 Conviction.....	43
4.4.2.1.6 Action.....	44
4.4.2.2 Behavioral Factors Analyses – Behavioral Dimensions	45
4.4.2.2.1 Cognitive.....	46
4.4.2.2.2 Affective	46
4.4.2.2.3 Conative	46
4.4 Correlation Analyses.....	46
4.4.1 Relationship between communication factors and behavioral dimensions.....	47
4.4.2 Relationship between message quality and behavioral dimensions.....	48
4.4.3 Relationship between source and behavioral dimensions	49
CHAPTER FIVE	51
CONCLUSION AND RECOMENDATION	51
5.1 Summary of Findings.....	51
5.2 Conclusion	53
5.3 Recommendation	55
REFERENCES:	57
APPENDICES-1	61
APPENDIX -2	65

LIST OF TABLES

Table 3.1	Number of samples from each sample branches -----	27
Table 3.2	Summary of questioner and its sources -----	28
Table 4.1	Reliability Analyses: Cronbach’s Alpha -----	32
Table 4.2	Level of agreement-Message Quality -----	33
Table 4.3	Level agreement-Message Source -----	35
Table 4.4	Level of agreement-Message source credibility, attractiveness and power -----	36
Table 4.5	Level of agreement-Awareness -----	37
Table 4.6	Level of agreement-Knowledge -----	38
Table 4.7	Level of agreement-Liking -----	39
Table 4.8	Level of agreement-Preference -----	40
Table 4.9	Level of agreement-Conviction -----	41
Table 4.10	Level of agreement-Action -----	42
Table 4.11	Correlation between Communication Factors and Behavioral Dimensions -----	44
Table 4.12	Correlation between Message Quality and Behavioral Dimensions -----	45
Table 4.13	Correlation between Message Quality and Components of Behavioral Dimensions --	45
Table 4.14	Correlation between Message Source and Behavioral Dimensions -----	46
Table 4.15	Correlation between Message Source and Components of Behavioral Dimensions ---	47

LIST OF FIGURS

Figure 2.1 The different response hierarchy models ----- 20

Figure 2.2 Conceptual Framework ----- 24

ACRONYMS

Ads= Advertisement

The Bank = Commercial Bank of Ethiopia

MIS= Management Information System

ABSTRACT

*This research paper studies the effectiveness of communication factors and behavioral change of audiences as a result of the advertising efforts taking Commercial Bank of Ethiopia as a case. The study was limited to the Bank's customers in Addis Ababa city and the sample branches and customers were selected based on convenience sampling technique. Accordingly, primary data were collected through questionnaire. According to the research findings, the **quality of the message** and the **source that carry the message** is effective. Further, the advertising efforts is effective to create **Awareness** and **Preference** of the services, but not effective to create **Knowledge, Liking, Conviction** and **Action**. Also, the **Affective** level of customers towards the services is more; however, the **Cognitive** and **Conative level** is less. The research findings also reveal that there is a positive and strong relationship between the two variables. However, the relationship between **Message Quality** is stronger than the **Message Source**. Based on the research findings, the researcher suggests that due attention should be given on the **ethicallity, understandability, clarity** and **believability** of messages and measuring advertising efforts against the communication objectives is important not only to evaluate the effectiveness but also to design the appropriate advertising strategy that meets the desired behavioral changes.*

Key Words: *Advertising Effectiveness, Communication Factors, Behavioral Dimensions, Cognitive, Affective, Conative*

CHAPTER ONE

INTRODUCTION

1.1 Background of the study

Promotion has been defined as the coordination of all seller initiated efforts to set up channels of information and persuasion in order to sell goods and services or promote an idea. While implicit communication occurs through the various elements of the marketing mix, most of an organization's communication with the marketplace take place as part of a carefully planned and controlled promotional program. (Belch and Belch, 2003)

Promotion in the marketing mix play key role in market success. Promotion is concerned with ensuring that customers are aware of the products that the organization makes available to those customers (Dibb,S.simkin, L.,pride, W. and Ferrell,o. 1994)

The ability of advertising and other promotional methods to deliver carefully prepared message to target audiences has given advertising and promotion a major role in the marketing programs of most organizations. Companies ranging from large multinational corporations to small retailers increasingly rely on advertising and promotion to help them market products and services. In market based economies, consumers have learned to rely on advertising and other forms of promotion for information they can use in making purchase decisions. (Belch and Belch 2003)

The basic tools used to accomplish an organization's communication objective are often referred to as the promotion mix (Belch and Belch, 2003). The promotional mix is the combination of different promotional message. This will involve an appropriate selection from the range of tools that are available for use as part of the promotional mix. Traditionally the promotional mix has included four elements: advertising, sales promotion, publicity/public relations, and personal selling. Direct marketing and interactive media are also included as elements of promotional mix in contemporary marketing (ebid).

CBE's establishment dated back to 1942. However, it was legally established as a share company in 1963 to perform major Banking functions customarily carried out by Commercial Banks. In 1974, CBE merged with the then privately owned Addis Bank. CBE is the biggest and oldest Bank leading the Ethiopian Banking sector both in market share and other parameters such as in terms of capital and total asset (Websites of various Commercial Banks). The deregulation of the financial sector has resulted in the introduction of private Banks. The emergence of these private Banks in turn created competitive environment in the industry. In a bid to meet its mission to become "World class Commercial Bank", the Bank has started to operate in foreign country (Southern Sudan) and is engaged in conducting feasibility study to enter to other foreign market. This situation is an indication that in addition to the internal competition which is now facing, sooner or later, the competition is expected to be global. Hence, it is very important to give due attention to marketing activity in general in order to maintain its leading position internally and as a new entrant to global market. The same is true for promotional activities, a very important marketing mix which could be used as a competitive advantage for service giving organizations like the banking industry. Median has emphasized the importance of conducting effective promotion since services are intangible and the products /services being offered by financial institutes especially Bank services are similar.

Aware to the role of promotion and the strategic importance of communication activities, the Bank has extended its effort to the extent of developing corporate communication strategy by hiring external consultancy. What is more, the Bank usually allocates significant amount of money for promotional and communication activities and the budget is growing from time to time. All these can be considered as an evidence for the emphasis given to promotional and communication activities in general by the Bank.

Advertisement is one of the promotion mixes used in the Bank. Out of the total promotional and communication budget, advertisement takes the lion share. Hence, it can be concluded that advertisement is the major promotional mix used in the Bank which is also similar with one of the research finding made in the year 2013 by Alemayehu Hadera in titled "A Study on Promotion Practice and its Impact on Customers' Saving Habit (The case of Ethiopian

Commercial Banks) that concluded advertisement is widely used promotional mix in Ethiopian Commercial Banks.

Many companies allocate considerable amount of resources to advertisement activities. However, allocation of resources is not enough. The effectiveness has to be measured. Dutka (1995) stated why different parties who are involved in advertising have deep-rooted interested in measuring advertising results. Advertisers, who are the final decision-makers and who pay the bills, want to know what return they are getting on their advertising investment. Advertising agencies need to demonstrate to advertisers that they can and do produce effective advertising. The very existence of an advertising medium depends upon convincing both agency and advertiser of its ability to deliver results. This shows how important measuring the advertisement efforts of an organization is to all the participants in the process of advertising.

Basically, there are two approaches in measuring advertising effectiveness. The first approach is using sales results or firm performance as a yardstick of advertising and the other is measuring advertising efforts against predetermined communication objectives.

Measuring advertising efforts against percentage of sale is simple since sales data are quickly and easily accessibility. According to Belch and Belch (2003) this technique of measurement is justified by the fact that the basic reason a firm spends money on advertising and promotion is to sell its product or service. Promotion spending represents an investment of a firm's scarce resources that requires an economic justification. Hence many managers believe that monies spent on advertising and other forms of promotion should produce measurable result, such as increasing sales volume by a certain percentage of dollar amounts or increase the brand's market share.

Despite the justification, Belch and Belch (2003) mentions some of the limitation of measuring advertising efforts against percentage of sale. One of which is that the change in sales may not totally be the result of advertisement. The other reason is that many variables intervene between advertising and its actual purchase (Dutka 1995). The extended period of time over which advertisement effect occurs is also another limitation (Belch and Belch 2003).

Advertising efforts can also be measured against the effectiveness of communication factors and the behavioral changes of audiences. According to Belch and Belch (2003), the success of an advertisement depends on the effectiveness of the communication factor and the behavioral change of audiences as a result.

Hence, the purpose of the study is to assess the effectiveness of communication factors and behavioral changes of audiences as a result of advertisement effort of the Bank.

From the promotional mixes, the study focuses on Advertisement because of the fact that it is the most widely used promotional mixes in Banking Industry in general and CBE in particular and its persuasive nature (Belch and Belch 2003), among other promotional mixes.

1.2 Statement of the problem

With the increasing call for accountability of significant marketing communication spending, measuring the contribution of marketing communication effectiveness is very important. As it is stated by Burnett (2002), measuring communication effectiveness increases the efficiency of communication performance by eliminating unproductive alternative and providing feedback on the performance of communication campaign or programs.

Looking at the practice of the Commercial Bank of Ethiopia, despite the huge amount of resources allocated to promotional activities in general and advertisement in particular, it is not usual to measure the effectiveness of such activities. One of the gaps identified during the process of the development of the communication strategy was the absence of formal evaluation and feedback on impact of communication effort.

Measuring advertising effectiveness, however, has historically proven to be difficult. This is mainly due to lack of standard measuring technique that is widely acceptable and applicable. Further, the disjoint nature of the advertisement efforts and the little agreement on whether to measure change in sales or communication effects (Burnett 2002) makes it hard to measure.

Regardless of the problems, however, the overall advertising efforts have to be measured. Because companies known for their communication excellence base their promotion and

advertising activities on research based knowledge and they measure, monitor and evaluate the efficiency and effectiveness of every effort. Based on the research outcome, they correct their actions and decisions.

Even though, there is little agreement on whether to measure sales effect or communication effect, opponents of measuring advertising effectiveness against sales strongly argue that sales result should not be used as a yardstick of advertisement performance. As Dutka (1995) has mentioned, it is misleading to assume a direct causal relationship between advertising and sales. The first reason derives from the very function of advertisement which is mass communication, directed to consumers, the ultimate purpose of which is to impart information, develop positive attitudes, and aid in inducing action. The other reason is that many variables intervene between an advertising – induced positive disposition on the part of a consumer to buy a product (which advertising may have helped induce) and its actual purchase (Dutka, 1995). The extended period of time over which advertisement effect occurs is also another limitation of measuring advertisement effectiveness against volume of sales as many experts recognize that advertising has lagged or carryover effect (Belch and Belch, 2003). Hence, measuring communication effect better evaluate the effectiveness of advertisement efforts.

Evaluation of communication effect involves the communication factors or variable and the behavioral changes of audiences as a result. The communication factors or variables, according to Burnett (2002), and Belch and Belch (2003), are *the message, the source, and the channel*. Successful communication is accomplished when the marketer selects an appropriate source, develop an effective message or appeal, and then select the channel or media that will best reach the target audiences (Belch and Belch, 2003).

Developing an effective message and selecting an appropriate source and channel is not an end by itself. It is the means to bring about the intended behavioral changes of audiences which is the ultimate goal of the overall advertising efforts. As John Burnet (2002) explains, the effectiveness of promotion equals the extent to which the communication worked and, if appropriate, change behavior. Hence advertisement efforts have also to be measured against the advertisement goals set.

According to Belch and Belch (2003), advertising and other promotional efforts are designed to achieve specific communication objectives such as brand knowledge and interest, favorable attitude and image, and purchase intention which are series of steps that consumers usually are assumed to pass through in response to communication programs of a company. The steps are summarized as *cognitive*, *affective* and *conative* and are commonly termed as behavioral dimensions. The *cognitive stage* represents what the receiver knows or perceives about the particular product or brand. This stage includes awareness that the brand exists and knowledge, information, or comprehension about its attributes, characteristics, or benefits. The *affective stage* refers to the receiver's feelings or affect level (like or dislike) for the particular brand. This stage also includes stronger level of affect such as liking and preference. The *conative or behavioral stage* refers to the consumer's conviction and action towards the brand (Lavidge and Steiner, 1961).

Thus, the main purpose of the research is to evaluate the effectiveness of the communication factors and the behavioral changes of audiences as a result of advertising efforts of the Bank. While trying to evaluate the effectiveness of communication factors and the behavioral changes, the researcher poses the following research questions.

- ✚ How effective are the communication factors (Message quality and source influence)?
- ✚ How effective are the advertising efforts of the Bank to bring behavioral changes (awareness, knowledge, liking, preference, conviction and action)?
- ✚ What is the level of behavioral dimensions of customers' regarding the Bank's services?
- ✚ What is the relationship between communication factors and behavioral dimensions of customers' in relation to the Bank's services?
- ✚ Which communication factor has strong relationship with the behavioral dimensions?

1.3 Objective

1.3.1 General Objective

The main objective of the study is to evaluate the effectiveness of communication factors and the behavioral changes as a result of advertisement effort of the Bank.

1.3.2 Specific Objective

The specific objectives are:

- ✚ To evaluate the effectiveness of communication factors (message quality and source influence).
- ✚ To assess the effectiveness of advertising efforts of the Bank to bring behavioral change (awareness, knowledge, liking, preference, conviction and action) of its customers.
- ✚ To measure the level of behavioral dimensions of customers' regarding the Bank's services.
- ✚ To evaluate the relationship that exists between the communication factors and behavioral dimensions.
- ✚ To identify the most influential communication factor that has strong relationship with behavioral dimensions.

1.4 Significance of the study

The result of this study is expected to have the following significances:

Even if considerable amount of money is invested for promotional activities in general and advertisement in particular, measuring its effectiveness against the behavioral change of audiences is not common practice. With the aim of measuring the effectiveness of communication factors and behavioral factors, the study will contribute to the knowledge on evaluation techniques of advertisement. It also enhances the evaluation capability of promotion in general and advertisement effort in particular. Moreover, the research findings helps the Bank to take corrective measures based on the findings of the research and used as a benchmark while setting promotion and advertisement objectives in the future. Finally, it will help as a reference for further study who is interested in the area.

1.5 Delimitation of the study

The study is specific to one of the promotion mixes which is advertisement. Though advertising effectiveness can be measured against sales result and communication effect, the study focuses on communication effect. Further, the effectiveness of communication factors is measured against message quality and source influence only.

The study is geographically limited to the Capital city (Addis Ababa) and considers the Bank's customers only.

1.6 Limitation of the study

As the research is specific to customers of the CBE and is geographically confined to the capital city (Addis Ababa), it might affect the generalizability of the research output.

As the sampling technique of the study used to select sample branches and respondents is limited to convenience, this could affect the reliability of the study. It would have been better and more effective if sample branches and customers were selected randomly which creates equal chance to be included in the sample.

In addition, shortage of related research works on the topic was another impediment of this study.

1.7 Organization of the paper

This study is organized under five chapters. Chapter one deals with Introduction which contains background of the study, statement of the problem, objective of the study, delimitation and limitation of the study etc. Chapter two reviews important concepts of the subject matter, which includes history of advertising, management of marketing communication, techniques of measuring advertising effectiveness, communication models etc. Chapter four discusses the methodology of the research which includes research and sampling design, data source, data

acquiring and analyses techniques etc. Chapter four deals with data analyses and interpretation and chapter five contain conclusion and recommendations.

CHAPTER TWO

REVIEW OF RELATED LITERATURE

2.1 Introduction

This chapter presents the literature relevant to the theme of this study. The concept and importance of advertising, management of marketing communication, communication and behavioral factors and advertising effectiveness communication measuring techniques are critically reviewed.

2.2 The concept and importance of Advertisement

The definition of advertising varies with the individual's perspective. From the point of view of the consumer, advertising is a source of information or a form of entertainment. From a societal perspective, advertising provides a valuable service to society and its members. In general, advertising helps define the meaning and the role of products and institution for the consumer and it provides information about brands, companies, and institution. Finally, to most business managers, advertising is an important selling tool. They believe that it facilitates the sale of products or builds the reputation of companies (Burnett, 2002).

Advertising is defined as any paid form of non personal communication about an organization, product, service, or idea by an identified sponsor. The paid aspect of this definition reflects the fact that the space or time for an advertising message generally must be bought. The non personal component means that advertising involves mass media (e.g. TV, radio, magazines, and newspapers) that can transmit a message to large groups of individuals, often at the same time. The non personal nature of advertising means that there is generally no opportunity for immediate feedback from the message recipient. Therefore, before the message is sent, the advertiser must consider how the audience will interpret and respond to it. (Belch and Belch, 2003)

According to Burnett (2002) definition, two important elements have been given more emphasis or attention. First, advertisement is related to informing market related information to a target audience rather than target market. In most cases, the target market includes the target audience plus other individuals / organizations. Second, advertising is intended to achieve predetermined objectives such as improved memory, reinforcement of other promotion, change of attitudes, or product sample (ibid).

Advertising is the best-known and most widely discussed form of promotion, probably because of its pervasiveness. It is also a very important promotional tool, particularly for companies whose products and services are targeted as mass consumer market. (Belch and Belch, 2003) There are several reasons why advertising is such an important part of many marketers' promotional mixes. First, it can be a very cost-effective method for communicating with large audiences. Advertising can be used to create brand images and symbolic appeals for a company or brand, a very important capability for companies selling products and services that are difficult to differentiate on functional attributes. Another advantage of advertising is its ability to strike a responsive chord with consumers when differentiation across other elements of the marketing mix is difficult to achieve (ibid)

2.3 History of Advertising

2.3.1 Emergence of Modern Advertising

Despite its early roots with the town crier and Ben Franklin, Advertising had its beginnings in the mid-1800s. The major impetus was the emergence of a literate audience. A second impetus was the tremendous rebuilding of the country, especially the business community that followed the civil war. The early advertising practitioner of the 1860s was hardly an expert. He had little knowledge of copy writing or design and little interest in the product being advertised. The last decades of the nineteenth century brought several milestones in the development of advertising. These were the emergence of copy writing by John. E. Powers, magazine as an advertising vehicle, by E.C Allen and the creation of modern advertising agency by Thompson. (Burnett, 2002)

2.3.2 Contemporary Advertising

Most of the growth in advertising has occurred since World War II. After the war, companies in Western Europe and the Far East once again started to compete in world markets; advertising was an essential part of this new economy. Large corporations such as IBM, General Motors corp. and Coca – Cola Enterprises Inc. had long been active all over the world, but after 1946, many small and medium sized companies also become international. Large advertising agencies of the United States, Western Europe, and the Far East followed the same trend, opening offices in several countries. The decade of the 1950s was a good time for advertising. The industry was run by specialists in marketing research, merchandising, public relations, and sales promotion. (Burnett, 2002)

2.4 Management of Marketing Communication

Management of Marketing Communication, according to Usunier and Lee (2009), cited by Ma and liu, involves series of steps that should be taken in order. These steps are explained as follows.

Step 1 Problem to be solved

The first step refers to the problems which exist in the marketing communication process and are needed to be solved, such as improving brand awareness; changing brand image, increasing sales and so on.

Step 2 Target population

The second step includes “the consumer segments to be targeted and their socio demographic characteristics”. Kotler and Armstrong (2012) stated that a marketing communicator starts with a clear target audience in mind. The target audience will heavily affect the communicator’s decisions on what will be said, how it will be said, when it will be said, and who will say it (ibid).

Step 3 Communication objectives

The third step is defining the communication objective. Marketing communication objectives should be defined in terms of influencing the target population, at either the attitudinal or the behavioral level. Determination of communication objective is related to the determination of desired response of target audience and in many cases, it is a purchase response. According to, Kotler and Armstrong (2012), purchase may result only after a lengthy consumer decision-making process. Consumers normally pass through stages termed as buyer-readiness stages on their way to making a purchase. These stages include awareness, knowledge, liking, preference, conviction, and purchase. Hence it is very important to know which stage the target audience stands and to what stage it needs to be moved (ibid).

Step 4 Creative strategy

The fourth step is selecting creative strategy. It indicates the way which the brand name is portrayed and how to translate the objective into copy. It is related to the designing of message. Kotler and Armstrong (2012) explained the concept of creative strategy in terms of Message content and Message structure. Message content refers to the appeal or theme that will produce the desired response. Message structure and format, on the other hand is a decision on how to handle message. It is all about how message should be said and placed to attract audience so that the intended communication objective could be obtained (ibid).

Step 5 Media planning

The fifth step is designing media plan that include designing and planning the media vehicle and how to use. Kotler and Armstrong (2012) also classified the type of communication channel available in to two broad categories as personal and non personal. In personal communication channels, two or more people communicate directly with each other either face to face, on the telephone, mail, through internet etc. (ibid). Non personal channels of communication are those that carry a message without interpersonal contact between sender and receiver. Non personal channels are generally referred as the mass media or mass communications, since the message is sent to many individuals at one time. Print and broadcast are the major type of mass media. Print

media include newspapers, magazines, direct mail, and billboards; while broadcast media include radio and television (Belch and Belch 2003).

Step 6 Implementation and evaluation

The final step is implementing followed by evaluation of advertisement effectiveness. Evaluation is the most important step in developing an advertising campaign. Evaluation allows for changes that may ensure the success of the total program (Burnett, 2002).

Burnett, 2002 explained the importance of evaluation of promotional performance as follows:

- Testing increases the efficiency of promotions by helping managers eliminate unproductive alternatives.
- Information from testing can help managers avoid disasters the campaign or even the organization.
- Provide feedback to those who create and implement the promotional campaign.

Burnett, 2002 further described the timing of evaluation as Pretesting, Concurrent and Post testing. Pretesting is research conducted before the audience is exposed to the promotion. Concurrent testing is evaluating the promotional effort while it is running in the market place. Whereas post testing is research conducted after the audience has been exposed to the message, medium, or spokesperson. Post testing is designed to determine to what extent the promotional objectives have been attained.

2.5 Measuring Advertising Effectiveness

According to Burnet (2002), the results as well as effects of advertisement are classified in to two components: Communication and Behavior. Burnet (2002) assume that the effectiveness of promotion equals the extent to which the communication worked and, if appropriate, change behavior.

2.5.1 Communication Factors

The communication factors, according to Belch and Belch (2003), are the variable or component in the communication system. These are the independent variables that are controllable elements in the communication model. Belch and Belch (2003), and Burnett (2002) classified the communication factors as Message, Source and channel or delivery variables. To develop an effective advertising, a firm must select the right spokesperson, to deliver a compelling message through appropriate channel. Belch and Belch (2003) has discussed the three variables and are summarized here under.

2.5.1.1 Message

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

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

A. Meaningful

Meaningful dimension of the message implies the benefits that make the product more desirable or interesting to consumers.

B. Believable

Believable is to mean that consumers must believe that the product or service will deliver the promised benefits.

C. Distinctive

Distinctive dimension of message indicates that they should tell how the product is better than competing brand.

2.5.1.2 Source Variable

According to Belch and Belch (2003), source is to mean the person involved in communicating a marketing message, either directly or indirectly. A direct source is a spokesperson that delivers a message and/or demonstrates a product or service. An indirect source, say a model, doesn't actually deliver a message but draws attention to and/or enhance the appearance of the ads. Burnett (2002), on the other hand include animated character, a background voice, and actor, or sometimes singing a jingle as a source. According to Belch and Belch (2003), sources are an important tool to deal with the problem of clutter. Message delivered by attractive or popular sources achieve higher attention and recall, which is why advertisers often use celebrities as spokes people.

Companies are very careful when selecting individuals to deliver their selling messages. They recognize that the characteristics of the source affect the sales and advertising message. Hence companies are very careful when selecting individuals to deliver their selling messages. Marketers try to select individuals whose traits will maximize message influence. The source may be knowledgeable, popular, and/or physically attractive; typify the target audience; or have the power to reward or punish the receiver in some manner. Kelman (1961), as cited by Belch

and Belch (2003), developed three basic categories of source attributes: credibility, attractiveness and power. These factors are elaborated as follows.

A. Source Credibility

Source credibility is the extent to which the recipient sees the source as having relevant knowledge, skill, or experience and trusts the source to give unbiased, objective information. Kotler and Armstrong (2012) also described the importance of having source as messages delivered by highly credible sources are more persuasive. According to Belch and Belch (2003) the two important dimensions of credibility are expertise and trustworthiness. These are further elaborated as follow.

a) Expertise

Expertise is the specialized knowledge the communicator possesses to back the claim. Spokespeople are often chosen because of their knowledge, experience, and expertise in a particular product or service area. Endorsements from individual or groups recognized as experts are also common in advertising. The importance of using expert sources was shown in a study by Roobina Ohanianm, who found that the perceived expertise of celebrity endorsers was more important in explaining purchase intentions than their attractiveness or trustworthiness. She suggests that celebrity spokespeople are most effective when they are knowledgeable, experienced, and qualified to talk about the product they are endorsing.

b) Trustworthiness

Trustworthiness is related to how objective and honest the source is perceived to be. While expertise is important, the target audience must also find the source believable.

B. Source Attractiveness

A source characteristic frequently used by advertisers is attractiveness, which encompasses similarity, familiarity, and likability.

a) Similarity

Similarity is a supposed resemblance between the source and the receiver of the message. Marketers recognize that people are more likely to be influenced by a message coming from someone with whom they feel a sense of similarity.

b) Likability

Likability is affection for the source as a result of physical appearance, behavior, or other personal traits. Even when the sources are not athletes or movie star, consumers often admire their physical appearance, talent, and/or personality.

Source attractiveness, in general leads to persuasion through a process of identification, whereby the receiver is motivated to seek some type of relationship with the source and thus adopts similar beliefs, attitudes, preferences, or behavior. Maintaining this position depends on the source's continued support for the position as well as the receiver's continued identification with the source.

C. Source Power

Source has power when he or she can actually administer rewards and punishments to the receiver. As a result of this power, the source may be able to induce another person(s) to respond to the request or position he or she is advocating. The power of the source depends on several factors. These include perceived control, Perceived concern, and perceived scrutiny. Perceived control means the perception that the source is able to administer positive or negative sanctions to the receiver. Perceived concern is the receiver's perception that the source cares about whether or not the receiver concerns. Perceived scrutiny is the receiver's estimate of the source's ability to observe conformity.

When a receiver perceives a source as having power, the influence process occurs through a process known as compliance. The receiver accepts the persuasive influence of the source and acquiesces to his or her position in hopes of obtaining a favorable reaction or avoids punishment.

2.5.1.3 Delivery Factor

These are the channel through which message can be delivered. Message can be delivered through a variety of ways.

According to Kotler and Armstrong (2012), the major steps in advertising media selection are: Determining on reach, frequency, and impact; Choosing among major media types; Selecting specific media vehicle; and Choosing media timing. These are more elaborated as follows.

A. Determining Reach, Frequency, and Impact

To select the media, the advertiser must determine the reach and frequency needed to achieve the advertising objectives. Reach is a measure of the percentage of people in the target market who are exposed to the ad campaign during a given period of time. Frequency is a measure how many times the average person in the target market is exposed to the message. The advertiser also must determine the desired media impact - the qualitative value of message exposure through a given medium.

B. Choosing among major media types

The major media type are television, newspaper, the internet, direct mail, magazines, radio and outdoor. Advertisers can also choose from a wide array of new digital media such as cell phones and other digital devices, which reach consumers directly. Advertisers want to choose media that will effectively and efficiently present the advertising message to target customers. Thus they must consider each medium's impact, message effectiveness, and cost.

C. Selecting Specific Media Vehicles

Media planners must also choose the best media vehicles – specific media within each general media type.

D. Deciding on Media Timing

An advertiser must also decide how to schedule the advertising over the course of a year. The firm can vary its advertising to follow the seasonal pattern, oppose the seasonal pattern, or be the same all year. The advertiser must choose the pattern of the ads. Continuity means scheduling ads evenly within a given period. Pulsing means scheduling ads unevenly over a given time period.

2.5.2 Behavioral Factors

The expected result of every communications effort is to influence the receiver to behave in a certain way. Although marketers can't control the receiver, it is very important to understand how they respond to the overall communications effort and the message, source and channel variable in particular. Because the expected result of every communications effort is to influence the receiver to behave in certain way based on the communication objective. According to Belch and Belch (2003), the most important aspect of developing effective communication programs involves understanding the response process the receiver may go through in moving towards a specific behavior such as purchasing a product and how the promotional efforts of the marketer influence consumer responses.

2.6 Communications Model

A number of models have been developed that explains the response process the receiver may go through towards a specific behavior from a state not being an aware to actual purchase in response to the advertisement effort. What makes the majority of models similar is that they assume a consumer passes through a series of steps in sequential order from initial awareness of a product or service to actual purchase (Belch and Belch, 2003). These models are explained as follows.

2.6.1 Defining Advertising Goals for Measured Advertising Results (DAGMAR)

Many marketing and promotional managers recognize the value of setting specific communications objectives and their important role as operational guidelines to the planning, execution, and evaluation of the promotional program. Communications objectives are the criteria used in the DAGMAR approach to setting advertising goals and objectives, which has become one of the most influential approaches to the advertising planning process. In 1961, Russell Colly prepared a report for the Association of National Advertising titled as “Defining Advertising Goals for Measured Advertising Results (DAGMAR)”. Colley developed a model for setting advertising objectives and measuring the results of an ad campaign. The major thesis of the DAGMAR model is that communications effects are the logical basis for advertising goals and objectives against which success or failure should be measured. Colley’s rationale for communications-based objectives was that advertising’s job, purely and simply, is to communicate to defined audience information and a frame of mind that stimulates action (Belch and Belch, 2003).

According to Belch and Belch (2003), advertising succeeds or fails depending on how well it communicates the desired information and attitudes to the right people at the right time and at the right cost. Under the DAGMAR approach, an advertising goal involves a communications task that is specific and measurable. Colley proposed that the communications task be based on a hierarchical model of communications process with four stages:

- ✚ Awareness- making the consumer aware of the existing of the brand or company
- ✚ Comprehension- developing an understanding of what the product is and what it will do for the consumer.
- ✚ Conviction- developing a mental disposition in the consumer to buy the product.
- ✚ Action- getting the consumer to purchase the product.

2.6.2 Traditional Response Hierarchy Model

In addition to DAGMAR model there are other related models and the Traditional Response Hierarchy Models are the most commonly used that are developed by different researchers. AIDA model, Hierarchy of effects model, Innovation adoption model and information processing model are included in the traditional response hierarchy model. Belch and Belch (2003) has analyzed these models as follows.

Figure 2.1 The different response hierarchy models

Stages	Models			
	AIDA Model (a)	Hierarchy of Model (b)	Innovation Adoption Model (c)	Information Processing Model (d)
Cognitive Stage	Attention	Awareness Knowledge	Awareness	Presentation Attention Comprehension
Affective Stage	Interest	Liking Preference	Interest	Yielding
	Desire		Evaluation	Retention
Behavioral Stage	Action	Conviction Purchase	Trial Adoption	Behavior

Source: Belch and Belch (2003)

2.6.2.1 The AIDA Model

This model was developed to represent the stages a sales person must take a customer through in the personal-selling process. This model depicts the buyer as passing successively through attention, interest, desire, and action. The salesperson must first get the customer's attention and then arouse some interest in the company's product or service.

Having defined the desired response, the communicator moves to developing an effective message. Ideally, the message should gain attention, hold interest, arouse desire, and elicit action. In practice, few messages take the target audience all the way from awareness through

purchase, but the AIDA framework suggests the desirable quality of any communication (Kotler, 2002).

Kotler (2005) mentioned that AIDA model is based on the attitude models, which means the consumers think about the products (cognitive stage), then expand their feeling or emotional towards the products (affective stage) and finally take some actions or some behavior (conative or behavioral stage). These three stages can be seen as learn-feel-do sequence. Consumers' behavior appropriately follows these sequences when they make a decision for some products. In some cases, consumers often follow other sequences, such as do-feel-learn or learn-do feel, which are dependent on nature of the product.

2.6.2.2 Hierarchy of effects model

The hierarchy of effects model is developed by Robert Lavidge and Gary Steiner as a paradigm for setting and measuring advertising objectives. It shows the process by which advertising works; a basic premise of this model is that advertising effects occur over a period of time. Advertising communication may not lead to immediate behavioral response or purchase; rather a series of effects must occur, with each step fulfilled before the consumer can move to the next stage in the hierarchy. This model is the best known paradigm for setting and measuring advertising objectives. It assumes a consumer passes through a series of steps in sequential order from initial awareness of a product or service to actual purchase.

According to Lavidge and Steiner (1961) as cited by Ma and Liu, advertising drives consumers' seven steps from unawareness to reach the ultimate purchase: unawareness, awareness, knowledge, liking, preference, conviction and purchase (Lavidge and Steiner, 1961). The later six steps are related to three main behavioral dimensions, Cognitive, affective, and conative. Cognitive component indicates awareness and knowledge, the affective component indicates liking, preference and the conative (or motivation) component indicates conviction and purchase (ibid).

2.6.2.3 The innovation adoption model

The innovation adoption model evolved from work on the diffusion of innovations. This model represents the stages a consumer passes through in adopting a new product or service. Like the other models, it says potential adopters must be moved through a series of steps before taking some action (in this case, deciding to adopt a new product). The steps preceding adoption are awareness, interest, evaluation, and trial.

2.6.2.4 Information processing model

Information processing model of advertising effects is developed by William McGuire. This model assumes the receiver in a persuasive communication situation like advertising is an information processor or problem solver. McGuire suggests the series of steps a receiver goes through in being persuaded constitutes a response hierarchy. The stages of this model are similar to the hierarchy of effects sequence; attention and comprehension are similar to awareness and knowledge, and yielding is synonymous with liking. McGuire's model includes a stage not found in the other models: retention, or the receiver's ability to retain that portion of the comprehended information that he or she accepts as valid or relevant. This stage is important since most promotional campaigns are designed not to motivate consumers to take immediate action but rather to provide information they will use later when making a purchase decision.

2.6.2.3 Implication of the Traditional Hierarchy Models

According to Belch and Belch, the hierarchy models of communication are useful to promotional planners from several perspectives. First, they delineate the series of steps potential purchasers must be taken through to move them from unawareness of a product or service to readiness to purchase it. Second, potential buyers may be at different stages in the hierarchy, so the advertiser will face different sets of communication problems.

Each stage of the response hierarchy is a dependent variable that must be attained and that may serve as an objective of the communication process. Each stage can be measured, providing the

advertiser with feedback regarding the effectiveness of various strategies designed to move the consumer to purchase.

In all these models, consumers pass through three successive stages: cognitive, affective, and conative. As consumers proceed through the three stages, they move closer to making a purchase.

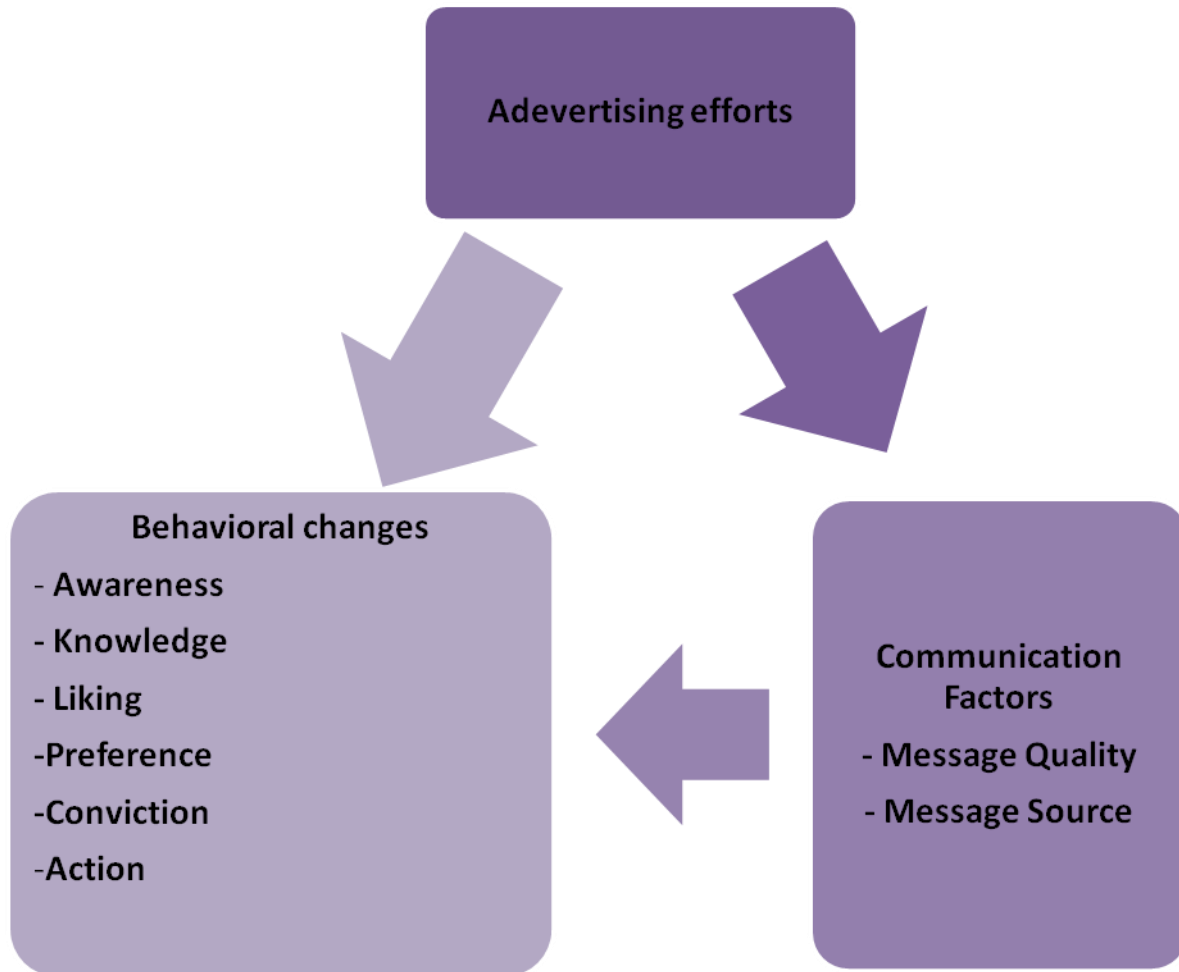
2.7 Methods of advertising Research

There are literally hundreds of specific tests used to evaluate promotion. However, this entire measurement device can be placed in three categories. These are experimental, survey, and mechanical techniques. Experiments give individuals a controlled exposure to the message, and the change in their opinion, attitude or some measurable action is then evaluated. In a survey, interview or questionnaire are used to obtain information about people's exposure to a particular message, medium, or person, and the resulting changes in these attitudes or actions. People are simply asked what they think, feel, or do. Statistical analyses of the responses yield a measure of correlation between the reports of exposure and the changes in attitude or action. In mechanical measurement techniques, information is collected through a device. These devices usually measure involuntary responses of the autonomic nervous system Burnett (2002). According to Hacky (2005), formal/scientific primary research into consumer attitudes may be conducted using questionnaire-based survey and will be analyzed using quantitative methods such as statistical tests of significance.

2.8 Conceptual Frame Work

The following conceptual frame work is extracted from the above reviewed literatures. From the above concept, the dependent variable (Behavioral change) is an output of communication factors and the general advertising efforts of the organization.

Figure 2.2 Conceptual framework



Sources: Developed for the study based on Burnett (2002), Belch and Belch (2003) and Lavidge and Steiner (1961)

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

3.1 Introduction

This chapter discusses methods used in undertaking the study. It describes the overall research design, sampling technique, data source and acquiring technique and data analyses.

3.2 Research Design

According to Kothari (2004), the research design to be adopted depends on the nature of the study. The author has classified the research designs in to three broad categories. The first one is exploratory which is used in case of exploratory research studies, the main purpose of which is formulating a problem for more precise investigation. The second research design is experimental which is used in case of hypothesis testing research studies where in the researcher tests the hypotheses of causal relationship between variables. The third one is descriptive, used when conducting descriptive research studies and is concerned with describing characteristics of a particular individual, or of a group.

Hence, the research design of the study is descriptive as the study is concerned with narration of facts and characteristics regarding group of customers of the Bank.

3.3 Sampling Design

Sample design is a definite plan for obtaining a sample from a given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample as well as number of items to be included in the sample. The sample design incorporates the type of universe or number of population, sampling unit, sampling frame and sample size (Kothari, 2004). These are determined as follows.

3.3.1 Type of universe (Population)

Customer V Non Customer

Representation could have been enhanced if the population under study was both customer and non-customer. However, because of limited resource and easiness to manage and administer, the study focuses on customer only.

Type of customer

Majority of Bank products/services requires having an account, and there is a possibility that a depositor could experience one or more products/services. Therefore, it is logical to focus on deposit customers. In the Commercial Bank of Ethiopia, there are three types of depositors. Saving, demand and fixed time depositors. Majority of the demand and fixed time depositors are assumed to be institutions and business entities that have business to business relationship with the Bank. Whereas majority of saving depositors are individuals and the advertisement efforts of the Bank usually targets these individuals. Hence the population of the study is saving depositors in CBE branches of Addis Ababa city which is 2,800,000.00 in number (extracted from MIS process records of the Bank as of December 30, 2013).

3.3.3 Sampling Unit

The effectiveness of advertising is usually measured against a specific target audience as it is assumed that every advertisement effort targets a specific audience. It will make easy to measure the effectiveness as the specific target audiences are exposed to similar type of advertisements. Thus, the study focuses on customers of Addis Ababa city. The reason for choosing Addis Ababa city is because of its nearness that makes it easy to collect data from customers. Further Addis Ababa city customers represent considerable number of the total customers of the Bank. According to data obtained from MIS, out of the 6.7 million saving account customers as of December 30, 2013, 2.6 million (39%) are in Addis Ababa. Consequently, it seems logical to focus on Addis Ababa.

As of December 30, 2013, the total number of branches of the Bank in Addis Ababa city was 126. The branches are categorized in grades as Grade I, Grade II, Grade III, Grade IV, and special branch. The Bank categorizes the branches based on volume of transaction, site location, amenities and staff strength, cash holding limits and other similar considerations. To ensure representativeness, a total of five branches have been selected (one from each category). The branches have been selected based on convenience to collect data. Therefore, the five branches from which data is collected are Filwuha (Grade I), Birhanena selam (Grade II), Kidistemariam (Grade III), Selassie (Grade IV) and A.A (Special branch).

3.3.4 Sample size and Sampling technique

The sample size is determined based on a format extracted from research advisory 2006 (WWW. Research – advisors.com/documents/sample size-web .x/s). The recommended sample size for a population size above 1,000,000.00 at 95% confidence level and a margin of error (degree of accuracy) of 5% is 384. Since the total number of saving depositors of CBE is more than one million, the sample size is 384.

The number of samples taken from the branches is determined based on the volume of saving depositors in each grades.

Table 3.1 Number of samples from each sample branches

Grade	No. of saving deposits	% of the total deposit	Total sample from each group
I	113,179.00	4%	16
II	1,125,395.00	43%	165
III	453,108.00	17%	65
IV	816,704.00	31%	119
Special	120,318.00	5%	19
Total	2,628,704.00	100%	384

Source: Computed from MIS records of the Bank

Hence 16, 19, 65, 119 and 165 samples were taken from Filwuha, Addis Ababa, Kidistemariam, Selassie and Berhanenaselam respectively.

3.4 Data source and acquiring techniques

Primary, secondary and tertiary data sources were used in the study. Tertiary data were collected from research papers, journals and books. Secondary data were collected from reports and relevant documents of the Bank. The primary data, on the other hand were collected through questionnaire.

In order to ensure understandability of the constructs in the questionnaire, pilot test was made by distributing sample questionnaire to 20 customers of Arat Kilo branch. Based on the response, some adjustments were made to the constructs. Finally the questionnaires were distributed at full scale to saving customers who visited the sample branches during data collection period by the respective marketing officer or lobby man of the selected branches.

The survey questionnaire contains three parts. The first part describes the demographic profile of the respondents including their gender, age, education level, occupation, duration of their stay being customer of the Bank. The second part contains the constructs related to *Communication factors* and the third part contains the constructs related to *Behavioral factors*. It was developed in a five point Likert Scale format ranging from strongly disagree to strongly agree. The values assigned were 5 for Strongly Agree, 4 for Agree, 3 for Neutral, 2 for Disagree and 1 for Strongly Disagree.

The *Communication factors* constructs are categorized in to two and are adopted from Alemayehu Hadera (2013). The *Behavioral factors* related questions are adopted from Ma and Liu, with little modification in order to best suit the specific service of the study. Further, some of them are developed by the researcher based on the definition of Barry and Harward (1990).

Table 3.2 Summary of questionnaire and its sources

No	Dimension	Number of items	Source
1	Message Quality	10	Alemayehu Hadera (2013)
2	Source Influence	6	Alemayehu Hadera (2013)
3	Awareness	2	Ma and Liu (2010); Barryand Harward (1990), and the researcher
4	Knowledge	4	JMa and Liu (2010) and the researcher
5	Liking	4	Ma and Liu (2010); Barryand Harward (1990), and the researcher
6	Preference	4	Ma and Liu (2010); Barryand Harward (1990), and the researcher
7	Conviction	4	Ma and Liu (2010); Barryand Harward (1990), and the researcher
8	Action	2	Ma and Liu (2010); Barryand Harward (1990), and the researcher
Total		36	

3.5 Data Analysis

The researcher used Statistical Package for Social Science (SPSS) to analyze the data. This software has been widely used by researchers as a data analysis technique. Both descriptive as well as inferential statistics are used to analyze the data.

3.5.1 Descriptive statistics

Descriptive statistics were used to analyze the demographic profile of respondents, the level of effectiveness of communication factors (Message and Source) behavioral factors (Awareness, Knowledge, Liking, Preference, Conviction and Action) and also the Cognitive, Affective, and Conative level of respondents. The respective frequency and mean value are summarized and presented in tabulated format. The tables are analyzed and interpreted with simplified statement followed by discussion.

3.5.2 Inferential statistics

In this study, Pearson correlation coefficient is used to measure the strength of the association between the communication factors and the behavioral dimensions which is correlation coefficient used to measure the linear association between two scale variable.

3.6 Reliability and Validity

3.6.1 Reliability

According to Bhattacharjee (2012), reliability is the degree to which the measure of a construct is consistent or dependent. Reliability is concerned with the consistency or stability of the score obtained from a measure or assessment technique over time and across settings of conditions (Anastasi & Urbina, 1997; white & saltz, 1957). In this study cronbach's alph scale has been used to measure the reliability of each constructs.

3.6.2 Validity

Different scholars have defined and explained how validity can be assessed in various ways. Bhattacharjee (2012) defined validity as the extent to which a measure adequately represent the underlying construct that it is supposed to measure. Validity can be assessed using theoretical or empirical approaches. Theoretical assessment of validity focuses on how well the idea of theoretical construct is translated in to or represented in an operational measure. Empirical assessment of validity examines how well a given measure relates to one or more external criterion, based on empirical observations.

Andrich (1981) defined reliability as the consistency or dependability of a measurement technique. More specifically, reliability is concerned with the consistency or stability of the score obtained from a measure or assessment technique over time and across settings or conditions (Anastasi & saltz, 1957). If the measurement is reliable, then there is less chance that the obtained score is due to random factors and measurement error. Validity focuses on what the test or measurement strategy measures and how well it does so (Anastasi & Urbina, 1997).

The most common methods for demonstrating validity are referred to as content related, criteria related and construct related validity (Campbell, 1960). Content related validity refers to the relevance of the instrument or measurement strategy to the construct being measured (fitzpatrik, 1983). The approach for determining content validity starts with the operationalization of the

construct of interest. Content validity can also be related to other types of measurement strategies used in research design and methodology. A significant amount of research is conducted using preexisting commercially available instruments. All of the constructs used in this research are adopted from the previous research works and definitions with little modifications in order to best suite the type of the service under study.

3.7 Ethical Issues

The researcher has made sure that permission was gained and the aims and objectives of the study are made known to the Bank through introductory letters. The aim and objectives of the study was also clearly disclosed for the respondents on the questionnaire. Confidentiality of information was also confirmed by informing respondents not to write their names on the questionnaire.

CHAPTER FOUR

DATA ANALYSIS AND PRESENTATION

4.1 Introduction

In this part of the study, the data obtained through questionnaire is interpreted and analyzed with the respective theory and related prior studies.

4.2 General Information about Respondents

From the 384 questionnaires distributed to the customers of the Bank, 303 were returned. This resulted in 78% response rate. Out of the total questionnaires returned, 15 were incomplete so they were eliminated from the data. Hence, the completed and usable questionnaires were 288 or 75% of the questionnaires distributed. This indicates that there was a good response rate.

The following analysis dealt with the basic data of the respondents which comprises of gender, age, educational level, occupation, and years being customer of the Bank. Statistical data are attached in the appendix column (**Appendix 2.1**).

The data collected indicates that majority of the respondents are male (50.3%). The age category of the sample respondents shows 39.2%, 22.6%, 22.6%, 10.8% and 4.9% are between the ages of 26-35, 36-55, 18-25, 46-44 and above 55 respectively. This implies that most of the Bank's customers are at the middle and young age which is good opportunity for the Bank since the age categories are assumed to be the most productive. According to the educational level response, 42.4%, 21.2%, 19.1%, 16.3% have degree, master, diploma and certificate respectively. Only 1% of the respondents are below high school. This implies that majority of the Bank's customers have good educational background which is expected to have exposure to various types of advertisements. Occupation of customers is another important factor that indicates the level of income of customers. In this case, 39.9%, 22.9%, 14.6%, 9.7% and 9% are government employee, working in private company, self employed, full time students and unemployed. This

implies that majority of the customers (77.4%) have their own income which is good opportunity for the Bank to have sustainable deposit resource.

4.3 Reliability Test

According to Hatcher (1994) cited by Ma and Liu, Cronbach's alpha is an index of reliability associated with the variation accounted for by the true score of the underlying constructs which is the hypothetical variable that is being measured. Thus, Cronbach's alpha is calculated to examine the consistency of the constructs and the statistics results are presented in Table 4.1

Table 4.1 Reliability Analysis: Cronbach's Alpha Value

No	Dimension	Number of items	Cronbach's Alpha
1	Message Quality	10	0.733
2	Source Influence	6	0.792
	Grand Cronbach's Alpha/Value Communication Factor	16	0.775
1	Awareness	2	0.725
2	Knowledge	4	0.718
3	Liking	4	0.884
4	Preference	4	0.816
5	Conviction	4	0.794
6	Action	2	0.729
Total	Grand Cronbach's Alpha /value (Behavioral Factors)	20	0.798

Source: Questioner 2014

Cronbach's alpha is used to measure the correlation between the variables and the reliability of the results. Reliability coefficient normally ranges from 0 and 1, and George and Malley (2003) cited by Ma and Liu discuss the rules of thumb as greater than .7 to be acceptable. It is evident from the above table that the Cronbach's alpha for all constructs investigated is above the lower limit of acceptability of 0.70. This confirms that the measurements that were used are reliable.

4.4 Descriptive Analyses

In this part of the analyses, the levels of the effectiveness of the two communication factors are described by the mean value. It is measured with a five point likert scale starting from 1, which is value given to strong disagreement to 5 which is strong agreement. 3 is value given to neutral value.

4.4.1 Analyses of Communication Factors

4.4.1.1 Message Quality

In this study, the message quality is measured in terms of how well the messages are attractive, convincing and believable, clear and understandable, rationally appealing, motivating to use the service, flexible /dynamic, frequently updated, artistic and ethical. The statistical values of respondents are presented in table 4.2

Table 4.2 Level of agreement - Message Quality

	N	Mean	Std. Deviation
The message is attractive	288	3.74	.929
The message is convincing and believable	288	3.42	1.005
The message is clear and understandable	288	3.43	1.076
The message is rationally appealing	288	3.51	1.019
The message is emotionally appealing	288	2.91	1.167
The message is motivating to use the service	288	3.05	.898
The message is flexible/dynamic	288	3.95	.872
The message is frequently updated	288	3.67	1.138
The message is artistic	288	3.83	.981
The message is ethical	288	<u>3.48</u>	1.244
Grand Mean /value		<u>3.50</u>	
Valid N (list wise)	288		

Source: field survey 2014

As it is indicated in table 4.2, the mean value of the response on the flexibility/dynamism, artistic presentation, attractiveness, frequency of updating, the rationality of message appeal, the ethical nature of the message, clarity and understandability of the message, the ability to convince and its believability, and the ability of the message to motivate use of the services are 3.95, 3.83, 3.74, 3.67, 3.51, 3.48, 3.43, 3.42 and 3.05 respectively. This implies that majority of the respondents agree the messages of the Bank transmitted through various advertising media are flexible/ dynamic, they are artistically presented, attractive, frequently updated, and are rationally appealing. The mean value of response regarding the emotionality of the message is 2.91. This indicates that majority of the respondents do not agree the messages are emotional. Majority of the respondents neither agree nor disagree that the messages are ethical, clear and understandable, convincing and believable, and motivates to use the service since the mean values are less than 3.5. Generally, the grand mean value of message quality is 3.5. This implies that majority of the respondents agree on the quality of the message of the Bank transmitted through various advertisement tools. This is contrary to the research finding on the message quality of the overall Commercial Banks in Ethiopia which was conducted in the year 2013 by Alemayehu Hadera as the research findings concluded the overall Commercial Banks' message quality are less supported by the grand mean value of 3.34.

4.3.1.2 Message Source

Companies usually invests considerable amount of money to sources that carry the message. The practice of advertising with an identified endorser or celebrity nowadays is becoming common practice even in our country. Most of the time, the rationale behind the use of identified source in advertising is to create an association between the company and well-known personality so that the desirable quality of the source can operate in a transferable way to the company's products and services.

The message source of the Bank is evaluated in terms of the message source skill, faithfulness, familiarity, likability, and the ability to reward or give recognition. The statistical values of respondents are presented in table 4.3 below.

Table 4.3 Level of agreement - Message Source

	N	Mean	Std. Deviation
The message source/spokesperson is expertise/Knowledgeable in his/her occupation	288	4.00	1.029
The message source/spokesperson is skilled in his/her occupation	288	4.01	1.027
The message source/spokesperson is faithful	288	3.91	1.089
The message source/spokesperson is familiar	288	3.88	1.020
The message source/spokesperson is likable	288	3.65	.878
The message source/spokesperson can reward/give recognition	288	<u>3.48</u>	.998
Grand Mean Value		<u>3.82</u>	
Valid N (list wise)	288		

Source: field survey 2014

As it is indicated in table 4.3, except one construct, which is the message source ability to reward or give recognition, the mean values of the remaining are above 3.5. The message source skill in his/her occupation scores the highest mean value which is 4.01 followed by knowledge, faithfulness, familiarity and likability with a mean value of 4.00, 3.91, 3.88 and 3.65 respectively. This indicates that majority of the respondents agree the message source has skill in his occupation, have knowledge, it is faithful, familiar and likable. But they neither agree nor disagree on the source’s ability to reward or give recognition as the mean value is 3.48.

Generally, the grand mean value of message source is 3.82. This implies that majority of the respondents agree the message source of the Bank is influential. This is also contrary to the research finding on the message source influence of the overall Commercial Banks in Ethiopia which was conducted in the year 2013 by Alemayehu Hadera as the research findings concluded the overall Commercial Banks’ message sources are not influential which was supported by the grand mean value of 3.4.

According to forouhanded as cited by Nhung, Sarinya, and Claire, source credibility is the degree that consumers see and trust the source as having relevant knowledge, expertise, or experience about the product/service as well as giving unbiased information to consumers. Source attractiveness on the other hand refers to perceived social value. Familiarity and likability

are characteristics related to source attractiveness. Source power is expressed in terms of source's ability to reward or give recognition. Table 4.4 summarizes the responses value in terms of the three categories.

Table 4.4 Level of agreement - message source credibility, attractiveness and power response

	N	Mean	Std. Deviation
Message Source Credibility	288	3.97	2.691
Message Source Attractiveness	288	3.77	1.761
Message Source Power	288	3.48	.998
Valid N (list wise)	288		

Source: Field survey 2014

As it is shown in table 4.4, the mean value of message source credibility, attractiveness and power is 3.97, 3.77 and 3.48 respectively. Thus, majority of respondents agree that message source of the Bank is credible and attractive. However, neither agree nor disagree that it has power.

4.3.2 Analyses of Behavioral Factors

Selecting an appropriate source and developing an effective message is not an end by itself. It is the means to bring about the intended behavioral changes of audience which is the ultimate goal of the overall advertisement efforts.

4.3.2.1 Behavioral Factors Analyses – Hierarchy of Model

In this part of the analyses the effectiveness of the behavioral change as a result of advertising efforts are described by the hierarchy of effects model which is developed by Robert Lavidge and Gary Steiner. It assumes a consumer passes through a series of steps in sequential order from initial awareness of a product or service to actual purchase. Advertising drives consumers from

unawareness to reach the ultimate purchase: unawareness, awareness, knowledge, liking, preference, conviction and purchase (Lavidge and Steiner, 1961).

4.3.2.1.1 Awareness

According to the hierarchy of effects model, awareness is the first level in creating advertising effectiveness. The level of awareness of respondents is measured by the ability of the Banks advertisement to grasp respondents’ attention and the ability of respondents to identify the Banks advertisement from competitors. The overall table summary of Awareness constructs is presented in table 4.5

Table 4.5 Level of agreement - Awareness

Awareness	N	Mean	Std. Deviation
CBE's advertisement grasps my attention	288	3.59	1.091
I can easily identify CBE's advertisements from other companies with similar services	288	<u>3.58</u>	1.120
Grand Mean		<u>3.59</u>	
Valid N (list wise)	288		

Source: Field survey 2014

According to table 4.5, the mean values of the two constructs are almost similar and the grand mean value of awareness is 3.59. This indicates that majority of the respondents agree that the Bank’s advertisement grasps their attention and they can easily identify the advertisement from competitors.

4.3.2.1.2 Knowledge

The second stage in the hierarchy of effects model is Knowledge. Knowledge of respondents is measured by checking whether the respondent has any idea about the service before experiencing the advertisement, whether advertisement is the means of knowledge about the Bank’s services, whether the respondent is able to remember the unique identification (brand) of the services

being advertised and the interest of respondents to seek further information about the services being advertised. The overall table summary of Knowledge constructs is presented in table 4.6

Table 4.6 Level of agreement - Knowledge

Knowledge	N	Mean	Std. Deviation
Before I watch or hear CBE's advertisements, I haven't any idea about the advertised services.	288	2.88	1.270
I have knowledge more about CBE's services through the Bank's advertisement	288	3.59	.991
I remember the brand of the advertised services of the CBE	288	3.37	1.164
After watching CBE's advertisement, I want to get more information about the service	288	<u>3.32</u>	1.120
Grand Mean		<u>3.29</u>	
Valid N (list wise)	288		

Source: Field survey 2014

According to table 4.6, the mean value for whether advertisement is the means of knowledge about the Bank's services, whether the respondent is able to remember the unique identification (brand) of the services being advertised, the interest of respondents to seek further information about the services being advertised and whether they have prior information before the advertisement is 3.59, 3.37, 3.32, 2.88 respectively which implies that majority of respondents agree they know more about the Bank's service through advertisement, but don't agree they remember the unique identification of the services being advertised, don't seek further information about the services being advertised and they have prior knowledge about the services being advertised. The grand mean value of knowledge is 3.29. This indicates that majority of the respondents don't have knowledge about the services advertised.

4.3.2.1.3 Liking

According to the hierarchy of responses model, Liking is the third step. The level of liking of respondents is measured by the interests of respondents to watch the Bank's advertisement, the

attractiveness of advertisement music, layout and other elements in the advertisement, and whether the advertisement is attractive and impressive. The overall respondents' value of the constructs of liking is presented in Table 4.7 below

Table 4.7 Level of agreement - Liking

Liking	N	Mean	Std. Deviation
I like watching CBE's advertisements	288	3.39	1.083
CBE's advertisement music, layout etc. attracts me a lot	288	3.40	1.185
Overall, CBE's advertisements are attractive to me	288	3.55	1.078
CBE's advertisements impress me a lot	288	<u>3.40</u>	1.100
Grand Mean Value		<u>3.44</u>	
Valid N (list wise)	288		

Source: Field survey 2014

As it is indicated in table 4.7, the mean value of respondents whether the Bank's advertisement is attractive, impressive, advertisement music, layout etc are attractive and whether they like watching CBE's advertisements are 3.55, 3.40, 3.40, and 3.39 respectively. This indicates that majority of the respondents agree the Bank's advertisements are attractive, however, they don't agree it is impressive, the Bank's advertisements music, layout etc are attractive, and they like watching the Bank's advertisements. The grand mean value of 3.44, implies that majority of the respondents don't agree the Bank's advertisement can create positive feelings toward the services.

4.3.2.1.4 Preference

Preference of responses is measured by the fitness and acceptance of the advertisements language, layout and contents with the respondents' experience, the capacity of the advertisement to demonstrate the service feature and the benefit to the audience. Summary of the statistical results are presented in table 4.8

Table 4.8 Level of agreement - Preference

Preference	N	Mean	Std. Deviation
CBE's advertisement language, layout and contents fit with my experiences and attitude	288	3.36	1.130
CBE's advertisement language, layout and contents are correct and acceptable	288	3.70	.916
CBE's advertisements demonstrate services feature	288	3.61	1.086
CBE's advertisements demonstrate services benefit to me	288	<u>3.66</u>	1.024
Grand Mean Value		<u>3.58</u>	
Valid N (list wise)	288		

Source: Field survey 2014

According to the statistical data presented in table 4.8, the mean value of respondents for acceptance and the fitness of the advertisements language, layout and contents with the respondents' experience is 3.70 and 3.36. This implies that majority of the respondents agree the language, layout and contents of the advertisements used in the Bank's advertisement are correct and acceptable but don't fit the experience and attitude of respondents. Majority of the respondents also agree that the Bank's advertisement demonstrate service feature and benefit to the audiences as the mean value is 3.61 and 3.66 respectively. As the grand mean value is 3.58, this indicates majority of the respondents agree the Bank's advertisement can create customers preference for the services.

4.3.2.1.5 Conviction

Conviction is the fifth level in the hierarch model. The level of conviction of respondents is measured by the assurance to use the service in the feature, the commitment to use other services of the Bank, whether the respondent recommend to others to use the services advertised. The overall response value is indicated in table 4.9.

Table 4.9 Level of agreement - Conviction

Conviction	N	Mean	Std. Deviation
If I need, I would consider using the services advertised by the Bank	288	3.64	1.005
I plan to use the advertised services of the Bank	288	3.56	1.024
It will be more likely for me to use other services of the Bank	288	3.41	1.135
I will recommend others to use the advertised services	288	<u>3.31</u>	1.035
Grand Mean Value	288	<u>3.40</u>	
Valid N (list wise)			

Source: field survey 2014

As it is indicated in table 4.9, the mean value of respondents for the assurance that they will use the service if they need, their plan to use the services in the future, the commitment to use other services of the Bank, and the recommendation they will give to others to use the services are 3.64, 3.56, 3.41 and 3.31 respectively. This indicates that majority of the respondents agree they will consider using the services if they need and they are planning to use the services of the Bank. However, majority of the respondents don't agree they will use other services of the Bank and recommend others to use the services. As the grand mean value is 3.40, it implies majority of the respondents don't agree the Bank's advertisement can make mental disposition in the customer's mind to use the services.

4.3.2.1.6 Action

Action is the last stage in the hierarchy of model. It is measured by the service usage as a result of the advertisement effort and the confirmation of respondents that the advertised service is in accordance with the information provided during advertisement. The overall response value is presented in table 4.10

Table 4.10 Level of agreement - Action

Action	N	Mean	Std. Deviation
I use CBE's advertised services as a result	288	3.47	1.012
I think the advertised services are in accordance with the real service	288	<u>1.99</u>	1.104
Grand Mean Value		<u>2.73</u>	
Valid N (list wise)	288		

Source: field survey 2014

The mean value of respondents for the service usage as a result of advertisement effort is 3.47 as it is indicated in Table 4.10. This indicates that majority of the respondents don't agree they use the services as a result of advertisement. The mean value of respondents for the confirmation that the advertised services are in accordance with the real service is 1.99. This indicates that majority of the respondents do not agree the real services are in accordance with the advertised services. As a result, the grand mean value of action becomes 2.73. Hence it can be concluded that majority of the respondents don't agree the Bank's advertisement can make customers to use the services.

4.3.2.2 Behavioral Factors Analyses – Behavioral Dimensions

In this part of analyses the effectiveness of the behavioral change as a result of advertisement efforts are described with the relevant behavioral dimensions. According to Vakratsas and Ambler, as cited by Belch and Belch (2003), there are three critical intermediate effects between advertising and purchase in trying to understand the response process and the manner in which advertising works. These includes *cognition*, the “thinking” dimension of a person's response; *affective*, the “feeling” dimensions; and experience or *Cognitive*, which is a feedback dimension based on the outcomes of product purchasing and usage. Belch and Belch (2003), suggested that it is better to focus on these variables as critical variables that advertising may affect.

4.3.2.2.1 Cognitive

According to Lavidge and Steiner (1961) hierarchy model, the cognitive dimension is explained in terms of awareness and knowledge. The average mean value (Appendix 2.2) is 3.39. This implies that the level of cognitive of respondents' about the services as a result of the advertisement effort is less.

4.3.2.2.2 Affective

The affective dimension is explained in terms of liking and preference (Lavidge and Steiner, 1961). The average mean value (Appendix 2.3) is 3.51. This indicates that the level of affective of respondents' as a result of advertisement effort of the Bank is more.

4.3.2.2.3 Conative

The Conative dimension is explained in terms of Conviction and Action (Lavidge and Steiner, 1961). The average mean value (Appendix 2.4) is 3.23. This indicates that the level of conative of respondents' as a result of advertisement effort of the Bank is less.

4.4 Correlation Analyses

There are several correlation coefficients that measure the degree of correlation. The most common of these is the Pearson correlation coefficient, which is sensitive only to a linear relationship between two variables.

Pearson's correlation coefficient, normally denoted as r , is a statistical value that measures the linear relationship between two variables. It ranges in value from +1 to -1, indicating a perfect positive and negative linear relationship respectively between two variables. The calculation of the correlation coefficient is normally performed by statistical programs, such SPSS and SAS, to provide the most accurate possible values for reporting in scientific studies.

According to Cohen (1988), a correlation value close to 0 indicates that there is no linear relationship between the two variables. Correlation value close to 1 is an indication that there is greater positive correlation between the data. Correlation value close to -1 is an indication that there is a negative, linear relationship between the two variables. There are generally accepted guidelines that help to interpret the Pearson's correlation coefficient. According to Cohen (1988) Pearson correlation coefficient value between 0.1 to 0.29 shows that the relationship between the two variables is weak or small, while a value between 0.3 to 0.49 is moderate or medium. Pearson correlation coefficient value between 0.5 and 1 indicates that there is strong or large relationship between the variables being measured. The basic assumptions that must be considered while computing Pearson correlation function are linear relationship between the variables and both variables must be normally distributed.

4.4.1 Relationship between communication factors and behavioral dimensions

Pearson correlation coefficient was used to measure the strength of the association between the communication factors and the behavioral dimensions. Preliminary analyses have been done to assure no violation of the above assumptions is committed. To this end, normality and linearity of the scale distribution has been analyzed and the assumption of correlation is not violated. The statistical values are attached in the appendix column (Appendix 2.6 and 2.7)

Table 4.11 Correlation between Communications Factors and Behavioral Dimensions

		Communications Factor
Communications Factor	Pearson Correlation	1
	Sig. (1-tailed)	
	N	288
Behavioral Factors	Pearson Correlation	.568**
	Sig. (1-tailed)	.000
	N	288

**** Correlation is significant at the 0.01 level (1-tailed)**

Source: Survey finding

As it is indicated in table 4.11, there is positive relationship between the communication (Message quality and Message source) and the behavioral dimension (Cognitive, Affective and Conative). Pearson Correlation coefficient of the two variables is 0.568, which is greater than 0.5. This implies that there is strong relationship between communication factors and behavioral dimensions.

4.4.2 Relationship between message quality and behavioral dimensions

The relationship between message quality and behavioral dimension has been evaluated by using partial correlation. In partial correlation, one variable of the component has to be controlled (Message source in this particular case) in order to evaluate the effect of the other variable which is the Message.

Table 4.12 Correlation between Message Quality and Behavioral Dimensions

Control Variables		Communications Factor
Message Source	Communications Factor	Correlation
		Significance (1-tailed)
		df
	Behavioral Factors	Correlation
		Significance (1-tailed)
		df
		1.000
		.
		0
		.464
		.000
		285

Source: Survey finding

As it is indicated in Table 4.12, Pearson Correlation Coefficient between message quality and behavioral dimensions is .464. This implies that there is moderate relationship between quality of message and behavioral dimensions.

Table 4.13 Correlations between Message Quality and components of Behavioral Dimensions

Control Variables		Cognitive	Affective	Conative	Message Quality
Cognitive	Pearson Correlation	1			
	Sig. (1-tailed)				
Affective	N	288			
	Pearson Correlation	.786**	1		
Conative	Sig. (1-tailed)	.000			
	N	288	288		
Message Quality	Pearson Correlation	.547**	.573**	1	
	Sig. (1-tailed)	.000	.000		
	N	288	288	288	
	Pearson Correlation	.547**	.471**	.297**	1
	Sig. (1-tailed)	.000	.000	.000	
	N	288	288	288	288

** . Correlation is significant at the 0.01 level (1-tailed).

Source: Survey finding

As it can be seen in table 4.13, there exists a positive relationship between message quality and components of behavioral dimensions (Cognitive, Affective and Conative). While the relationship between message quality and cognitive is strong (.547), the relationship between message quality and affective is moderate (.471). The relationship between message quality and conative is weak (.297).

4.4.3 Relationship between source and behavioral dimensions

Similarly, the relationship between Message Source and Behavioral dimension is tested. In this case the controlled variable is Message quality. The statistical values are presented in table 4.14.

Table 4.14 Correlation between Message Source and Behavioral Dimensions

Control Variables		Communications Factor
Message Quality	Correlation	1.000
	Communications Factor Significance (1-tailed)	.
	df	0
	Correlation	.299
	Behavioral Factors Significance (1-tailed)	.000
	df	285

Source: Survey finding

As it is indicated in table 4.14, the relationship between message source and behavioral factors is positive with Pearson correlation coefficient of 0.299, which is weak.

Table 4.15 Correlations between Message Source and components of Behavioral Dimensions

		Cognitive	Affective	Conative	Message Source
Cognitive	Pearson Correlation	1			
	Sig. (1-tailed)				
	N	288			
Affective	Pearson Correlation	.786**	1		
	Sig. (1-tailed)	.000			
	N	288	288		
Conative	Pearson Correlation	.547**	.573**	1	
	Sig. (1-tailed)	.000	.000		
	N	288	288	288	
Message Source	Pearson Correlation	.353**	.391**	.211**	1
	Sig. (1-tailed)	.000	.000	.000	
	N	288	288	288	288

** . Correlation is significant at the 0.01 level (1-tailed).

Source: Survey finding

As it can be seen from table 4.15, there exists a positive relationship between message source and components of behavioral dimensions (Cognitive, Affective and Conative). The relationship between message sources and components of behavioral dimensions (Cognitive, Affective and Conative) is .353, .391 and .211, However, the relationship between message source and affective component is better than the remaining components.

CHAPTER FIVE

CONCLUSION AND RECOMENDATION

5.1 Summary of Findings

In this study, the *message quality* is measured in terms of how well the messages are attractive, convincing and believable, clear and understandable, rationally appealing, motivating to use the service, flexible /dynamic, frequently updated, artistic and ethical. According to the research findings the messages of the Bank are perceived to have the appropriate quality as the grand mean value of the constructs is **3.5**. which is contrary to research finding on the message quality of the overall Commercial Banks in Ethiopia which was conducted in the year 2013 by Alemayehu Hadera as the research findings concluded the overall Commercial Banks' message quality are less supported by the grand mean value of **3.34**. Looking at the individual variables, however, the perceptions of respondents on ethicality, clarity and understandability, convincing and believability of message, and the ability of the message to motivate which are very important characteristics of message are not as such effective as the mean values are **3.48, 3.43, 3.42 and 3.05** respectively is less than **3.5**. The mean value of response regarding the emotionality of the message on the other hand is **2.91**. This indicates that majority of the respondents do not agree the messages are emotional.

The *message source* of the Bank is evaluated in terms of the message source skill, faithfulness, familiarity, likability, and the ability to reward or give recognition. The message source skill in his/her occupation scores the highest mean value which is **4.01** followed by knowledge, faithfulness, familiarity and likability with a mean value of **4.00, 3.91, 3.88 and 3.65** respectively. This indicates that majority of the respondents agree the message source has skill in his occupation, have knowledge, it is faithful, familiar and likable. But they neither agree nor disagree on the source's ability to reward or give recognition as the mean value is **3.48**. Generally, the effectiveness of the message source is evaluated against the three characteristics that are message source credibility, attractiveness and power. According to the research findings,

majority of the respondents agree that message source of the Bank is credible and attractive but do not believe that it has power to give recognition as the mean value is **3.97, 3.77 and 3.48** respectively. The grand mean value of the total message source is **3.82**. This implies that majority of the respondents agree the message source of the Bank is influential. This is also contrary to the research finding on the message source influence of the overall Commercial Banks in Ethiopia which was conducted in the year 2013 by Alemayehu Hadera as the research findings concluded the overall Commercial Banks' message sources are not influential which was supported by the grand mean value of **3.4**.

The study tries to measure the effectiveness of the advertisement effort of the Bank against the behavioral change of audience. As per the research findings, the Bank's advertisements can capture customers' attention and make them aware of the services advertised (*Awareness*), and can create customers preference for the service (*Preference*) with the grand mean value of **3.59** and **3.58** respectively. However, cannot create positive feelings toward the services (*Liking*), cannot make mental disposition in the customer's mind to use the services (*Conviction*), cannot make customers know more about the services and its specific features (*Knowledge*), cannot make customers to use the services (*Action*) as the mean value is **3.44, 3.4, 3.29** and **2.73** respectively.

The study also summarizes the results of hierarchy of responses as Cognitive, Affective and Conative. According to the summary result, the mean value of Cognitive, Affective and Conative which is **3.39, 3.53 and 3.23**, it indicates that while the *affective* level of respondents is more, the *cognitive* and *conative* level is less.

Accordingly, the research finding, there is a positive relationship between *communication factors* and *behavioral dimensions*. Pearson Correlation coefficient of the two variables is **0.568**, which is greater than **0.5**. This implies that there is strong relationship between message factors and behavioral dimensions. However, the relationship between *Message quality* (**.464**) is stronger than the *Message Source* (**.299**).

Finally, the research findings regarding the relationship between components of communication variables and behavioral dimensions indicates that there is strong relationship between *message*

quality and *cognitive dimension* (.547), and moderate relationship between *message quality* and *affective dimension* (.471). However, the relationship between *message quality* and *conative dimension* is weak (.297). Similarly, the relationship between *message source* and *conative dimension* is weak (.211). However, there exists fairly strong relationship between *message source* and *affective dimension* (.391).

5.2 Conclusion

Advertising is a form of communication. What makes it different from other forms of communication is that it is mass communication paid for by a sponsor who expects to induce some kind of action on the part of the reader, listener, or viewers that will be beneficial to the advertiser (Dutka, 1995). The results as well as effects of advertisements are classified in to two components: Communication and Behavior. The communication factors are the variables or components in the communication system. Message and Source are among the components of communication Burnt (2002) and Belch & Belch (2003).

The non personal nature of advertising means that there is generally no opportunity for immediate feedback from the message recipient. Therefore, before the message is sent, the advertiser must consider how the audience will interpret and respond to it. (Belch and Belch, 2003). Message refers to the general information communicated through various advertisement tools. The effectiveness of the overall advertisement effort largely depends on the quality of the message. According to the research findings the messages of the Bank are perceived to have the appropriate quality. Hence it can be concluded that the messages transmitted through various advertisement tools are effective in meeting the intended purpose. However, they are not as such ethical, understandable, clear and believable, and don't motivate to use the services being advertised.

The source that carries the message is another important factor of communication which has been evaluated in the study. Generally, the effectiveness of the message source is evaluated against the three characteristics that are message source credibility, attractiveness and power. According to the research findings, the message source is found to be credible and attractive. Thus, it is influential.

The purpose of advertising is to create a state of mind conducive towards the purchase of goods or services. It is one of several communication forces which (acting singly or in combination) move the consumers through successive level of steps of the communication spectrum (Dutka, 1995). Hence it is important to measure the effectiveness of advertisement against the consumers move through these successive levels of steps commonly termed as behavioral dimensions. According to the research findings, the advertisement effort of the Bank is effective to create *Awareness* and *Preference* of the services, but not effective to create *knowledge*, *liking*, *conviction* and *action*. This is contrary to the theory of hierarchy model which explains the effect of advertisement that makes consumers to go through these steps consecutively.

The study also summarizes the results of hierarchy of responses as Cognitive, Affective and Conative. According to the summary result, the Bank's advertisement effort is not effective to increase the level of *Cognitive* and *conative*, but effective to increase the level of *affective* of customers about its services

The relationship between the *communication factors* and *behavioral dimensions* has also been examined in the study. Accordingly, the research findings reveal that there is a positive and strong relationship between the two variables and the relationship between *Message quality* is stronger than the *Message Source*. The research findings regarding the relationship between components of communication variable and behavioral dimension indicates that there is strong relationship between *message quality* and *cognitive* behavioral dimension and moderate relationship between *message quality* and *affective* dimension. However, the relationship between *message quality* and *conative* dimension is weak. Similarly, the relationship between message source and conative dimension is weak. However, there exists fairly strong relationship between *message source* and *affective dimension*. Hence from these analyses, it can be concluded that *message quality* is an important component to enhance the level of *cognitive* of customers while *Message source* is an important component to enhance the level of affective.

5.3 Recommendation

In this study, the findings regarding the effectiveness of communication and behavioral factors provide some practical suggestions for practitioners to consider when conducting advertisement campaign in general and the Bank in particular.

- ✚ Even if the overall perception of customers towards *Message Quality* of the Bank is good, looking at the individual constructs the statistical value indicates that the perceptions of respondents on ethicality, understandability, clarity and believability of message which are very important characteristics of message are not as such good as the mean value is less than 3.5. Hence due attention has to be given to these constructs while developing the message of advertisement.
- ✚ Generally, the advertising effort of the Bank is not as such effective to create *knowledge*, *liking*, *conviction* and *action* as the average mean values are 3.44, 3.4, 3.29 and 2.73. More specifically it is not effective to induce action since the mean value of action is 2.73. The mean value of response regarding the construct “I think the advertised services are in accordance with the real service” is 1.99 which is the lowest value. Hence, due care has to be given to match the information provided in the advertisement and the actual services.
- ✚ In addition to the advertising activities, other promotional mixes have to be conducted that increases *knowledge*, *liking*, *conviction* and *action* of audiences such as public relation and sales promotion. Public relation is very important promotion tool to provide somehow detail information about the service. Also, sales promotion is very effective tool specifically to induce action.
- ✚ The research findings reveal that there is a positive and strong relationship between behavioral dimensions and communication factors. However, the relationship between message quality is stronger than the message source. This indicates that, message quality is very important factor for the behavioral change of customers, which is the ultimate goal of advertisement efforts. Hence emphasis has to be given to the quality of messages when conducting advertising campaign.

- ✚ Advertising efforts are designed to achieve specific communication objectives such as brand awareness, knowledge, favorable attitude and image and purchase intention. Which are series of steps that consumers usually are assumed to pass through in response to communication campaigns. Consequently, the effectiveness of the communication campaign has to be periodically measured against the objectives set. This helps not only to evaluate the effectiveness of the campaign, but also to understand the level of audiences through the steps. This helps to set goals and design the appropriate strategy to meet the goal.

The following are future area of research.

- ✚ This research studies the effectiveness of communication factors by analyzing quality of message and message source. Future research could be conducted by including the other components of communication factor which is the channel through which the message is transmitted.
- ✚ The research method used in the study is survey questionnaire which is only useful tool in understanding customers' attitude and behaviors at some level. It does not provide an insightful understanding of customers' behaviors and the underlying reasons governing such behavior. Future research could be conducted to complement this study with more in-depth by using other means such as interviews and focus group discussions to gather deeper consumers' insights.
- ✚ Finally, future research could include noncustomers and other localities in addition to the Capital city, Addis Ababa so that the research outputs can be generalized.

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APPENDICES

APPENDICES-1

A survey of Effectiveness of CBE's Advertisement in influencing Customer Behavior

(To be filled by Customers)

The purpose of the study is to assess the effectiveness of the Commercial Bank of Ethiopia's advertisement effort in influencing customers' Behavior. Your kind cooperation will help the researcher to find reliable data and will be used only for academic purpose. Please try to answer all questions.

The researcher can be conducted via Tel. XXXXXXXXX

PART I: RESPONDENT PROFILE

DIRECTION: Please select your answer by encircling the appropriate number from the response categories against each question.

1.1 Gender: (1) Male (2) Female

1.2 Age: (1) 18-25 (2) 26-35 (3) 36-45 (4) 46-55 (5) above 55

1.3 Educational Level:

(1) Below High School (3) Diploma (5) Master and above

(2) High school (4) Degree

1.4 Occupation:

(1) Full-time student (3) Staff in private company (5) Unemployed

(2) Self-employed (4) Staff in Government Organization (6) Other _____

1.5 How many years have been since you become the Bank's customer?

(1) Less than one year

(2) One up to five years

(3) Six up to ten years

(4) Eleven up to twenty years

(5)Twenty one and above

PART II Communication Factor

Direction: Please indicate your level of agreement/disagreement with the following items associated with CBE’s advertisement on a 5 point likert scale by making tick mark (,/) as appropriate response categories against each question. Where, (1= Strongly Disagree; 2= Disagree; 3= neither Agree nor Disagree; 4= Agree; 5= Strongly Agree

S.N	2.1 Message Quality	Strongly Disagree (1)	Disagree (2)	Neither Agree nor Disagree (3)	Agree (4)	Strongly Agree (5)
	The message transmitted through various advertisement is:					
1.	Attractive					
2.	Convincing and believable.					
3.	Clear and understandable.					
4.	Rationally appealing.					
5.	Emotionally appealing.					
6.	Motivating to use the service.					
7.	Flexible /dynamic.					
8.	Frequently updated.					
9.	Artistic.					
10.	Ethical.					
	2.2 The influence of source /Spokesperson/	Strongly Disagree (1)	Disagree (2)	Neither Agree nor Disagree (3)	Agree (4)	Strongly Agree (5)
	To you, the message source /spokesperson of the Bank is:					
1.	Expertise /Knowledgeable in his/her occupation.					
2.	Skilled in his / her occupation.					
3.	Faithfull.					
4.	Familiar.					
5.	Likable.					
6.	Can reward / give recognition.					

PART III Behavioral Factor

Direction: Please indicate your level of agreement/disagreement with the following items associated with CBE’s advertisement on a 5 point likert scale by making tick mark (,/) as appropriate response categories against each question. Where, (1= Strongly Disagree; 2= Disagree; 3= neither Agree nor Disagree; 4= Agree; 5= Strongly Agree

S.N	3.1 COGNITIVE	Strongly Disagree (1)	Disagree (2)	Neither Agree nor Disagree (3)	Agree (4)	Strongly Agree (5)
	A. Awareness					
1.	CBE’s advertisements grasp my attention.					
2.	I can easily identify CBE’s advertisements from other companies with similar services.					
	B. Knowledge					
1.	Before I watch or hear CBE’s advertisements, I hadn’t any idea about the advertised services,					
2.	I have knowledge more about CBE’s service through the Bank’s advertisement.					
3.	I remember the brand of the advertised services of the CBE.					
4.	After watching CBE’s advertisement, I want to get more information about the service.					
	3.2 AFFECTIVE					
	A. Liking					
1.	I like watching CBE’s advertisements.					
2.	CBE’s advertisement music, layout etc. attracts me a lot.					
3.	Overall CBE’s advertisements are attractive to me.					
4.	CBE’s advertisements impress me a lot.					
	B. Preference					
1.	CBE’s advertisement language, layout and contents fit with my experiences and attitude.					

2.	CBE's advertisement language, layout and contents are correct and acceptable.					
3.	CBE's advertisements demonstrates service feature.					
4.	CBE's advertisement demonstrates the services benefit to me.					
	3.3 CONATIVE	Strongly Disagree (1)	Disagree (2)	Neither Agree nor Disagree (3)	Agree (4)	Strongly Agree (5)
	A. Conviction					
1.	If I need, I would consider using the services advertised by the CBE.					
2.	I plan to use the advertised services of the CBE					
3.	It will be more likely for me to use other services of the Bank.					
4.	I will recommend others to use the advertised services.					
	B. Action					
1.	I use CBE's advertised services as a result					
2.	I think the advertised services are in accordance with the real services.					

APPENDIX -2

Statistical output

Appendix 2.1 Frequency Distribution of customers according to their profile

Items	Responses in		
	Frequency	Percent	Cumulative Percent
Gender			
Male	148	50.3	50.3
Female	143	45.1	100.0
Total	288	100	
Age			
18-25	65	22.6	22.6
26-35	113	39.2	61.8
36-45	65	22.6	84.4
46-55	31	10.8	95.1
above 55	14	4.9	100.0
Total	288	100.0	
Level of Education			
Below High School	3	1.0	1.0
High School	47	16.3	17.4
Diploma	55	19.1	36.5
Degree	122	42.4	78.8
Master and above	61	21.2	100.0
Total	288	100.0	
Occupation			
Full-time student	26	9.0	9.0
Self-employed	42	14.6	23.6
Staff in private company	66	22.9	46.5
Staff in Government organization	115	39.9	86.5
Unemployed	28	9.7	96.2
Other	11	3.8	100.0
Total	288	100.0	
Years being customer of the Bank			
less than one year	32	11.1	11.1
One up to five years	72	25.0	36.1
Six up to ten years	37	12.8	49.0
Eleven up to twenty years	98	34.0	83.0
Twenty one years and above	49	17.0	100.0
Total	288	100.0	

Appendix 2.2 Level of agreement- Cognitive

Cognitive	N	Sum	Mean	Std. Deviation
CBE's advertisement grasps my attention	288	1033	3.59	1.091
I can easily identify CBE's advertisements from other companies with similar services	288	1030	3.58	1.120
Before I watch or hear CBE's advertisements, I hadn't any idea about the advertised services.	288	829	2.88	1.270
I have knowledge more about CBE's services through the Bank's advertisement	288	1033	3.59	.991
I remember the brand of the advertised services of the CBE	288	970	3.37	1.164
After watching CBE's advertisement, I want to get more information about the service	288	955	3.32	1.120
Grand Mean Value			<u>3.39</u>	
Valid N (list wise)	288			

Appendix 2.3 Level of agreement - Affective

Affective	N	Sum	Mean	Std. Deviation
I like watching CBE's advertisements	288	977	3.39	1.083
CBE's advertisement music, layout etc. attracts me a lot	288	979	3.40	1.185
Overall, CBE's advertisements are attractive to me	288	1021	3.55	1.078
CBE's advertisements impress me a lot	288	979	3.40	1.100
CBE's advertisement language, layout and contents fit with my experiences and attitude	288	967	3.36	1.130
CBE's advertisement language, layout and contents are correct and acceptable	288	1065	3.70	.916
CBE's advertisements demonstrate services feature	288	1041	3.61	1.086
CBE's advertisements demonstrate services benefit to me	288	1053	3.66	1.024
Grand Mean Value			<u>3.51</u>	
Valid N (list wise)	288			

Appendix 2.4 Level of agreement - Affective

	N	Sum	Mean	Std. Deviation
If I need, I would consider using the services advertised by the Bank	288	1049	3.64	1.005
I plan to use the advertised services of the Bank	288	1024	3.56	1.024
It will be more likely for me to use other services of the Bank	288	981	3.41	1.135
I will recommend others to use the advertised services	288	953	3.31	1.035
I use CBE's advertised services as a result	288	999	3.47	1.012
I think the advertised services are in accordance with the real service	288	572	1.99	1.104
Grand Mean Value			<u>3.23</u>	
Valid N (list wise)	288			

2.5 Cronbach's Alpha Test

/VARIABLES=MQ1 MQ2 MQ3 MQ4 MQ5 MQ6 MQ7 MQ8 MQ9 MQ10

Reliability Statistics (Message quality)

Cronbach's Alpha	N of Items
.733	10

/VARIABLES=MS1 MS2 MS3 MS4 MS5 MS6

Reliability Statistics (Message Source)

Cronbach's Alpha	N of Items
.792	6

/VARIABLES=A1 A2

Reliability Statistics (Awareness)

Cronbach's Alpha	N of Items
.725	2

/VARIABLES=K1 K2 K3 K4

Reliability Statistics (Knowledge)

Cronbach's Alpha	N of Items
.718	4

/VARIABLES=L1 L2 L3 L4

Reliability Statistics (Liking)

Cronbach's Alpha	N of Items
.884	4

..

/VARIABLES=P1 P2 P3 P4

Reliability Statistics (Preference)

Cronbach's Alpha	N of Items
.816	4

/VARIABLES=Con1 Con2 Con3 Con4

Reliability Statistics (Conviction)

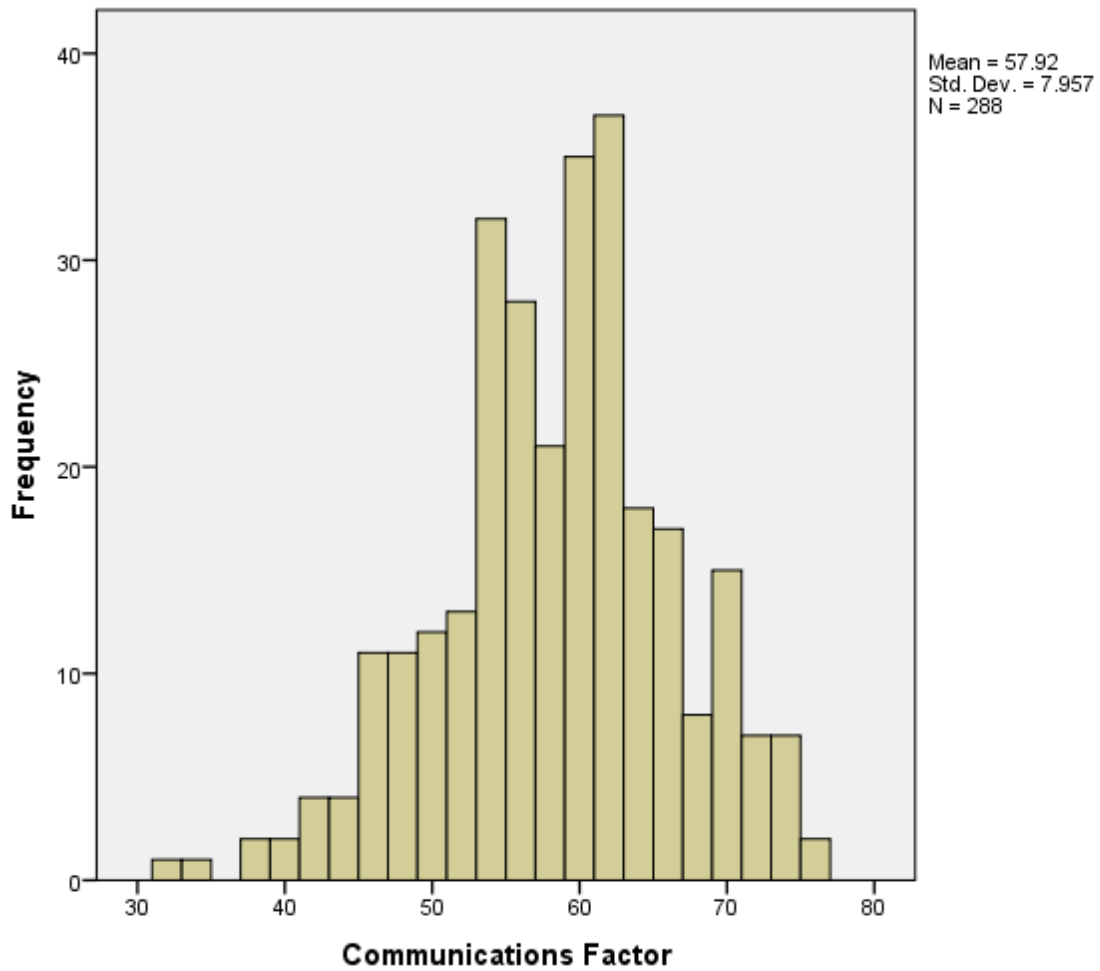
Cronbach's Alpha	N of Items
.794	4

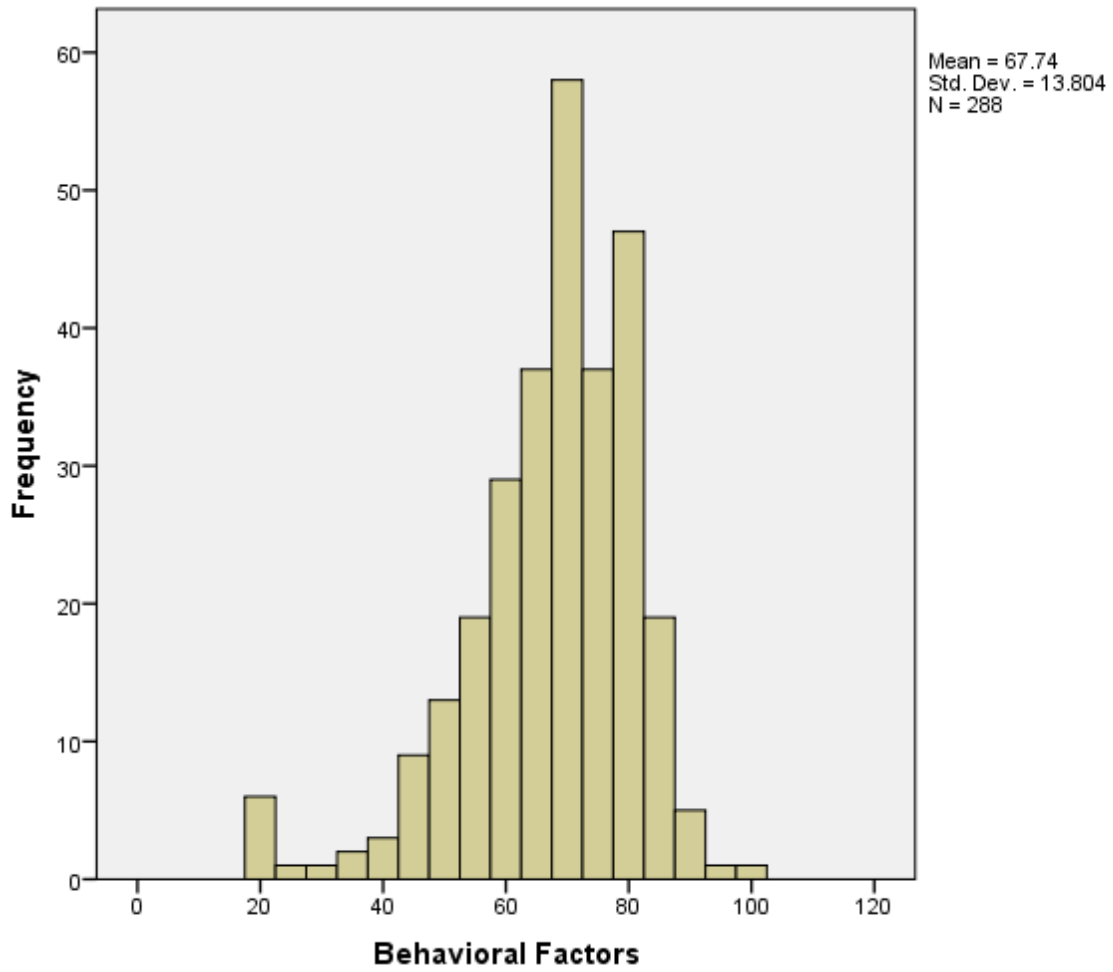
/VARIABLES=Act1 Act2

Reliability Statistics

Cronbach's Alpha	N of Items
.729	2

2.6 Normality Test





2.7 Linearity Test

