



Key Drivers Of Automobile Brand Choice In Addis Ababa: The Case of Private Light Automobiles

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Statement of Certification

This is to certify that **Tadios Abebe Birkie** has carried out his research work on the topic entitled **Key Drivers OF Automobile Brand Choice**. The work is original in nature and is suitable for submission for the award of Masters Degree in Marketing Management.

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Statement of Declaration

I hereby declare that **Key Drivers of Automobile Brand Choice** project is wholly the work of **Tadios Abebe**. I have carried out the present study independently with the guidance and support of the research advisor, **Dr. Birhanu Denu**. Also any other contributors or sources have either been referenced in the prescribed manner or are listed in the acknowledgements together with the nature and the scope of their contribution. And the study has not been submitted for award of any Degree or Diploma Program in this or any other Institution. It is in partial fulfillment to the requirement of the program Masters Degree in Marketing Management.

Tadios Abebe

Date: _____

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LIST OF ABBREVIATIONS

ANOVA: Analysis of Variance

COO: Country of Origin

EFA : Exploratory factor analysis

KMO: Kaiser-Meyer-Olkin Measure of Sampling Adequacy.

Abstract

The paper aims to investigate what factors influence private light automobile owners' specific brand choice. The selected automobile brand choice variables were judged through a five point likert type scale. Samples are taken conveniently from Addis Ababa City private car owners. Sources of primary and secondary data were used in the study. A survey approach was adopted to collect primary data from the study respondents. Explanatory research design was used. Based on the analysis, Addis Ababa private car owners were found to be purchasing their car guided by multiple factors. The result from One-way ANOVA revealed that image of the car, emotional connection, Accessibility, and Attribute significantly determine the purchase of various car brand with varying degree. Manufacturers and dealers should tailor their marketing strategy accordingly to remain acceptable in the market.

Keywords Automobiles, Brand choice, Ethiopia, Brand management, Consumer psychology, Brand awareness, Buying behavior.

CHAPTER ONE

INTRODUCTION

This chapter deals with the background of the study, the basic problem statements, objective of the study, research hypothesis, significance of the study, limitation of the study, and organization of the thesis.

1.1. **Back ground of the study**

In Ethiopia, Owing to increased competition driven by the growing economic system, companies are competing for the share of customers' heart and attention. Thus customers are bombarded with a variety of products that may satisfy their needs. Roberts and Arper (2010) assert that fierce competition forces firms to adopt strategies that create a competitive advantage for the firm. Ratneshwar (2001) argue that personal purchase goals can have a strong influence on how consumers categorize and compare products. Looking to the fastest-growing markets in the 21st century, cars are often still thought of as potent symbols of self-expression. They convey status, success and freedom where people still want the car they drive to make a strong personal statement. As a result, a lot of caution often predates the decision-making process especially for high involving products like automobiles (Narteh, Odoom, Braimah and Buame 2012).

The global automotive industry is changing, and fast. New markets, customers, technology and competitors are forcing car-makers to take a serious look at how they create relevance and desire. Research indicates that the market for the automobile industry is generally saturated in developed countries but believed to be growing in developing countries (Simon and Reed, 2007; Peters et al., 2011). Thus developing countries like Ethiopia could provide fertile hunting grounds for manufacturers and dealers as they expand beyond their domestic market.

Studies on consumers automobile brand choice has grown among marketing practitioners and scholars. For in instance Athar(2006) and Nareth et al.(2012) noted that for the automotive industry, there are a lot of brand choices of cars to compare and evaluate before

making a purchase decision. Hence companies' survival is tied strongly to its capacity in understanding customers' needs and satisfying them accordingly. Further studies indicate that multiple factors have underpinned consumer brand choices. However, the results on the relative importance of these factors have not been consistent (Nareth et al. 2012).

The purpose of this study is to examine the findings regarding factors determining customers automobile brand choice and empirically investigate them in the context of Ethiopia. The study will thus, provide automobile manufacturers and dealers with the critical factors influencing private light automobile consumer choice of automobiles in Ethiopia and help to develop appropriate marketing strategies to meet customers expectation and gain relevance.

1.2. Statement of the Problem

Making a decision about what kind of car to buy is a very complex, high involvement task influenced by a combination of emotion and logic. With so many ways and car configurations available it is not just possible for companies to provide customers with a comprehensive range of models and offers. As a result, automobile purchase decisions appear to be driven by a multiple of factors. In most markets, car-makers now face the challenge of delivering sustainable, flexible, economical, urban mobility while simultaneously finding new ways to be exciting and desirable. Thus, it is crucial for manufacturers and dealers to understand key factors influencing brand choice in responding to such pressures and opportunities.

Ethiopia's growing economy and a growing demand for automobiles translates into a significant opportunity in the automotive industry. Over the past decade we have witnessed the seemingly unstoppable growth of automobiles demand. People can now drive an incredibly extensive range of vehicles. Due to the fact that the Ethiopian car market is too big to ignore, it is now being the target for car manufacturers and dealers. There are now many dealers as well as local assemblers competing for customers' attention. This results in increased brand choices of cars to compare and evaluate for consumers and stiff competition

for Assemblers and dealers. Hence companies' survival is tied strongly to its capacity in understanding customers' needs and satisfying them quicker and better than competitors. Therefore, understanding the key factors influencing specific consumers automobile brand choice is a paramount for both local assemblers and dealers. However, despite the growing importance of the Ethiopian automobile market, the area of what influences private automobile consumer's specific brand choice were not researched to the student researcher's knowledge and there is no organized and comprehensive study conducted on the determinants of private automobile owners' brand choice. The major purpose of this study is therefore to give insight to manufacturers and dealers what factors influence private automobile owners' specific brand choice.

1.3. RESEARCH QUESTIONS

- What are the key factors driving automobile brand choice?
- Which factors significantly vary among the various brands of cars in influencing private automobiles owners'?

1.4. OBJECTIVE OF THE STUDY

1.4.1. General Objective

The general objective of the study is to identify specific factors that influence private automobile owners' brand choice.

1.4.2. Specific Objectives

The research focuses on the following specific objectives:

- To examine the influence of factors driving automobile brand choice.
- To examine whether the key factors driving automobile brand choice significantly vary among light automobile brands.
- Assess the opinion of customers on different factors.

1.5 Significance of the Study

The study might offer benefits to different stake holders. First, it will benefit companies by shedding light on important determinants so that they can be able to prioritize and incorporate these factors to their scarce resources. Second, since the study brought new area of investigation, scholars and researchers may use the study as an input for further investigation. Third, the researcher also developed research conducting skill. Fourth, it may provide an insight for foreign car manufacturers as they expand from their domestic market. Finally, it will contribute to Ethiopian economy by attracting manufacturers and dealers.

1.5. Scope of the Research

A complete evaluation and judgment regarding the determinants of customer automobile brand choice of all registered car owners would ideally demand a wider investigation that covers all regions of the country. However, it is necessary to narrow this research into a manageable size due to research cost and time.

Therefore, this research is confined to the assessment of determinants of automobile brand choice on the basis of survey conducted in the four directions of Addis Ababa (north, south, east, and west.) And also in order to have a manageable size of the research and get better insight, the study will focus on those registered car owners who bought their cars in the past five years.

1.6. Definition of key term.

- **Buying Behavior** : the process individual buyer goes through when deciding whether or not to purchase a private car(Kotler and Armstrong 2012)
- **Brand:** brands is ‘a sign or set of signs certifying the origin of a product or service and differentiating it from the competition’ (Kepferer,2008)..

- **Brand choice:** is concerned with the selection and consumption of the brand (Bettman et al., 1998).

Organization of the Study

The study is organized into four major chapters. The first part will be an introductory part composed of background of the study, research problem and questions. In the second part literature reviews will be done from which research questions will be developed. In the third and fourth section, methodology and analysis will be conducted followed by conclusion and recommendation.

CHAPTER TWO

LITERATURE REVIEW

This chapter presents the definition of consumer behavior, various literatures on characteristics affecting consumer behavior and on factors that drive consumer brand choice and steps in consumer decision making process.

2.1. Definition of Consumer Behavior

Consumer behavior reflects the totality of consumers' decisions with respect to the acquisition, consumption, and disposition of goods, services, activities, experiences, people, and ideas by (human) decision-making units [over time] (Hoyer and MacInnis, 2010).

The consumer behavior study involves how an individual or groups select, purchase, use or dispose of products, service, ideas, or experience to satisfy their need and desires (Michael, 2002). Understanding the needs and wants of target customers and tailoring marketing program to satisfy them better, quicker and more convenient than competitors is at the heart of good marketing. Marketing is essentially about "winning the battle for the customer's choice" (Wyner, 2006, p. 8). Therefore, Marketers must have a thorough understanding of how consumers can think, feel, and act and offer clear value to each and every target consumer (Kotler and Keller, 2012).

It has been argued that good marketing does not always make people do what marketers want them to do. But it can play a crucial role in presenting company's brand story in the best possible light if they are able to understand what consumers want, how they make decisions, why they choose the brands, and how and where we should talk to them. Consumer behavior mainly sheds light on how consumers decide to spend their various resources like time, money etc. on various products so as to meet their needs and requirements. Consumer behavior encompasses study of what, when, why and where the consumer will buy their products. It also focuses on how often the consumers use the products. Furthermore, it also sheds light on how the consumer evaluate the products after the purchase and the effect evaluations on their future purchases (Kanuk, 2006)

Russel(2010)asserts that the better we can understand the rational, emotional and often subconscious reasons for consumers 'actions, the better we will be at creating effective marketing campaigns.

2.2. Characterstics affecting consumer behavior

Understanding why consumers do what they do is essential in predicting behavior and in marketing that means sales. In 2011, Russel explains the three basic influencers of consumer behavior : the environment, culture, and the individuals' psychological make up.

2.2.1 Environment and consumer behavior

We are affected by everything around us: friends, family, advertising, trends, celebrities, prices, past experiences status and perceived status. All these factors add up to the environment in which we live. In much of the world, brands are seen as a demonstration of you Brands can tell others who we are, what we think and value, and even signal our level of success in the world. This all stems from the environment we live in and its effect on consumer behavior. Your age and the generation you belong to have a huge impact on how you view the world, what you hold true and your belief structure. Gender, sexual orientation, family status, educational attainment, ethnicity, income, geography and occupation all play a major role in defining who you are, what you think, how you react and how you view the future.

2.2.2 Culture and consumer behavior

Culture in which the consumer have been brought up is known to be the strongest factor to influence consumer behavior.According to kotler and Armstrong (2012), Cultural factors exert a broad and deep influence on consumer behavior. Marketers need to understand the role played by the buyer's *culture*, *subculture*, and *social class*. Every group or society has a culture, and cultural influences on buying behavior may vary greatly from country to country. A failure to adjust to these differences can result in ineffective marketing or embarrassing mistakes.

Russel(2011), explains that culture is what define a particular group of people at specific time and place. It is the culmination of the knowledge, values and beliefs a group of people holds in common. Culture is constantly evolving and changing. Who we are, what we believe, what we want out of life, our view of justice, fairness, appropriateness are all the result of the culture we live in Countries have cultures and numerous subcultures within that larger culture. There are traits that are typically American, Russian, Japanese, Indian or whatever country you choose – but within each country are subcultures which make up the larger country culture. Ethnic cultures, demographic cultures and societal class cultures, which all have a huge impact on who you are, what you believe, how you act and react.

2.2.3 Psychological make up

A buyer's decisions are also influenced by personal characteristics. People coming from the same subculture, social class, and occupation may have quite different psychological make up. Russel (2011) explained your psychological make-up is unique to you and goes a long way to defining what kind of consumer you are. Your attitudes, personality, psychographic make-up (lifestyle characteristics such as interests and opinions) and your lifestyle all have a tremendous impact on who you are as a consumer.

2.3. The buyer decision process

The consumer decision making process defines different steps when a consumer goes through to purchase a product. If customer wants to make a purchase he or she takes a sequence of steps in order to do complete this purchase. According to Peter and Olson (2004), the key process in consumers' decision-making is the integration process by which knowledge is combining to evaluate two or more alternative behavior and select one.

Assael (2001) asserts that consumers decision making is not a single process. Deciding to buy a car is a different process from deciding to buy a toothpaste. the actual purchase decision is part of a much larger buying process—starting with need recognition through how you feel after making the purchase (Kotler et al.2012). Marketers need to focus on the entire buying process rather than on the purchase decision only.

Figure 2.1 shows that consumers pass through five stages with every purchase. However, consumers may not pass all the stages at every purchase. In small purchases or in more routine purchases consumers will go directly from problem recognition to purchase decision by skipping the stages in between.

Moore and Pareek (2006) also asserts that the buyer-stimulus model is useful to understand some but not all buying decisions. For example, think about how you might buy a can of Coke. If you are a Coke fan, you may well skip almost all the steps of this model. You may well find yourself buying a Coke at a class break without even thinking that you are thirsty but you do it out of habit or your body at some subconscious level lets you know. Figure 2.1, shows only the considerations that may be taken in facing a new complex purchase decisions.

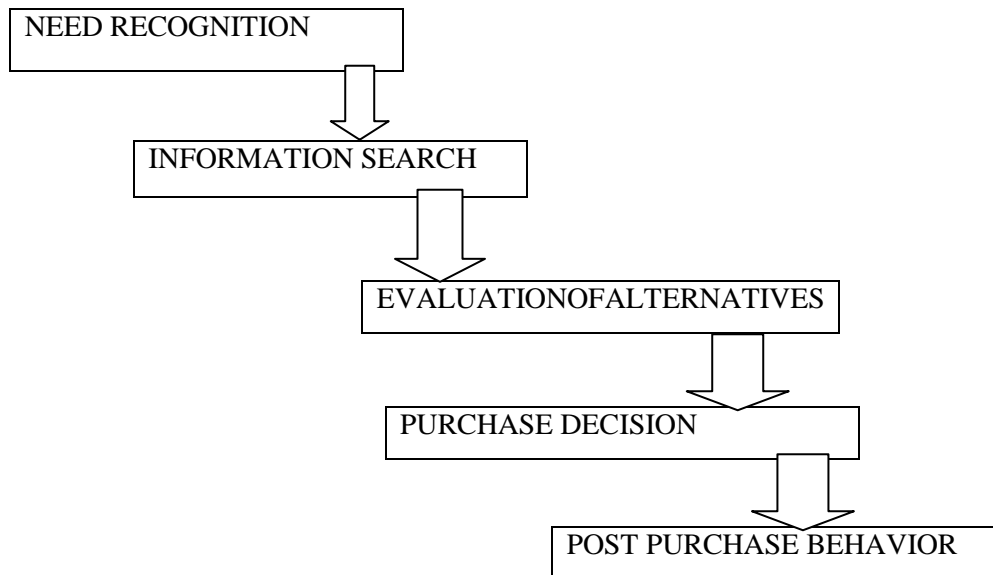
Need recognition is the first stage in the model. Recognition of a need represents a disparity between a consumer's current situation and some desired goal. Such a disparity produces a motivation to act. Need recognition shapes the benefits consumers seek in a brand and brand attitudes. Desired benefits and brand attitudes determine the consumer's psychological set, that is the mind set of the consumer toward various brands prior to seeking and processing information (Assael 2001).

Information search. After the buyer recognizes a need exists he or she engages in information search. In markets like those for automobiles, electronics, computers, and real estate, finding out an acceptable alternative is time-consuming. Conducting a purchase involves gathering preliminary information about the various alternatives available in the market. After this, most consumers collect further information about the most promising alternatives and then decide whether or not to buy the most preferred product (Gonzalez, Sandor and Wildenbeest (2011)). At this stage, the buyer seeks information that enables them to make an informed decision. They rely on their own memory, the advice of friends, experts and advertising (Moore et al. 2006).

Hoyer et al (2010) found that consumers can engage in two major types of external search. Pre-purchase search occurs in response to problem recognition; the goal is to make better

purchase decisions. Ongoing search results from enduring involvement and occurs on a continual basis (independent of problem recognition). In the latter consumers search for information because they find searching enjoyable (they like to browse).

Fig. 2.1 Kotler's Buyer Decision process



SOURCE: Kotler and Armstrong (2012)

The third stage is called **the evaluation of alternatives stage** the process through which a customer compare and contrast different solutions to the same place market problem. Here the customer weighs the possible pros and cons between available choices. The type of marketing mix, the buyer's purchasing habits and their desire for variety are all taken into consideration before the fourth stage (Moore et al 2006).

Consumers' go about evaluating purchase alternatives depends on the individual consumer and the specific buying situation. In some cases, consumers use careful calculations and logical thinking. At other times, the same consumers do little or no evaluating; instead they buy on impulse and rely on intuition. Sometimes consumers make buying decisions on their own; sometimes they turn to friends, online reviews, or salespeople for buying advice. (Jay and Joseph 2003).

Suppose you've narrowed your car choices to three brands. And suppose that you are primarily interested in four attributes—styling, operating economy, warranty, and price. By this time, you've probably formed beliefs about how each brand rates on each attribute. Clearly, if one car rated best on all the attributes, the marketer could predict that you would choose it. However, the brands will no doubt vary in appeal. You might base your buying decision on only one attribute, and your choice would be easy to predict. If you wanted styling above everything else, you would buy the car that you think has the best styling. But most buyers consider several attributes, each with different importance. If the marketer knew the importance that you assigned to each attribute, he or she could predict your car choice more reliably. Marketers should study buyers to find out how they actually evaluate brand alternatives. If marketers know what evaluative processes go on, they can take steps to influence the buyer's decision (Kotler et al. 2012)..

Generally, the consumer's purchase decision will be to buy the most preferred brand, but two factors can come between the purchase intention and the purchase decision. The first factor is the attitudes of others. If someone important to you thinks that you should buy the lowest priced car, then the chances of you buying a more expensive car are reduced. The second factor is unexpected situational factors. The consumer may form a purchase intention based on factors such as expected income, expected price, and expected product benefits. However, unexpected events may change the purchase intention. For example, the economy might take a turn for the worse, a close competitor might drop its price, or a friend might report being disappointed in your preferred car. Thus, preferences and even purchase intentions do not always result in actual purchase choice (Kotler et al. 2012).

Finally, how the customer reacts to their purchase is captured in their post-purchase behavior or buyer's remorse. The larger the gap between their expectations and the product's perceived performance, the greater the level of disappointment (Kotler et al. 2012)

By studying the overall buyer decision process, marketers may be able to find ways to help consumers move through it. For example, if consumers are not buying a new product because they do not perceive a need for it, marketing might launch advertising messages that trigger the need and show how the product solves customers' problems. If customers know

about the product but are not buying because they hold unfavorable attitudes toward it, marketers must find ways to change either the product or consumer perceptions (Kotler et al. 2012).

To give an example of how consumer behavior evolves while buying a car, he will start with recognizing his or her need for a car. Then come to information collecting and processing stage. After making up his mind to buy one specific brand, for instance Skoda, the consumer makes the purchase. In the post purchase stage, the consumer evaluates the performance of the car against the expectations he or she had before buying the car. In this stage, the consumer is either satisfied or dissatisfied (Hasan, 2008).

2.4.1. Types of buying decision behavior

Complex Buying Behavior

Consumers undertake complex buying behavior when they are highly involved in a purchase and perceive significant differences among brands. Consumers may be highly involved when the product is expensive, risky, purchased infrequently, and highly self-expressive. Typically, the consumer has much to learn about the product category. For this buyer will pass through a learning process, first developing beliefs about the product, then attitudes, and then making a thoughtful purchase choice. (Kotler et al. 2012).

In complex decision making, consumers evaluate brands in a detailed and comprehensive manner. More information is sought and more brands are evaluated than in other types of decision making process (Assael 2001).

Dissonance-Reducing Buying Behavior

Dissonance-reducing buying behavior occurs when consumers are highly involved with an expensive, infrequent, or risky purchase but see little difference among brands. For example, consumers buying carpeting may face a high-involvement decision because carpeting's expensive and self-expressive. Yet buyers may consider most carpet brands in a given price range to be the same. In this case, because perceived brand differences are not large, buyers

may shop around to learn what is available but buy relatively quickly. They may respond primarily to a good price or purchase convenience. After the purchase, consumers might experience post purchase dissonance (after-sale discomfort) when they notice certain disadvantages of the purchased carpet brand or hear favorable things about brands not purchased. To counter such dissonance, the marketer's after-sale communications should provide evidence and support to help consumers feel good about their brand choices (Kotler et al. 2012).

Habitual Buying Behavior

Habitual buying behavior occurs under conditions of low-consumer involvement and little significant brand difference. For example, take table salt. Consumers have little involvement in this product category—they simply go to the store and reach for a brand. If they keep reaching for the same brand, it is out of habit rather than strong brand loyalty. Consumers appear to have low involvement with most low-cost, frequently purchased products. . buyers are not highly committed to any brands (Kotler, 2012).

Variety-Seeking Buying Behavior

Consumers undertake variety-seeking buying behavior in situations characterized by low consumer involvement but significant perceived brand differences. In such cases, consumers often do a lot of brand switching. For example, when buying cookies, a consumer may hold some beliefs, choose a cookie brand without much evaluation, and then evaluate that brand during consumption. But the next time, the consumer might pick another brand out of boredom or simply to try something different. Brand switching occurs for the sake of variety rather than because of dissatisfaction. In such product categories, the marketing strategy may differ for the market leader and minor brands. The market leader will try to encourage habitual buying behavior by dominating shelf space, keeping shelves fully stocked, and running frequent reminder advertising. Challenger firms will encourage variety seeking by offering lower prices, special deals, coupons, free samples, and advertising that presents reasons for trying something new (Kotler, 2012).

2.5 Brand

To find factors that influence consumers brand choice the concept of brand and brand theories should be investigated. First brand is defined. Further, different factors influencing brand choice are discussed.

A brand has been defined by many experts. Each expert comes up with his or her own definition or a nuance to the existing ones. An internationally agreed legal definition for brands is 'a sign or set of signs certifying the origin of a product or service and differentiating it from the competition' (Kepperer,2008).

A brand thus signals to the customer the source of the product, and protects both the customer and the producer from competitors who would attempt to provide products that appear to be identical (Aaker, 1991).According to Kepperer (2008) even though the legal definition provides the identifiable product a birth right to be protected against infringement, a brand name only reaches to a status of a brand when it influences purchase. From the customer's point of view, a brand can be defined as the total accumulation of all his/her experiences, and is built at all points of contact with the customer (Kapferer, 2004). Melwar and Karaosmanoglu (2008) also explain that brands not only provide a legal means to identify and protect their products, but also provide the key to product differentiation, which ultimately leads to competitive advantage.

A brand is a set of mental associations, held by the consumer, which add to the perceived value of a product or service (Keller,1998). A brand is the amalgam of the physical product and the notional images that go with the brand Parameswaran (2001) Powerful brands provide long-term security and growth, higher sustainable profits, and increased asset value because they achieve competitive differentiation, premium prices, higher sales volumes, economies of scale and reduced costs, and greater security of demand (Temporal, 2000). An important factor influencing the selection of a brand concept is consumer needs.

Park, Jaworski, and Macinnis (1986) as cited byBhimrao (2008)many brands offer a mixture of symbolic, functional, and experiential benefits. Functional needs are defined as those that motivate the search for products that solve consumption related problems (e.g. solve a

current problem, resolve conflict, and restructure a frustrating situation). A brand with a functional concept is defined as one designed to solve externally generated consumption needs. Symbolic needs are defined as desires for products that fulfill internally generated needs for self-enhancement, role position, group membership, or ego identification. A brand with a symbolic concept is one designed to associate the individual with a desired group, role, or self-image. Experiential needs are defined as desires for products that provide sensory pleasure, variety, and/or cognitive stimulation. A brand with an experiential concept is designed to fulfill these internally generated needs for stimulation and/or variety.

Consumers can base their buying decisions on their relationship with the brand and taking past experiences with the brand into consideration. It also ensures that a consumer buy a product of consistent quality. A brand then acts as a message of everything the manufacturer has promised about the brand attributes, how it was produced and what needs it can satisfy. A brand can also serve as a means of self-expression by the consumer. Since no brand is neutral, its purchase says something about the purchaser's vision of himself or herself (Lombard, 2007).

As Kepferer (2008) beautifully explained it, "Brands are a direct consequence of the strategy of market segmentation and product differentiation. As companies seek to better fulfill the expectations of specific customers, they concentrate on providing the latter, consistently and repeatedly, with the ideal combination of attributes. Companies want to stamp their mark on different sectors and set their imprint on their products. It is no wonder that the word 'brand' also refers to the act of burning a mark into the flesh of an animal as a means to claim ownership of it."

2.6 Drivers of brand choice-Conceptual framework

A consumer facing an onslaught of brand images and brand selections, being able to distinguish a brand in a crowded marketplace is becoming increasingly difficult. This implies marketing professionals and academics need to understand how to manipulate the variables that determine brand loyalty and influencing brand purchase intentions. These key

drivers are, brand awareness, brand image, price, emotional connection, accessibility and external factors.

2.6.1 Brand Awareness

Various facts in the literature revealed how brand awareness affects consumers choice and thus their choice of brand. Lin and Chang (2003) established in their study that brand awareness has the most powerful influence on consumers' purchase decisions and ultimately leads to consumer brand loyalty. Hoyer and Brown (1990) further strengthened the importance of brand awareness by stating that consumers, who once are aware of the brand in a choice set, tend to choose the known brand even when other brands with better quality are presented.

Brand awareness is the ability of a potential buyer to recognize or recall that a brand is a member of a certain product category. A link between product class and brand is involved, but the link doesn't have to be strong."brand awareness is the process from where the brand is just known to a level when the consumer have put the brand on higher rank; the brand has become the "top of mind" (Aaker,1991). Keller (2009) refers to it as the strength of the brand node in memory, which explains how easy it is for the consumer to remember the brand. In recent times, the increase of buyer awareness has made buyers want to pay for their recognizable and constructive brand. Thus, it is important for businesses to create attraction in their brands to be in better position than their competitors. This is evident that the consumers disseminate and always willing to acquire a product, so here the brand awareness is always a vital factor to manipulate the buying decisions and purchase intentions (Macdonald and Sharp, 2000) Brand awareness can be a sign of quality and commitment, letting consumers become familiar with a brand and helping them consider it at the point of purchase (Aaker,1991).

People generally tend to buy brands that they are familiar with and on which they have confidence. To be able to get the loyalty and awareness of the consumers brand awareness is a must, for which unknown brand has the tough competition from the brands already having a place in the market(Hoyer and Brown, 1990). Notably, consumers with high brand

awareness do not always spend a great deal of time or cognitive effort in making purchase decisions. They often try to minimize decision making by using heuristics such as “I buy the brand I have heard of” or “choose the brand I know” or purchase only familiar, well-established brands (Keller, 1993). A lot of consumers feel that if the brand is well known it has good quality and this adds up to the importance of brand awareness. A well known brand has a good opportunity, when ever a need of the some items arise ‘the customer will not like to take the chance and to prefer to purchase name aware brand first. Generally people choose well known branded cars above unknown branded cars because they are well aware about the brands, its reputation in market and have the direct or indirect experience about the product (Hasan, 2008)

2.6.2 Brand image

A brand image is a set of association, usually organized in some meaningful way. Brand association is anything “linked” in memory to a brand (Aaker, 1991). It is believed to contain the meaning of the brand for consumers. Keller (1993) also defines a brand image as an association or perception consumers make based on their memory toward a product. Thus, brand image does not exist in the technology, features or the actual product itself, but is something brought out by promotions, advertisements, or users. In Kapferer’s (2008) conceptualization of a brand, brand image is the result of the interpretation and synthesis made by the public of all brand messages (e.g. brand name, products, advertisements, etc.) sent by the brand owner.

Brand association can be seen in all forms and reflects features of the product or aspects independent of the product itself (Chen, 2001). In 1991 Plamer found out three components to a brand image : product attributes, consumer benefits, and brand personality. He argues that for many product classes brand personality is a key element in understanding brand choice. In many cases, brands allow customers to make a personal statement about who they are (Melwar and Karosmanoglu, 2008). Aaker’s (1991) and Keller’s (1993) suggest that creation of positive brand image directly results in greater brand equity (operationalized as likelihood of purchase and willingness to pay premium prices The brand message is thus the

brand's identity or the brand's core meaning and value as magnified and amplified by the management. In terms of brand management, brand identity therefore precedes image.

According to Jay et al (2003) explained image as a result of a combination of attributes – both tangible and intangible- perceived by the consumer about a brand. In the automobile industry, different automobiles have been endowed with different brand images. For example, Volvo stressed safety and durability. BMW in contrast, talks of performance and handling with the tag line “ The ultimate driving machine.” Jaguar, “ A blending of art and machine,” offers performance and an elegant style. Mercedes, “the ultimate engineered car “ emphasizes engineering excellence in luxury car. Hyundai, “ Cars that makes sense,” provides the price advantage (Aaker, 1991). When the customer experiences that the brand is delivering the benefits that it promised to undertake, brand bonding occurs (Kotler and Keller (2009) and the customer's resistance to switching to an unknown brand increases (Aaker, 2003).

Aaker (1988) concludes that consumers are more likely to purchase well-known brand products with positive brand image as a way to lower purchase risks. This argument is also supported by Rao and Monroe (1988), a brand with a more positive image does have the effect of lowering consumers' product perception risks and increasing positive feedback from consumers.

2.6.3 Price

The central role of price as a purchasing determinant as well as in post purchasing processes is well recognized. Price is for most consumers, and in many buying situations, the most significant influencer in alternative evaluation (Jay et al (2003) understanding this, marketers count on price in promotions and at retail to attract consumers across a wide range of goods and services, from food products and household items to major appliances and cars.

Price strategy is one of the important elements to help the brand product become a successful brand. When there are several brand products in the market then attract the customers towards a particular brand in their respect price strategy plays an important role. Price is one of the important elements for the companies to generate a profit, and this is also very useful to

create brand awareness and built a positive relationship with the customer. Emperical evidence provided by Nowlis and Simonson (2000) explains that price affects consumers' choice of brands.more over price can be used as a reason for brand choice in two ways; either by going for the lowest price inorder to escape financial risk or the highest price in order to achieve product quality Mcdonald and Sharp(2000).Cadogan and Foster (2000) argued that price is probably the most important consideration for the average consumer.An analysis of frequently purchased, relatively low-priced consumer products price is consistently found to be a strong quality indication nearly as strong as brand name Sometimes customer knows the brand name well but do not agree to the product price because other brand products are available in market with lower price.how ever, in some instances, high price, can infact, positvely influence elternative evaluation-by leading consumers to attribute higher quality to a brand that carries a higher price tag(Jay et.al, 2003). Successful brands always get a greater space in customers' mind. Consumers with high brand loyalty are willing to pay a premium price for their favored brand, so, their purchase intention is not easily affected by price (Narteh et al. 2012). Consumers 'satisfaction may be built by comparing price with perceived costs and values(Melwaret al.2001) Argue thatthe price of a product can consist of more than just a financial price. Inherent in a product's price is a psychological component of risk. Customers expect that products with a higher inherent risk factor will also have higher prices.

2.6.4 External factors

Country of origin, the nation where a particular product or service primarily comes from, can be an important evaluative criterion(Jay D. et al, 2003). Past research has shown that country of origin serves as a signal, enabling consumers to make an instant decision. Consumers may rely on such signals when more systematic search is very expensive or more comprehensive information is unavailable (Granzin& Olsen, 1998). Consumers often seem to rely very heavily on country of origin (COO) cues to evaluate products (Kotabe and Helsen, 2008).

We live in the world of stereo types, and we perceieve different countries and the products they offer in differnt ways. Even though stereotpes are biased, they do come into play as

consumers seek to narrow their choices during alternative evaluation. Durairaj (1994) Customers some times use country of origin as a rule of thumb that helps us decide what to buy if we know the product was made in the country that we believe delivers quality, that might be to drive a purchase (Shimp, Samiee and Madden, 1993).

Country-of-origin effect may have either positive or negative impact on how the brand is perceived. Additionally, the effect can either cover all brands originating from one country or simply influence the perceptions in fewer or only one product category. In a study by Wang and Yang (2008) as cited by Narteh et al. (2012) image of the COO of a car was found to be a positive moderator in the relationship between brand personality of a car and consumers' purchase intention. However, researchers have suggested that the effect varies from one product category to another (Al-Sulaiti & Baker 1998; Wu and Lo, 2009). Forexample we are proud of our Italian shoes, our British shirts, and our French colongns, but would we buy cars or cell phones made in Italy, British or France? (Durairaj, 1994). We consider some countries more stylish than others. A TV set originating from Japan is likely to receive consumer evaluations that are somewhat different from the evaluations of a Japanese car brand. Thus, consumers prefer a product from one country to a similar product from another country (Samiee 1994). Similarly, (Bilkey & Nes 1982) found out that Consumers' perception of a brand can change due to the country of-origin, thus having implications to consumer behavior and ultimately buying intention for the brand.

Media, parents, and peers all contribute to adolescent consumer socialization, with the general consensus that peers are the primary influencers, followed by media and parents. Influence by others is a factor that marketers cannot shape. A buyer can be influenced by its culture. It includes values, preferences, and behavior that a person gets from its family or other institutions. Another factor can be more social. This is where a person is influenced by small groups like membership groups and family (Kotler & Armstrong, 2004). As described by Kotler et al., the purchase decision can be affected by an attitude of others. Individuals are influenced by others on development of attitudes, interests, norms and purchase behavior. These individuals conform to group norms or modify their judgments based upon others' evaluations. According to Kotler et al., (1999) personal influence plays a distinctive role in the consumers' decision process. Consumers consult each other for opinions of new

products and brands and the advice of other people can strongly influence the buying behavior. How much personal influence affects the buying behavior and choice of brand depends on the situation and the individual.

Alluding to reference group in persuasion attempt to make products and brands, demonstrate the belief that reference group exposes people to behavior and lifestyle, influences self-concept development, contribute to the formation of value and attitude, and generate pressure for conformity to group norms(Henry, 2001).

Many social psychology studies demonstrating individual conformity to a group norms conformed that, individuals do imitate group behavior. The desire to imitate the group behavior often leads an individual to buy the same brand or products. Groups could exert influence on the ownership of a product, decisions on what brand to buy or both(Francis, 1987). And also group would be more likely to influence the product decisions for exclusive and visible products but for non-exclusive products group would be more likely to influence the brand decisions(Henry, 2001).

Group influence can also be a substitute for brand evaluation. According to Rosen and Olshevsky (1987) group recommendation often substitute brand evaluation. That is in most cases consumer either totally relays on group recommendation or use recommendations to narrow the choice to a few brand alternatives. Consumers often choose products or brands without evaluating them on the bases of objective attribute (Moschis, 1976).

2.6.5 Emotional connection

More recent studies demonstrate that consumers can experience a feeling of love for their brand Albert, Merunka, D. and Valette-Florence, (2008);Batra, R., Ahuvia, , (2012). At present, some successful companies are said to have built relationships with consumer by attractively engaging them in a personal communication that responds to their needs. Marketers have done so by connecting with customers and creating strong emotional bonds with their brands. Papanastassiou and Rouhani (2006) found out the essentiality for companies to correspond by their product by relating to their customers emotionally; otherwise product can be a product and become a brand image in the customer's minds.

Human beings tend to like people with whom they share common traits. The same notion applies to brand-consumer interactions (Aaker, 1996). We, as human beings, tend to feel more loyal to what we feel connected with, attached to, and loves (Bowlby, 1979). In a branding context, this tendency can translate into the consumer-brand relationship. This strong relationship in turn results in willingness to pay a premium price and durability of brands (Ahluwalia, Burnkrant, R.E. and Unnava, R.H. 2000). Scholars find that emotional aspects are crucial in enhancing relationship quality in that individuals who are emotionally attached to a brand exhibit greater commitment to it (Thomson et al. 2005) and consumers' intense emotions such as love toward a brand promote long-term relationship with that brand (Aronand, 1996; Carroll and Ahuvia, 2006; Fournier, 1998). In addition, consumers are more devoted to brands with which they feel commonalities and brands that express important aspects of their identity (Fournier, 1998). A fundamental premise is that consumers' purchases are partly driven by a desire to construct self-concepts and communicate them through wearing and using branded products (Belk, 1988).

Attachment theory Bowlby (1979) states that the degree to which individuals are strongly attached to a person (or to a brand) determines their level of commitment to the relationship and the level of acceptance of sacrifices involved in the relationship. Collins and Read (1990) refers to attachment as the process of establishing emotional bonding and emotional bonding developed through consistent experiences with an entity (e.g. a person or brand) contributes to the degree of comfort perceived in the relationship (Perry, 1998). In the branding context, brand attachment represents the closeness of the self to a brand in terms of a strong cognitive and affective perception existing in consumers' mindsets (Fournier, 1998; Park, MacInnis, and Priester, 2006). Hwang and Kandampully (2012), concluded in their study that, concentrating on "emotional connections" with consumers, rather than just on functional benefits advantages, can be a viable and critical consideration for their management decisions in order to enhance customer brand loyalty. Morris, Geason, and Kim, (2002), as cited by Narteh et al. (2012), also found that emotional response to a brand is a strong predictor of purchase intention and accounts for more than twice the variance of cognition.

2.6.6 Product Attribute

According to Crawford and Benedetto (2000), attributes are of three types: features, functions, and benefits: benefits can be broken down in an almost endless variety — uses, user, used with, used where, and so forth. Developing a product or service involves defining the benefits that it will offer. These benefits are communicated and delivered by product attributes such as *quality*, features, and style and design. Some marketers believe that the design and style of a car brand are actually more influential than advertising in influencing consumers, as they yield a more direct impact on how they perceive and experience the product. According to Uggla (2004), attributes such as quality are an integral part of brand identity. Product quality encompasses the features and of a product or service that characteristics bears on its ability to satisfy stated or implied needs. In other words, product quality is defined as “fitness for use” or “conformance to requirement” from the consumer’s expected standards of the brand (Russell and Taylor, 2006). A product’s design and style are favored by all consumers (Kuksov, 2004). This makes it an extremely powerful and unique tool in the modern marketing environment. Some marketers believe that the design and style of a car brand are actually more influential than advertising in influencing consumers, as they yield a more direct impact on how they perceive and experience the product. Hofmeyr and Rice (2000), assert that “in most cases, our experience has been such that style and designs are more likely to influence the consumer perception of the brand as compared with advertising”. For car brands with low advertising, support, style and design take on an even more significant role as the key medium for communicating the brand’s positioning (Rundh, 2005). Consumers are familiar with the flamboyant design of the Hummer Jeep, the uniqueness of the Jaguar, the mechanical accuracy of Mercedes and BMW among other

2.6.7 Accessibility

The capability of making your brand convenient to target customers is vital for influencing customers brand choice. Lin and Chon asserts that convenience of a brand has a significant impact on consumers brand choice. The car brand must be available where customers shop or within a reasonable distance for it to be considered within the choice set (Schiffman and Kanuk, 2009; Van Auken, 2003). Certainly, distribution channels and location are important

to brand accessibility, but so also are hours of operation, waiting times, product availability and process simplicity.

Within the context of consumer decision making, especially when evaluating potential alternative brands during the pre purchase stages, the evoked set refers to the specific brands(or models) a consumer considers when making a purchase within a specific product category (Lin and Chang, 2003). Regardless of the total number of brands in a product category, a consumer's evoked set tends to be quite small on average, often consisting of only three to five brands based on their accessibility and convenience to the consumer (Schiffman and Kanuk, 2009). In a study by Emmelhainz et al. (1991), it was found that a substantial amount of consumers (32 percent) switched brands due to out-of-stock situations. A similar study conducted recently by Kim (2008) also reported 21 percent of consumers behaving in a like manner. For several automobile buyers, accessibility may not only be limited to the car but also the availability of showrooms and spare parts. Therefore, Like other areas of business, marketing channels require careful administration, as superior channel management policies and strategies help a firm attain a differential advantage but concomitantly are difficult to duplicate (Ghemawat ,1986).

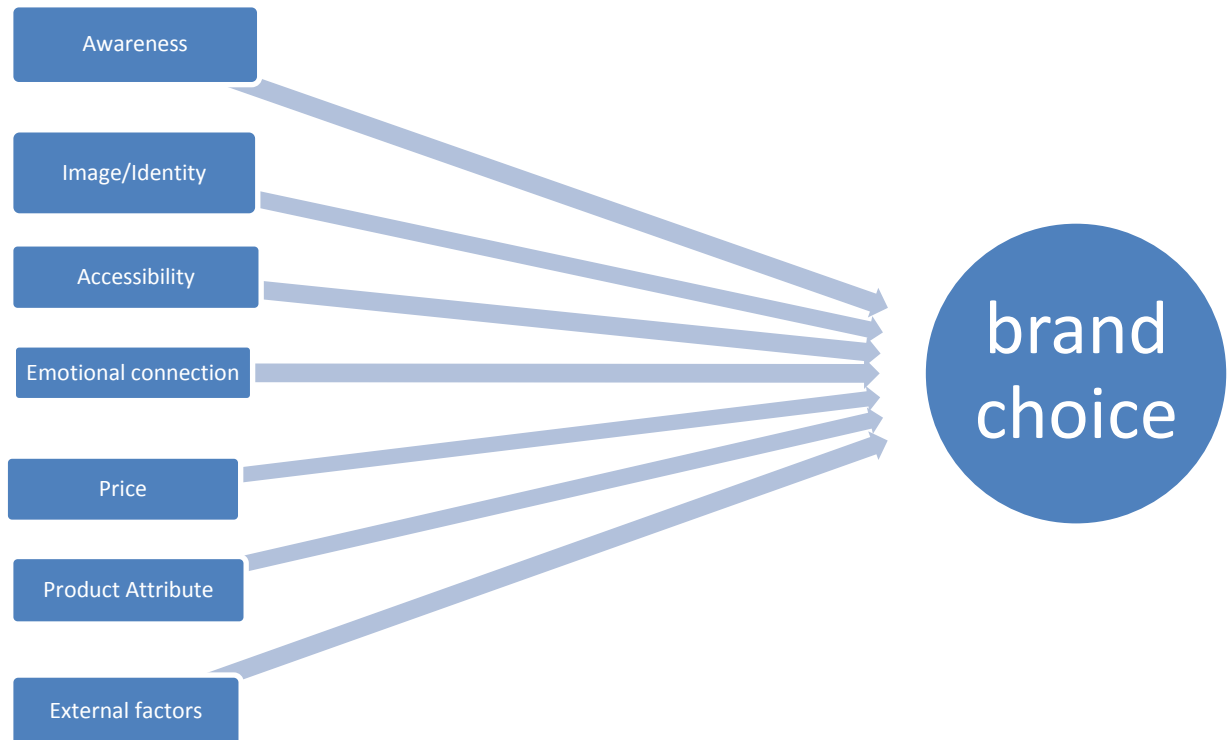
2.7 Brand Choice

Choice is the process of preference consolidation facilitating the choice task (Beach 1993). Brand choice is concerned with the selection and consumption of the brand (Bettman et al., 1998). Brand preference can be viewed as a motivator of brand choice. Consumer choices are based on well-defined preferences through which consumers can determine the set of alternatives from which they will make their choices (Louviere, 2000). Economically, the main target of the consumer in the choice task is to satisfy his preference and select the alternative with maximum utility (Rizvi, 2001). If a consumer does not select the optimal alternative to maximize his utility, he is compromised by conflicting preferences (Yoon and Simonson, 2008). Hansen (1976) identifies the confliction between alternatives preceding choices among the aspects that characterize choice. Moreover, Sagoff (2003) suggests that the relationship between brand choice and brand preference is subject to market conditions. In perfect market conditions, consumers will choose from their preferred alternatives. While

in the imperfect market, choice is subject to situational factors, such as availability; whereby, consumers' brand choices can be inconsistent with their preferences.

2.9. Conceptual Frame work of the study

Fig 2.1: Key drivers of Car brand Choice with own elaboration.



Source Nareth et al (2012)

CHAPTER THREE

RESEARCH DESIGN AND METHODOLOGY

The present study is about the key drivers of automobile brand choice . So, in order to achieve the objective of the study, this chapter focuses on the research design used, type of data source, method of data collection, types of questionnaire and scale, and sampling technique.

3.1. Research Design

Researchers used the term research design in a variety of ways. Bhattacharjee(2012) referred to it as a master plan, a blue print, and even as a sequence of research tasks and activities. In simple terms a research design is a plan of methods and procedures that is used by researchers to collect and analyze the data needed by the the manager. Decisions regarding what, where, when, how much, by what means concerning an inquiry or a research study constitute a research design (Kothari, 2004).

Research design may be broadly classified as exploratory or conclusive research. The primary objective of exploratory is to provide insights into and an understanding of the problem confronting the researcher. It is flexible and unstructured where as, conclusive research provides a way to verify and quantify the insights gained from exploratory research. Conclusive research is further classified in to two major categories, Descriptive and casual(Kothari, 2004). in order to determine the association, the degree of relation ship between the independent variables (brand awareness, brand image, emotional connection, price, accessibility, attribute, and external factors) and the dependent variable (brand choice) and to predict the frequency with which the relation ship occurs between variables, the study used a explanatory design.

According to Kothari (2004) Causal research design is quiet prevalent to researchers whose purpose is to make prediction of market and consumer behavior and to describe characteristics of a certain group. Consistent with previous study on brand choice (Nareth et

al, 2012), a survey approach using questionnaires was adopted. Surveys are conducted in case of descriptive research studies. Sources of the primary and the secondary data were used in the study. As the universe of the study is large, and due to the uncertainty of the number of cars, the researcher selected sample from the population by adopting the non-probability sampling: convenience sampling technique.

3.2 sampling Technique and Sample size

3.2.1. Target Population

The first stage in the sampling process is defining the target population. Mihotra (2004) referred to target population as the collection of elements or objects that possess the information sought by the researcher and about which inferences are to be made. The population of this study is car owners in Addis Ababa from both genders. To be precise, a population must be defined in terms of elements, units and time (Dillon, 1993). The total number all private cars registered by the Ethiopian Transport Authority in Addis Ababa buying their car in the past five (5) years.

3.2.2. Sampling Frame

This is an accessible section of the target population (usually a list with contact information) from where a sample can be drawn (Bhattacharjee, 2012). The sample frame of this study is residents of Addis Ababa from both genders who bought their cars in the past five years time. Due to the confidentiality of information about the registered car owners by Ethiopian Transport Authority, the researcher conveniently drawn samples from churches, hotels, cafes, schools, found in north, south, east, and west of Addis Ababa.

3.2.3. Sampling Technique

The present study is conducted by using a non-probability convenience sampling technique. Under non-probability sampling the organizers of the inquiry purposively choose the particular units of the universe for constituting a sample on the basis that the small mass that they so select out of a huge one will be typical or representative of the whole (Bhattachar, 2012). Convenience sampling refers to “the sampling procedure of obtaining

those people or units those are most conveniently available". The approach enables to obtain a large number of completed questionnaires quickly and economically(Zikmund,2003). In other words, if the investigators are impartial, work without bias so as to take sound judgment, the results obtained from an analysis of deliberately selected sample may be tolerably reliable (Kothari, 2004).

Even though a convenience sampling has shortcomings of being less representative of the entire population and bias, this method is common in marketing , Business and management research as this can ensure a high response rate. Moreover, in small inquiries and researches by individuals, this design may be adopted because of the relative advantage of time and money inherent in this method of sampling because Cost considerations have a major impact upon decisions relating to not only the size of the sample but also to the type of sample. This fact can even lead to the use of a non-probability sample (Kothari,2004).The researcher identifies and presents a query only for those who bought their cars in five years time, despite the method's less generalizability, it is the best way to describe this study.

3.2.4. Sample Size

The sample size of this study was 300. In order to develop accurate sample size, the researcher uses default statistical techniques. However, Stevens et al.(2006) explains that statistical methods of establishing sample size are only applied to probability samples. In the case of non- probability samples, the choice of sample size is determined by the insight, judgment, experience, or financial source of the researcher.

Thus the researcher considers available fund and time, sample used by similar past studies and own judgment to determine the sample size. Hence, the sample size of 30(10%), were added to compensate for unreturned or non-usable questionnaires.

Table 3.1 Sample size used by Similar Studies

Authors	Year	Country	Sample size
Annadurai & Sudharani	2012	India	200
Subadra and Murguesan	2010	India	215
Banerjee, Walker, Deakin & Kanafani	2010	USA	195
Liu Dongyan and Bai Xuan	2008	China	192

Source: Dongyan and Xuan (2008), Walker and Kanafani (2010), Annadurai & Sudharani (2012).

3.3. Source and Tools of Data Collection

The source of data used in this research is comprised of both primary and secondary. The primary data are those which are collected afresh and for the first time, and thus happen to be original in Character (Kothari, 2004). There are several methods of collecting primary data, particularly in surveys and descriptive researches. Important ones are: (i) observation method, (ii) interview method, (iii) through questionnaires, (iv) through schedules, and (v) other methods which include (a) warranty cards; (b) distributor audits; (c) pantry audits; (d) consumer panels; (e) using mechanical devices; (f) through projective techniques; (g) depth interviews, and (h) content analysis. In this research, however, primary data were gathered through standardized questionnaire due to its advantage of cost, free from bias, and its dependability and reliability on large samples..

The secondary data, on the other hand, are those which have already been collected by someone else and which have already been passed through the statistical process. When the researcher utilizes secondary data, then he has to look into various sources from where he can obtain them. In this case he is certainly not confronted with the problems that are usually associated with the collection of original data. By way of caution, the researcher, before using secondary data, must see that they possess reliability of data, suitability of data, and adequacy of data: (Kothari, 2004).

3.4. Procedures of data collection

Both the Amharic and the English version of the questionnaires were distributed to consumers who own their car in the past five years. The design of the questionnaire was primarily based on multiple item measurement scales adopted from previous research on brand choice. The first section of the questionnaire elicited demographic information on age, gender, occupation, income, level and educational qualification. The second section obtained information the determinants of automobile brand choice. The questionnaire was a likert scale type, and anchored on 1 “strongly disagree” and 5 “strongly agree”. together with the brands of car they have bought The data were collected personally by the researcher and assisted by close friends and families. Participants were requested to complete the survey on the spot and for any problem faced the researcher clarified. The data collection took one month.

3.5 Measurement Instrument

The study has an objective to identify the choice of automobile consumers and its drivers. To achieve the objective, it is important and mandatory to identify the measurement instruments. Even if there are many determinants of choice, for this study the measures consist of

- Car Attributes
- Emotional Connection
- Image of the car
- Brand Awareness
- Price
- Accessibility
- External Influences

The items used to measure the constructs in this study are adapted and derived from the previous study (Narteh et al. 2012):Key drivers of automobile brand choice in sub-Saharan Africa: Journal of Product & Brand Management; Volume 21 · Number 7 · 2012 · 516–528). Each item is rated on a 5-point likert scale anchored by “strongly disagree” (1) and “strongly agree” (5). Scale items are also adapted from this research.

3.6 Measurement Reliability and Validity

3.6.1 Reliability

According to (Saunders, 2012), there are three strategies for estimating reliability: (a) test-retest reliability (i.e., calculating a reliability estimate by administering a test on two occasions and calculating the correlation between the two sets of scores). This technique is, however, difficult to apply in the social sciences for two reasons: the reactivity of the human subject (the first test may alter the property that we wish to assess, in that memory or learning effects may influence performance on the second test) and the change that may take place in the subject between the two tests (Corbetta, 2003). (b) equivalent (or parallel) forms reliability (i.e., calculating a reliability estimate by administering two forms of a test and calculating the correlation between the two sets of scores), and (c) internal consistency reliability (i.e., reliability is estimated by correlating the answers to each question with the answers to all the other question). Clearly, the internal consistency strategy is the easiest logistically because it does not require administering the test twice or having two forms of the test (Saunders, 2012).

Calculating Cronbach's alpha (α) has become a common practice when a multiple-item measurement of a concept or construct are employed because it is easier to use in comparison to other estimate (Willson, 2003). For this reason in this research the student researcher used Cronbach's alpha combined with inter-item correlation to determine the internal reliability of measurement instrument. Because the value of alpha depends on the number of items, it can create a misleading result (Mohsen, 2011).

To test the reliability of the instrument 56 questionnaires were distributed which is considered reasonable in line with the guidelines of Saunders (2012), which specify a range of 10 to 100. 44 questionnaires were collected and only 40 questionnaires were usable because of a large missing data. The pilot study sample profile has 27 male and 13 female respondents, with a percentage of 67.5 % and 32.5% respectively. The age of respondents range from 18 to 55 years, with the majority 90% ranging from 18-35 years. 90% of the respondents hold a college diploma or higher. In addition, the ratio of those who are employed to unemployed is approximately 9:1. In terms of social status, percentage of single and married respondents is 55% to 45% respectively.

Generally, the value of good alpha is 0.7 or more (Hair et al., 2010; Kline, 2005); however, at the early stages of research, it can be accepted at the level of 0.5 or 0.6 (Churchill, 1979). Therefore, the item is subject to deletion if it does not meet the cut-off point of 0.3 for the inter-item correlation, or the value of alpha goes below the above specified levels, or if its deletion will increase the value of alpha (Field, 2005).

Accordingly, all the variables measuring brand preference met the threshold defined. The pretest of 36 items result shows that the Cronbach alpha is .87 that is above the minimum cut off. In the pretest all items found to be reliable. So that, there was no any item deleted. Therefore, all items were included in the main survey.

Table 3.2. Pretest Reliability Analysis result

Reliability Statistics	
Cronbach's Alpha	N of Items
.868	36

Source: survey result (2014)

3.6.2 Validity

One of the objectives of pilot study is to evaluate the measurement items for content and face-validity. Often, the face and content-validity are interchangeable without differentiation between concepts; yet, few discrepancies exist between the two. The content-validity refers to “the degree to which a measure’s items represent a proper sample of the theoretical content domain of a construct. For the items to have content-validity, they also need to be face-valid, which refers to “the degree that respondents or users judge that the items of an assessment instrument are appropriate to the target construct and assessment objectives, (Hardesty and Bearden, 2004, p.99 as cited by Ebrahim. The most common method of assessing the content-validity is the applied method for the pre-test of questionnaire, guided by a list of definitions for each construct. Consequently, the expert judges the quality of the survey confirms the items and evaluates the ambiguity of other items subject to deletion (Saunders, 2012).

Accordingly for this study the questionnaire were sent to my advisor and the comments were received, reviewed and correction were made. Furthermore, the questionnaire were evaluated

and commented by one PHD candidate and two persons with MA degrees in marketing, who are believed to have the skill and knowledge of research.

3.7. Methods of Data Analysis

The data, after collection has been processed and analyzed in accordance with the purpose of the present research plan for ensuring we have all relevant data for making contemplated comparison and analysis. Processing implies editing, coding, classification and tabulation of collected data so that they are amenable to analysis. The term analysis refers to the computation of certain measures along with searching for patterns of relationship that exist among data-groups. Thus, in the process of analysis, relationships or differences supporting or conflicting with original or new hypotheses should be subjected to statistical tests of significance to determine with what validity data can be said to indicate any conclusions (Kothari, 2004). The statistical tools applied to process and analyze the collected data were percentage, tables. On the other hand in order to test whether there exists a significance difference in factors determining brand choice and to give necessary conclusion and recommendations the researcher adopted Exploratory factor analysis and one-way ANOVA analysis.

CHAPTER FOUR

DATA ANALYSIS AND INTERPRETATION

The purpose of this study was to investigate key drivers of automobile brand choice. A total number of 300 questionnaires were received. Descriptive statistics was used in analyzing the data collected. The responses by the car owners to some items of the questionnaire were compiled into tables according to the main variables being examined. Descriptive analysis for instance percentage, mean, standard deviation was used in examining variables such as car attributes, Emotional connection, Image of car, Awareness, Accessibility, Price of car, and External influences. When analyzing the data collected, Exploratory Factor Analysis and one-way ANOVA were used.

4.1. Demographic characteristics of respondents

The descriptive analysis from Table 4.1 indicates that 65.3 percent of the respondents were males while 34.7 percent were females. In terms of age, a greater part of the respondents (52.7 percent) were above the age of 25 years indicating that they were adults who could own cars in Ethiopia. Furthermore, the educational background of the respondents revealed that 55.7 percent were first degree holders, 20 percent had post-graduate degrees, 16 percent had Diploma, while 7.3 percent had secondary education certificates. The remaining 1.0 percent had other professional qualifications. It is evident from these statistics that a number of the respondents had more than just a high school educational certificate indicating that education background in Ethiopia is highly correlated with car ownership. With respect to the profession of the respondents 0.7 percent were unemployed while 99.3 percent had employment. Out of the working class 22.3 percent were self-employed whilst 77.7 percent were salaried employees. Additionally, 2.0 percent of the respondents were on pension. Subsequently, a look at the monthly income ranges of the respondents revealed that 8.7 percent earned less than Birr 5,000 annually, 24.3 percent earned between Birr 5001 to Birr 10,000 monthly, 24 percent earned from Birr 10,001 to Birr15, 000 monthly, 21.3 percent earned from Birr 15,001 up to Birr20,000 monthly whilst 21.7 percent of the respondents have monthly earnings of above Birr 20,000.

Table 4.1 Demographic Profile of Respondents

Profile of Respondents	Frequency	Percentage
GENDER		
Male	196	65.3
Female	104	34.7
Total	300	100
AGE(in years)		
18-25	14	4.7
26-35	158	52.7
36-45	85	28.3
46-55	32	10.7
Above 55	11	3.7
Total	300	100
MARITAL STATUS		
Single	99	33
Married	174	58
Divorced	21	7
Widowed	6	3
Total	300	100
EDUCATIONAL QUALIFICATIONS		
No formal education	0	0
High school	22	7.3
Diploma	48	16
Degree	167	55.7
Post graduate	60	20
Other	3	1
Total	300	100
PROFESSIONS		
Unemployed	2	0.7
Self-employed	67	22.3
Government employed	59	19.7
NGO-employed	56	18.7
Private company employed	110	36.7
Pensioner	6	2
Total	300	100
MONTHLY INCOME(in Birr)		
Below 5,000	26	8.7
5,001-10,000	73	24.3
10,001-15,000	72	24
15,001-20,000	64	21.3
Above 20,000	65	21.7
Total	300	100

Source: survey result, 2014

4.2 Automobile brands used by respondents

An analysis of the car brands used by respondents is presented in Table II. The results indicate that Toyota had the highest number of users with 192 users representing 64.0 percent, Hyundai 22 respondents (7.3 percent), Locally assembled Lifan and Terios are each owned by 14 respondents (4.7 % each) , Kia (8 respondents), Mercedes and Peugeot (7 respondents each), BMW and VW (5 respondents each), Nissan and Holland cars (4 respondents each), Ford (2 respondents), Audi (1 respondent), Respondents who use Suzuki were three whilst Audi, Land Rover, BYD, and Geely had one respondent each.

Brand name of cars	Frequency	Percent	Cumulative Percent
Toyota	192	64.0	64.0
Mercedes	7	2.3	66.3
Hyundai	22	7.3	73.7
Lifan	14	4.7	78.3
Kia	8	2.7	81.0
Peugout	7	2.3	83.3
Suzuki	3	1.0	84.3
Geely	1	.3	84.7
BMW	5	1.7	86.3
Ford	2	.7	87.0
VW	5	1.7	88.7
Terios	14	4.7	93.3
Nissan	4	1.3	94.7
Holland cars	4	1.3	96.0
Renault	3	1.0	97.0
Honda	6	2.0	99.0
BYD	1	.3	99.3
land rover	1	.3	99.7
Audi	1	.3	100.0
Total	300	100.0	

Source: Survey Result, 2014

4.3 Factors affecting Automobile Brand Choice

In order to analyze respondents Automobile brand choice , seven factors were used namely Car Attributes, Emotional Connection'Brand image, Brand Awareness, Accesssibility, Price

of car and External Influences, and customers attribute. Each factor was represented by specific statements which explain factor’s facets and elements. There were a total of 30 items under these factors. In order to determine brand choice, descriptive statistics of mean and standard deviation is used. The mean indicates to what extent the sample group averagely agrees or disagrees with the different statements. The higher the mean the more the respondents agree with the statement while the lower the mean the more the respondents disagree with the statement. In addition, standard deviation shows the variability of an observed response from a single sample.

4.3.1 Attribute

Descriptive statistics especially means were used to evaluate the effect of Attribute on respondents brand choice. Under attribute influence dimension, there were 5 specific statements in a form of likert scale. Each statement talks about the Attribute factors and explains attribute facets and elements.

	I buy a car of high Quality	I prefer attractive and well-designed car	I choose a car that is safer	I buy a car that is durable	I buy a car with low running cost
N	300	300	300	300	300
Mean	4.07	3.91	4.15	4.33	4.15
Std. Deviation	.735	.803	.809	.776	.867
Minimum	1	1	1	1	1
Maximum	5	5	5	5	5

Source: survey result, 2014

The First dimension as a determinant of Automobile brand choice side is attribute. This dimension had five elements. Based on the surveyed data, all elements of the dimension had been taken into account when respondents purchase automobile brands. But the amount of mean they scored varies across elements. Based on table 4.4 the most significant consideration among attribute is the durability of the brand by scoring 4.33 mean values. Safety and running cost had an equal mean score of 4.15. The least mean was scored by the brands attractiveness and design The average mean is 4.122. This statement has a direct relation with all elements of attribute to make car owners choose one car brand from another.

4.3.2 Emotional Connection

Emotional connection is represented by 4 statements which are related to sticking to certain brands because of the emotional attachment that car owners have with their brand of car. Respondents were required to spot the level of agreement from the given alternatives in likert scale. Table 4.5 indicates that respondents scored the item “My brand of car stands something important for me” highest among the list of items related to Emotional connection with the mean score of (3.42). The least score the respondent gave was related to the item “I buy unique and admirable car”. Emotional connection has an average mean of 3.07 indicating its influence on respondents car brand choice.

	My brand of car stands for something important to me	My car brand socially connects me to people	I buy unique and admirable car	My brand of car makes me feel good
N	300	300	300	300
Mean	3.42	3.04	2.45	3.40
Std. Deviation	1.039	1.152	1.032	1.088
Minimum	1	1	1	1
Maximum	5	5	5	5

Source: survey result, 2014

As postulated in table 4.5 the highest and lowest mean score were 2.93 and 2.12 respectively. the average mean for this dimension was 2.574. This shows that respondents express their disagreement to the statements of image of the car when choosing one car brand from another.

	I buy a car consistent to my self-image	My brand of car reflects my personality	I buy a car which is prestigious and luxurious	I buy a car that enhances my social status	I choose a car with a unique feature
N	300	300	300	300	300
Mean	2.93	2.67	2.12	2.53	2.62
Std. Deviation	1.104	1.210	1.113	1.195	1.083
Minimum	1	1	1	1	1
Maximum	5	5	5	5	5

Source: survey result, 2014

4.3.4. Awareness

As per table 4.7, illustrates among the list of items comprising of brand awareness, the mean score for the item “I buy well known car brands” was relatively high with a mean score of (4.08) whilst the least mean score (3.10) goes to the item “I buy a car which is well advertised”. This shows that the respondents are in favor of all elements of awareness since the mean score inclined to their agreement. However, Well known brand is their priority among the listed statements.

Table 4.6. Analysis of Awareness

	I buy a car which is well advertised	I buy a car whose name I remember best	I buy well-known car brands
N	300	300	300
Mean	3.10	3.59	4.08
Std. Deviation	.898	.823	.786
Minimum	1	1	1
Maximum	5	5	5

Source: survey result,2014

4.3.5. Accessibility

The fifth dimension is ease of Accessibility. Based on the surveyed data, all elements of the Accessibility dimension were taken in to account in choosing car brands. But the amount of mean they scored varies across elements. Based on table 4.8 the most significant consideration among accessissibility is the availability of maintainance and repair by scoring 4.62. in fact this score is ranked first among all the variables detrmining automobile brand choice. Availability of spare parts score slightly lower than maintainance with the mean value of 4.54. “I prefer a car which is widely available” also scored 3.75. the lower mean was 3.01 scored by “ I buy a car which has all over the country”. The average mean of Accessibility is 3.98. This indicates that all elements of Attribute drive car owners to choose the car they drive.

Table 4.7. Analysis of Accessibility

	I prefer a car which is widely available	I buy a car which has a showroom all over the country	I buy a car which have spare parts readily available	I choose cars with maintenance and repair readily available
N	300	300	300	300
Mean	3.75	3.01	4.54	4.62
Std. Deviation	1.011	1.012	.737	.661
Minimum	1	1	1	1
Maximum	5	5	5	5

Source: survey result, 2014

4.3.6. Price of car

In the price dimension three(3) items were presented to respondents and the results of the analysis is displayed in table 4.10. below

Table 4.8. analysis of Price

	my brand of car is reasonably priced	I buy a car which is low-priced	My brand of car gives me value for money
N	300	300	300
Mean	3.73	3.72	3.90
Std. Deviation	.825	.941	.824

Source: survey result, 2014

As the result from the table revealed the highest mean (3.90) was scored by “my brand of car gives me value for money”. The least mean was 3.72 scored by “My brand of car is reasonably priced”.

4.3.7 External Influences

Table 4.9. Factor 7: External Influences

	I buy car because of its Country of origin	I buy a car recommended by families and friends	I buy a car used by families and friends	I choose a car with a resale value	My car brand reflects my social status
N	300	300	300	300	300
Mean	3.57	3.23	3.09	3.77	2.90
Std. Deviation	1.060	1.056	1.037	.950	.888

Source : Survey Result, 2014

The final dimension was external influence. Based on the surveyed data, all elements except “My car brand reflects my social status” were taken in to account in choosing car brands. But the amount of mean they scored varies across elements. Based on table 4.9 the most significant consideration among external influences is the resale value scoring 3.77. And the lowest scored by “ my car brand reflects my social status”

4.3.8. Descriptive statistics of over all variables

As the above tables display the means and standard deviations of the various variables used in the questionnaire. The results indicate moderate to high mean values. From the tables the highest mean was 4.62 (I choose cars with maintainance and repair readily available) while the lowest was 2.12 (I buy a car which is prestigious and luxurious).

4.4. ExploratoryFactor Analysis(EFA)

The major aim of factor analysis is the orderly simplification of a large number of intercorrelated measures to a few representative constructs or factors. The variables measuring consumer choice of automobiles were factor analyzed. Prior to the extraction of factors, the Bartlett test of Sphericity (Approx.: Chi-square 4203.806, df. 406, sig. 0.000) and the KMO measure of sampling adequacy (value of 0 .757) confirmed that there was significant correlation among the variables to warrant the application of exploratory factor analysis.

Table 4.10 KMO and Bartlett's Test

Kaiser-Meyer-Olkin Measure of Sampling Adequacy.		.757
Bartlett's Test of Sphericity	Approx. Chi-Square	4203.806
	Df	406
	Sig.	.000

Source: Survey Result, 2014

4.4.1.Factor Analysis Output

The Total Variance Explained section presents the number of common factors extracted, the eigen values associated with these factors, the percentage of total variance accounted for by each factor, and the cumulative percentage of total variance accounted for by the factors.

Only factors whose eigen values were equal or greater than 1 were selected (Malhotra and Birks, 2007). Using the criterion of retaining only factors with eigenvalues of 1 or greater, eight factors were retained for rotation. These eight factors accounted for 20.30%, 14.68%, 8.05%, 6.93%, 5.39%, 4.808%, 4.20 %, and 3.68% of the total variance, respectively, for a total of 68.05%. Moreover variables with loadings of at least 0.5 (Hair et al., 2010) and factors with a reliability threshold of 0.7 (Nunnally, 1978; Hair et al., 2010) were selected for the analysis.

4.4.2 Varimax rotated principal component loadings

The 26 variables were later rotated using the Varimax rotation as the extraction method. The results revealed that the variables loaded perfectly onto the eight factors. Five variables loaded highly on Factor 1 and were all related to the image held about the cars. Factor 2 had four variables which were also related to the emotional attachments which respondents had towards their brand of cars. Furthermore, Factor 3 also had four variables which related to the external influences. The fourth Factor had four items and these related to attribute of the car. Factor 5 related to the respondents' ease of accessibility of a car brand and three items were loaded. In addition, Factor 6 had three items and related to the price of the car brands whilst Factor 7 had two factors which were all related to the influence of external factors. The final Factor 8 had only one item (I buy a car because of its country of origin).

Table 4.12 Rotated Component Matrix^a

	Component							
	1	2	3	4	5	6	7	8
I buy a car of high Quality				.738				
I prefer attractive and well-designed car				.632				
I choose a car that is safer				.800				
I buy a car that is durable				.711				
I buy a car with low running cost				.556				
My brand of car stands for something important to me		.474						
My car brand socially connects me to people	.747							
I buy unique and admirable car		.775						
My brand of car makes me feel good	.425	.621						
I buy a car consistent to my self-image	.767							
My brand of car reflects my personality	.854							
I buy a car which is prestigious and luxurious		.765						
I buy a car that enhances my social status	.764							
I choose a car with a unique feature		.701						
I buy a car which is well advertised							.804	
I buy a car whose name I remember best							.850	
I buy well-known car brands							.616	.478
I prefer a car which is widely available			.456		.436			
I buy a car which has a showroom all over the country					.454			
I buy a car which have spareparts readily available					.876			
I choose cars with maintainance and repair readily available					.899			
my brand of car is reasonably priced						.843		
I buy a car which is low-priced						.789		
My brand of car gives me value for money						.790		
I buy car because of its Country of origin								.835
I buy a car recommended by families and friends			.884					
I buy a car used by families and friends			.861					
I choose a car with a resale value			.684					
My car brand reflects my social status	.768							
Extraction Method: Principal Component Analysis. Rotation Method: Varimax with Kaiser Normalization.								

Source: survey result, 2014

4.4.3 Re-specification and reliability of the EFA

The internal reliability of the eight factors was analyzed through Cronbach's alpha coefficient. Only factors that met the minimum value of 0.7 as postulated by (Hair et al., 2010) were accepted for further analysis. Also, in order to test the value of the variables that loaded onto the factors, item-to total correlation was set above 0.3 (Parasuraman et al., 1988). Therefore, factor 7 with the minimum Cronbach's alpha coefficient of 0.665 is rejected, and factor 8 was subsequently merged with factor 3 on the basis of conceptual fitness. The result is illustrated on Table V. Consequently, the factors that determine consumers' choices of automobiles in Ethiopia are labeled as Car attributes, Emotional connection, Image of car, Accessibility, Price of car and External influences.

Table 4.13 Re-specification and Reliability of EFA

Factors	NO OF items	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted	Cronbach's Alpha
IMAGE OF THE CAR						
My brand of car reflects my personality	5	11.39	12.761	.799	.836	0.882
I buy a car that enhances my social status		11.53	13.407	.720	.856	
I buy a car consistent to my self-image		11.14	13.934	.726	.854	
My car brand socially connects me to people		11.03	13.835	.697	.861	
My car brand reflects my social status		11.17	15.687	.662	.871	
EMOTIONAL CONNECTION						
My brand of car stands for something important to me	4	7.20	7.224	.420	.778	0.763
I buy unique and admirable car		8.16	6.525	.581	.697	
I buy a car which is prestigious and luxurious		8.49	5.729	.691	.632	
I choose a car with a unique feature		7.99	6.381	.567	.705	
EXTERNAL FACTORS						
I buy car because of its Country of origin	4	10.09	6.922	.357	.830	0.830
I buy a car recommended by families and friends		10.42	5.576	.670	.666	
I buy a car used by families and friends		10.57	5.390	.741	.626	
I choose a car with a resale value		9.89	6.395	.570	.723	
ATTRIBUTES						
I buy a car of high Quality	5	16.54	5.373	.545	.675	0.736
I prefer attractive and well-designed car		16.70	5.496	.433	.715	
I choose a car that is safer		16.46	4.851	.636	.636	
I buy a car that is durable		16.28	5.226	.548	.672	
I buy a car with low running cost		16.45	5.560	.357	.748	
ACCESSIBILITY						
I buy a car which has a showroom all over the country	3	9.16	1.836	.318	.932	0.705
I buy a car which have spareparts readily available		7.63	1.878	.648	.445	
I choose cars with maintainance and repair readily available		7.56	2.020	.678	.449	
PRICE						
my brand of car is reasonably priced	3	7.62	2.237	.611	.601	0.739
I buy a car which is low-priced		7.63	2.088	.534	.697	
My brand of car gives me value for money		7.44	2.348	.554	.665	

a. Rotation converged in 7 iterations.

Source: survey Result

4.4. Analysis of variance

4.4.1 (One-Way ANOVA)

In order to test whether the factors determining brand choice differ significantly among various brands purchased by respondents one-way ANOVA was conducted.

Table 4.14 Anova Analysis Result

ANOVA						
		Sum of Squares	df	Mean Square	F	Sig.
IMA	Between Groups	46.124	14	3.295	4.438	.000
	Within Groups	211.594	285	.742		
	Total	257.718	299			
EMN	Between Groups	53.864	14	3.847	7.552	.000
	Within Groups	145.193	285	.509		
	Total	199.057	299			
EXT	Between Groups	69.921	14	4.994	12.106	.000
	Within Groups	117.576	285	.413		
	Total	187.497	299			
ATT	Between Groups	12.110	14	.865	3.050	.000
	Within Groups	80.833	285	.284		
	Total	92.943	299			
ACC	Between Groups	41.728	14	2.981	10.330	.000
	Within Groups	82.232	285	.289		
	Total	123.960	299			
PRI	Between Groups	2.181	14	.156	.306	.993
	Within Groups	144.889	285	.508		
	Total	147.071	299			

Source: Survey Results 2014

The result from the ANOVA table indicates that there is a significant difference in image of the car, Emotional connection, External Influences, Attributes, and Accessibility amongst the brands of car with an observed Significance level , 0.000 and associated mean differences, standard deviation, the F-value, the degree of freedom(df).

4.6.2 Multiple Comparison

Although the highly significant F-ratio ($P < 0.05$) indicates that the means of the determinant factors differ significantly, it does not indicate the location of this difference. Therefore, to test differences in significance of determinants between specific car brands Post hoc multiple comparison was applied.

Image of the Car

The choice of Mercedes brand based on the image held about the car significantly differ from the Terios brand with (mean difference, 2.11774 and $\text{sig}=0.05$), whereas other groups did not differ from each other significantly.

Emotional Connection

Table 4.15 shows the influence of emotional connection on the choice of Toyota significantly differ from the three automobile brands with a significance level $P < 0.05$ and associated mean difference and standard deviation.

Table 4.15 post-hoc for Emotional Connection (Toyota)

Brand name	Mean difference(i-j)	Standard Error	Significance
Terios	0.97449	0.19745	0.048
Suzuki	2.67857	0.49254	0.011
Holland Cars	2.36607	0.44737	0.18

Source: Survey Results, 2014

The emotional connection of the brand of car also significantly vary between Hyundai and Terios with the mean difference of 1.33278 and an observed significance level of 0.011. The choice of BMW based on emotional connection also significantly differ from Suzuki with an observed ((i-j), 2.600, s.d, 0.52125, $p=0.42$) and also with Terios ((i-j), 2.17143, s.d, 0.37186, $p=0.003$).

Table 4.16 significant difference on External Influence (Toyota)

Brand Name	Mean Difference (i-j)	Standard Error	Significance
Hyundai	1.00986	0.1442	0.000
KIA	1.60077	0.23167	0.000
Holland Cars	1.97577	0.32441	0.001

Source: survey result , 2014

Table 4.16 shows the influence of external factors on toyota brand significantly differ from Hyundai,Kia, and Holland cars.where as, other groups didnt vary from each other significantly.

Attribute

The ‘eta squared effect size indicator for ANOVA which shows the percentage of the variance in the target variable explained by the grouping variable indicates the magnitude of the attributes significance amongst brands to be moderate to be really meaningful with the value of (0.08).therefore, even though ther exists a significance difference between brands of cars, it is very low to determine the location.

Accessibility

Table 4—Post hoc multiple comparison for Accessibility

Brand name(i)	Brand name (j)	(i-j)	Standard error	Significance
Toyota	Renault	2.57993	0.31249	.000
Mercedes	Renault	2.23810	0.37067	.001
Huyndai	Renault	2.24242	0.33059	.000
Lifan	Renault	2.14286	0.34174	.001
Kia	Renault	2.29167	0.36365	.001
BMW	Renault	2.20000	0.39228	.007
Ford	Renault	2.83333	0.49035	.004
VW	Renault	2.06667	0.39288	.019
Terios	Renault	2.00000	0.34174	.003
Nissan	Renault	2.75000	0.41026	.000

Source: Survey Result, 2014

4.5. Discussion of Findings

The Result from the ANOVA demonstrate that the image held about the brand significantly vary among various brand name of cars. This may result from the fact that the perception, association or the things linked to one brand can be different from another. This is because, brand image is the result of the interpretation and synthesis made by the public of all brand message (e.g brand name,products,advertisements etc.) sent by the brand owner (Kepferer 2008). Moreover, brands allow customers to make a personal statement about who they are and this may lead to a difference in the perception of brands.The result also revealed the image held about the brand significantly contribute to the choice of the Mercedes brand than Terios brand.

Emotional Connection also happend to differ among the various brands of automobile in determining brand choice. Much like individuals' characteristics within human relationships, brand associations influence people's perceptions and evaluations of the brand (Aaker, 1996; Keller, 1993 as cited in Hwang and Kandampully, 2012). Moreover, individuals who are emotionally attached to a brand exhibit greater commitment to it and therefore may tend to choose that specific brand. In this case Toyota's Emotional connection to it's owners significantly vary from Terios, Suzuki, and Holland Cars.

The way external factors drive consumers automobile brand choice also vary among various brands of cars. This includes the perception of the brand's COO, recommendation by family members and friends. COO has furthermore, been used as a foremost and primary cue by consumers in evaluating new products under several condition, (Maheswaran, 1994 cited in Winata and Darmayanti, 2009), with minimal consideration given to other product related attribute .It is also explained that individuals evaluate product quality, brands, design, and value for money toward he country base on consumers personal experience on the product or might be biased from the country of origin itself (Winata and Darmayanti, 2009).

Further more, Individuals are influenced by others on development of attitudes, interests, norms and purchase behavior. These individuals conform to group norms or modify their judgments based upon others' evaluations (Kotler et al 1999). The result also portrayed the influece of external factor on Toyota brand significantly differ from three brand of cars namely Hyundai, Kia, and Holland Cars.

Accessibility also differ significantly amongst the automobile brands with the mean square value 2.981, F- value 10.330 df, 14 $P < 0.005$. This explains that the choice of automobile largely depends on its accessibility and the more companies makes their brand, spare parts and maintainance convenience the better they will be in consideration set and ultimately chosen. The result revealed that the Renault brand is significantly the least accessible among the various brands of cars to be chosen.

The result from the ANOVA table indicates that there is a significant difference in the attribute of the car in determining the brand choice of the car with the mean difference of 12.110 and associated significance level $P < 0.05$. However, the the effect size indicator 'eta square value of 0.06 showed that eventhough the there is a significant variance the magnitude is very low to be meaningful. This may indicate that brands are now closing to parity on the attributes therefore makes it less significant.

Furthermore, finding from the study also establishes the fact that the price of the car makes no significant difference among the brands of car and this is consistent with previous studies. For example, according to Narteh et al. (2012) Consumers with high brand loyalty are willing to pay a premium price for their favored brand, so, their purchase intention is not easily affected by price. this is evident that brand choice can be detemined more by other factors than price itself.

CHAPTER 5

CONCLUSION AND RECOMMENDATION

5.1. conclusion

The primary purpose of this study was to investigate which drivers of automobile brand choice influence private light vehicle owners in Addis Ababa while purchasing their cars. The study empirically examined car owners in Addis Ababa what factors drive to purchase their car. Using the survey method, data were collected from 300 automobile owners in Addis Ababa. Based on the findings it can be safely concluded that multiple factors contribute to the selection of car brands in Addis Ababa, with some directly intrinsic to the brands (Car attributes) while others are extrinsic to the car associated with the brands such as price, Attributes, Accessibility and other external influences. This means that manufacturers of automobiles must endow their cars with relevant consumer needs to stand out from competition.

The measurement instruments involve those factors attributed to the car and other external cues. The first one includes those factors inhibited by the car brand such as quality, attractiveness, safety, durability and efficiency. The external cues are the controllables and uncontrollables that may include price, image of the car, emotional connection, ease of access, and other external influences.

Given various automobile brands, determinants of consumers automobile brand choice happened to significantly vary among different brands. External cues such as external influences, ease of access, image of the car and emotional connection except for price significantly differ in their influence among various brands of car. Attribute which is intrinsic to the car is also significantly vary across brand in determining brand choice. However, its magnitude is low to be meaningful. This may be due to the fact that most brands are closing to parity in this factor indicating Functional factors are no longer variables. The result is related with the previous research findings. This shows how much the service experience beyond the car counts in the minds of customers. For most automotive brands, the experience delivered beyond the car remains a key success factor.

5.2. Recommendations

Based on the findings of the study and conclusions made, the following possible efforts must be made, So as Manufacturers and dealers stay relevant and

The one-way ANOVA result shows the influence of Image of the car brand, Emotional connection, external influences, Accessibility, and Attributes significantly vary across the various brands of car. such as country of origin, families and friends influence, and resale value are the most significant drivers of consumers brand choice among the factors.

- ✚ The result of the study also indicate that image of the car is one of the most indicators of consumers car brand choice. Therefore, Manufacturers and dealers should incorporate marketing programs to create strong, unique and favorable associations.
- ✚ Experiential marketing platforms, where consumers meet others on regular basis to share their consumption experiences of the brands, should be incorporated into the marketing strategies of the manufacturing companies to create emotional attachment with thier car brand.
- ✚ Car-makers will increasingly need to create brand experiences across new and unfamiliar touch points that fundamentally change the way the car fits into Consumers' lives.
- ✚ car Assemblers and dealers must further augment their brand with services such as opening more showrooms, availability of increase spare parts, accessories and service centers to provide after sales services to customers
- ✚ According to Van R. Wood, John R. Darling, and Mark Siders(1999), Country of origin effects is not stable; perception change over time. Therefore, Marketers especially marketers of locally assembled cars should employ integrated marketing

communication (IMC) to neutralize the stereotypical image constructed by the market toward the product related.

- ✚ In order to make consumers' have their own distinct view regarding the brand of cars, marketers should be able to use different promotional tools to change the attitude of decision makers.
- ✚ Manufacturers', Assemblers and must endow their cars with relevant consumer features such as style, design, comfort and safety. Efforts must be made to promote these differences to consumers through advertisements, exhibitions and trade shows in order to create strong preference for the brands

5.3. Limitations and Direction For Future Research Suggestions.

- The primary limitation for the current study was the sampling technique "Convenience sampling" was used. So from the statistical point of view the result of the study may not be generalizable to the total population. So future researchers with more time and resources may take probability sampling so that each member of the population will have an equal probability of being selected and to be generalizable.
- There was no organized and comprehensive published study conducted on consumers buying decision of automobile brand choice. This makes the measurement instrument very difficult. To reduce this problem measurement instruments were adopted from other studies conducted in other countries.
- Lack of accurate and up to date data, unwillingness of Ethiopian transport authority to cooperate makes the process even more difficult.
- The current study limits itself only on few factors that may influence consumers automobile brand choice. However, there are many other factors that might have a significant influence such as environmental factors, culture, psychographic characteristics. Therefore, further studies can be conducted on these variables to contribute to the Ethiopian automobile industry.

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