



**The Effect of Sales Promotion Tools on  
Customer Buying Behavior**  
**(The case of Ethiopian Airlines Online customers)**

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**Department of Marketing Management**

**June, 2017**

**Addis Ababa, Ethiopia**

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**Advisor: Dr. Temesgen Belayneh**

A Research Project Submitted to School of Commerce  
In Partial Fulfillment of the Requirements for the Degree  
of Masters of Arts in Marketing Management

**Addis Ababa University**  
**School of Commerce Graduate Program**  
**Department of Marketing Management**

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**(Approval Sheet)**

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## **Statement of Declaration**

I, Surafel Worku, declare that this Master research project entitled **The Effect of Sales Promotion Tools on Customer Buying Behavior (The case of Ethiopian Airlines Online customers)** is submitted in partial fulfillment of the requirements for the degree of Master of Arts in Marketing Management at the School of Commerce, Addis Ababa University. This project contains no material that has been submitted previously, in whole or in part, for the award of any other academic degree or diploma. Except where otherwise indicated, this project is my own work.

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## **Statement of Certification**

This is to certify that **Surafel Worku** has carried out a research work entitled **The Effect of Sales Promotion Tools on Customer Buying Behavior (The case of Ethiopian Airlines Online customers)**. This thesis is his original work and is suitable for submission for the award of Masters Degree in Marketing Management.

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**Advisor: Dr. Temesgen Belayneh**

**June, 2017**

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## **ACRONYMS**

MRO: Maintenance repair and overhaul

SEO: Search engine optimization

ICT: Information communication technology

GDS: Global distribution system

B2B: Business to business

SQL: Standard query language

B1G1F: Buy one Get one Free

## ***Abstract***

*It is essential for airline companies to know the effects of sales promotion tools on customers buying behavior in order to implement it on proper and targeted way. The main objective of this study is to investigate the effect of sales promotion tools on customer's buying behavior by taking the case of Ethiopian airlines on-line customers. Data were collected from Ethiopian airlines on-line customers through survey questionnaires via e-mail. A sample total of 545 respondents were drawn based on systematic random sampling. From the 418 returned questionnaires 385 usable and complete questionnaires were coded to SPSS version 20.0 and analyzed through descriptive and inferential statistics to examine and test the hypothesis. Person correlation and multiple regression analysis were used to establish the relationship between the independent and dependent variables of the research. The main findings of the study were; sales promotion tools namely price discount, coupons discount and buy one get one free have a significant impact on customer's buying behavior at level of ( $\alpha \leq 0.05$ ). The result also indicated that price discount ( $\beta=0.851$   $P=.000$ ) was the most important factor influencing customer buying behavior followed by buy one get one free ( $\beta=.0.101$   $P=.000$ ) and coupons discount ( $\beta=0.082$   $P=.000$ ). The results of this study would help Airline E-commerce marketers to select the types of promotion that greatly influence the buying behavior of the respondents. Hence, this could help them in their planning to become more competitive.*

**Key Words:** Airline, Online sales, website sales, Sales promotion tools, price discount, Coupons discount, buy one get one free, customer buying behavior



# CHAPTER ONE

## INTRODUCTION

In this chapter, the background of the study along with background of Ethiopian Airlines is presented in addition to the Problem statement that necessitates this research to be undertaken, general and specific objectives, significance, scope and limitations of the study. Finally the organization of the research report is discussed.

### 1.1 Background of the Study

The Global airlines industry continues to grow rapidly however the profitability of the industry was highly in question during the year 2008 and 2009; due to global economy recession, rise of fuel price and other airline industry challenges. In combating the profitability challenges, majority of airlines have focused on cost saving strategies (IATA, 2015). Hence the airline industry is on the hunt for methods and strategies to reduce the operation cost. At the same time the emergence and expansion of low cost carriers is the most ground-breaking event in the history of the airlines industry. (Henry, 2012).

A low-cost carrier is an airline that generally operates in low cost structure than their competitors. The nature of the low-cost model consists of cheap tickets, which are made possible by reduction of the complexity costs. The major central element of their business focus was to keep the distribution cost at minimum by using direct channels like their websites and call centers (Erfan, 2007).

Furthermore the emergence of the giant Middle East carriers like Emirates, Etihad and Qatar makes the competition stiff. The largest of them; Emirates Airlines grow at the rate of more than 20% per annum (BCG,2006). As result the survival of the airlines depends on their competition strategy for current market and long term strategy to address future demand.

Due to this aggressive competition among airlines, the legacy carriers attempted to replicate the low cost carrier's distribution model by availing brand new website and widening their call center coverage. This approach was also strongly supported by the global trend towards online business.

The world is becoming digital more than ever with high trend of shifting to online purchase. Further, seeing the future base customers of the airlines industry, especially passengers between ages of 22 to 35 or referred as younger generation is highly dependent on internet (Henry, 2012).

Therefore, with regard to the high airlines distribution cost and in order to address the demand of the current and future market, airlines are attempting to improve their online sales contribution. To achieve this, airlines are investing significant resources towards online customer acquisition and retention.

As one of online customer acquisition activity, airlines are aggressively engaged indifferent sales promotion activities specifically web promotional coupons, price discounts and Buy one get one free techniques in order to drive more traffic for web sales. Brassington and Pettitt (2000) define sales promotion as “a range of marketing techniques designed within a strategic marketing framework to add extra value to a product or service over and above the “normal” offering in order to achieve specific sales and marketing objectives.

Hence, this research evaluates the effects of sales promotion tools namely web promotional coupons (coupons discount), price discount and buy one get one free on customer buying behavior; in case of Ethiopian airlines online customers.

## **1.2 Background of the company**

Ethiopian Airlines the flag carrier of Ethiopia is an aviation group fully owned by government of Ethiopia. Over the past 70 years, the company becomes the leading aviation group in Africa with turning profits almost every years of its existence.

Ethiopian airlines vision is to become the most competitive , and leading aviation group in Africa by providing safe, market driven and customer focused passenger and cargo transport, aviation training, flight catering, maintenance repair and overhaul (MRO) and ground services by year 2025 ([EAL,2016](#)).

In answering to the market needs, Ethiopian airlines avails an online booking and e-ticketing services to its customers using the internet on its company website. Ethiopian airlines started the first online booking service in October 2002 with capability for passengers to make their flight reservation on-line. After 5 years in April 2007 the online payment was introduced and this makes the online booking process complete.

Today's Ethiopian airlines online booking service incorporates different features and payment modalities depending on the market's needs. Seeing Ethiopian airlines sales promotion communication history and according to the company information, it has been more than a decade since Ethiopian airlines started different sales promotion techniques for the online sales channel. Especially in recent couple of years, the airline is aggressively working on different sales promotion activities with the intention to build its online presence by using number of sales promotion techniques.

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

Airline industry is among the early adapters to conduct business electronically; accordingly much has been changed within and across airlines distribution. The growing use of internet by travelers to buy airline services online shines a glaring light on challenges airlines face to distribute their services (Henry, 2012).

Ethiopian airlines have been in the airlines industry for the past 70 years expanding its destinations throughout the globe. The airlines have been rewarded by its service quality and perform in the industry maintaining its profit throughout its service years. Following the Market move and in act of the current industry challenges, Ethiopian airlines availed a brand new website with online booking web platform since October 2002.

According to the company information, in the year 2010 among the total of Ethiopian airlines customers, only 3% of them uses online booking channel for their travel ticket purchase.

Recently in effect of different sales promotion and digital marketing activities, awareness creation and different system enhancements, the online sales contribution becomes 11%.

Despite the importance of the online channel, the digital eco system has its own competitive risks as well. The greater availability of the information online may allow companies to monitor each other easily. In similar manner airlines will make competitive intelligence activities easily by monitoring the competing airlines website online sales offerings. Accordingly airlines match their products with competing airlines or avail more attractive offerings than competing airlines depending on the market nature and this makes the online channel competition stiff.

Due to this stiff competition, Airlines use different sales promotion techniques in order to sustain and being profitable on this competitive environment. Accordingly airlines are availing attractive offers on their online channel using different sales promotion tools.

Similarly, Ethiopian airlines uses web promotional coupons (coupons discount), price discounts and buy one get one free techniques as sales promotion activity for enhancing on-line sales on [WWW.ethiopianairlines.com](http://WWW.ethiopianairlines.com). In addition to this the airline uses other site enhancement and digital marketing activities like onsite and E-mail remarketing, personalization, search engine optimization (SEO) at same time. As result there is a need to know the secluded effect of sales promotion tools on customer buying behavior.

Even though, the impact of sales promotion on consumer buying behavior has been widely stated in many researches and studies, most of the researches are non-generalizable as buying behavior differs based on cultural, social, personal and psychological factors (Nagar, 2009; Smelser and Baltes, 2001). Further very few empirical studies have been made for e-marketing specifically for airline industry focusing on sub Sharan Africa market. Thus, this research investigates the effect of sales promotion tools on customer buying behavior of Ethiopian airlines online customers focusing on sub Sharan Africa Market.

## **1.4 Basic Research Questions**

The research tries to answer the following basic questions:

1. What are the different sales promotion tools employed by Ethiopian airlines online sales division?
2. What is the effect of web promotional coupons on buying behavior of Ethiopian airlines online customers?
3. What is the effect of price discount on customers buying behavior of Ethiopian airlines online customers?
4. What is the effect of buy one get one free tool on customers buying behavior of Ethiopian airlines online customers?
5. What is the overall effect of sales promotion tools on customers buying behavior of Ethiopian airlines online customers?
6. In what ways do these three sales promotion tools affect buying behavior of online customers?

## **1.5 Objective of the study**

### **1.5.1 General Objective**

The main objective of this research is to evaluate the effects of sales promotion tools on customer buying behavior; in case of Ethiopian airlines online customers.

### **1.5.2 Specific Objectives**

- To examine the sales promotion techniques employed by Ethiopian airlines.
- To measure the effect of web promotional coupons on customers online buying behavior.
- To measure the effect of price discount on customers online buying behavior.
- To measure the effect of buy one get one free on customer on-line buying behavior.
- To measure the overall effect of sales promotion tools on customers online buying behavior.
- To identify how sales promotion tools affect buying behavior of online customers.

## **1.6 Significance of the Study**

This study is expected to contribute to the existing growing body of knowledge on sales promotion by evaluating the effects of sales promotion tools on customer buying behavior, by empirically investigating the case of online sale customers of Ethiopian airlines. Further, the outcome of this paper can give direction to Ethiopian airlines higher management and online Marketers on what level and combination to use sales promotion tools for creating online Purchase intention.

## **1.7 Scope and Limitation of the Study**

### **1.7.1 Scope of the study**

The study measures the effects of sales promotion tools employed by Ethiopian airlines online sales division to influence the online customers purchase intention. Accordingly this study focus only on African on-line customer buying behavior of Ethiopian airlines specifically on sub Saharan Africa region. This region is purposely selected as countries in this area are the major market of Ethiopian airline.

Among the different Airlines distribution channel like company own office, physical travel agencies, on-line travel agencies and call center, this study is conducted on company on-line sales channel only. Furthermore, this study is purely quantitative and uses systematic random sampling as sampling technique.

Among the various popular sales promotion tools namely; Free sample, Coupons, Buy one get one free, price discount, Exchange scheme, premium offers and others, this study only assess the effect of price discount, coupons discount and buy one and get one free sales promotions tools only, as these are the only tools deployed by Ethiopian airlines on-line sales division currently.

### 1.7.2 Limitation of the study

Due to time and resource limitation, this study is limited only to measure the effects of sales promotion tools on customers buying behavior of Ethiopian airlines on-line customers. Furthermore, shortage of updated articles, books and other publication in the area of online marketing was also another challenge for the researcher.

### 1.8 Definition of Terms

- **Web Promo (promotional) code:** - refers to a series of letters or numbers that allow customers to get a discount while purchasing online.
- **Onsite remarketing:** - refers to merchants' creative ways which leads the website visitors to make a desired purchase action while visitor is on their website.
- **E-mail remarketing:** - refers to the email systems used by merchants to follow up with website visitors who do not make a desired purchase action
- **Personalization:** - refers to meeting the customer's needs and wants more effectively and on targeted manner.
- **Search engine optimization (SEO):**- refers to the process of getting website traffic or viewers from the Free, organic, editorial or natural search results on search engines.
- **Price Discount:**- refers to reduced prices or something being sold at a price lower than that item is normally sold for
- **Coupons Discount( Web promotional Codes):**- In e-commerce and online shopping a coupon code, or promo code, is a computer-generated code, consisting of letters or numbers that consumers can enter into a promotional box on a site's shopping cart (or checkout page) to obtain a discount on their purchase
- **Buy one get one free (B1G1F):**- refers to an offer for two passengers with price for one or is a way of encouraging more sales of a service by offering customers another service of the same type free of charge.

## **1.9 Organization of the Research Report**

The study is composed of five chapters. Chapter one presents background of the study, research question, general and specific objectives of the study, significance of the study, scope and limitation of the study. Chapter two allocated for the review of related literature presenting theoretical framework, empirical review and conceptual review and hypotheses. Chapter three dedicated to the Methodology of the study, describing design of the research, the population is defined and the sample size with appropriate sampling method. The statistical method that is used to analyze the data was discussed. Chapter four is concerned with presenting the results and discussion. Finally chapter five contains summary of findings with conclusions and recommendations based on the findings.



## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

This second chapter deals with review of related literature in the area of sales promotion and customer purchasing behavior. First, a theoretical review is presented by discussing, sales promotion, different sales promotion tools commonly used by airlines and online sales promotion. Further discussing e-commerce as business strategies, e-commerce in airline industry, customer buying behavior, customer online buying behavior in airline industry and E-commerce in sub Saharan Africa. Secondly an empirical review discussed the models and findings of previous researches in same and related area with different authors. Finally, based on the empirical review the proposed research model and research hypotheses are developed and presented.

#### **2.1 Theoretical Review**

##### **2.1.1 Sales Promotion**

Sales promotion is one of the techniques mainly used by marketers in order to influence and encourage customers and end users to purchase certain product and it is the most important strategy that marketers are giving the highest focus nowadays. Due to the stiff competition of the global market, sales promotion activity is increasing day by day. Moreover, sales promotion is one of the most amazing tools that support other marketing effort as advertising to attract consumers (Shimp, 2003).

Defining the term sales promotion is difficult for the presence of multiple relating techniques and tactics. Sales promotion is a tool to achieve company's marketing communication objectives and an essential element in planning marketing ( Blattberg and Neslin, 1990).

Sales promotion is a short term strategy to derive demand and also and especial marketing offer which provides more profit than what consumers receive from the sale position of a product and also has sharper influence on sales (Banerjee,2009).

Peattie and Peattie (1994) defined sales promotion as “marketing activities usually specific to a time period, place or customer group, that encourage a direct response from customers or marketing intermediaries, through the offer of additional benefits”

According to Srinivasan and Anderson (1998) sales promotion is an action-focused marketing event whose purpose is to have a direct impact on the behavior of the firm’s customers.

## **2.1.2. Sales promotion tools (coupons, price discount and buy one get one free)**

### **2.1.2.1 Coupons**

Coupons are one of the widely used sales promotion technique by many marketers. Coupons are presented in form of paper or certificate that save money for the customer when he/she purchases a product. This could be in a form of percentage discount or fixed amount reduction from the price (Harmon and Hill, 2003). In similar manner for e-marketing, a web Promo-code (promotional code) coupons with some level of percentage or fixed amount discount are in use.

Among the many advantages of coupons, increasing the sales in very short period and encouraging the customers to switch to another brand are major one. Also, coupons stimulate a trial of a new product. As an example customer who wants to purchase a new product but fears that the new product will not match his preference, a coupon will encourage this customer to purchase the product as it will reduce the cost of obtaining such a product (Ndubisi, 2005).

### **2.1.2.2 Price Discount**

Price discount is “reduce the price for a given quantity or increase the quantity available at the same price, thereby enhancing value and create an economic incentive to purchase” (Raghubir and Corfman, 1995). Short term discounts have a tendency to attract occasional users of the same brand more likely than getting new customers to purchase the discounted product, moreover, these occasional users after getting benefits of this promoted product would most likely getting back to their preferable brand or type rather than buying that promoted brand at full price after discount season (Ehrenberg et al, 1994).

### **2.1.2.3 Buy One Get One Free**

Buy one get one free defined as if you buy one product, you get another one for no cost. Accordingly customers can be easily attracted to buy the product because there is no additional cost. Due to this reason this sales promotion technique is widely used by different marketers (Sinha & Smith, 2000). According to Li, Sun & Wang (2007) Buy one get one free type promotions is a very helpful tool especially to marketers and manufactures who want to clear their stock more quickly.

### **2.1.3 E-commerce as business strategy**

E-commerce is the buying, selling, transferring or exchanging of product or services or information through computer networks and internet. Internet is one of the main instruments for e-commerce. The use of internet as shopping or purchasing channel has been grown as an impressive rate throughout the last decade (Leelayouthayotian, 2004). E-commerce is one of the fastest growing markets in which numbers of manufacturing and merchant wholesales are using in present time ( Khan, 2008).

One of the real advantages of using e-commerce is that searching for products is not confined or limited to a particular geographical area. Online shopping is thus, not only a benefit for individual consumers; it's a platform that enables the consumers and business to co-exist. Online retailers are facing a severe new reality in today's online market place: they can no longer expect growth as a result of simply selling online. The competition for online shoppers is heating up (Bignalca et al., 2008).

### **2.1.4 E-commerce in airlines industry**

The immergence of information communication technology (ICT) dynamically changed the way businesses are performed. Particularly in airlines industry it brings dependency in operational and strategic management oriented technologies. For instance, it has been found out that the airline industry uses an internet in order to improve its distribution strategy and reduce costs, intranets and internal systems to develop tactical and strategic management, and extranets for communicating with partners and to support business to business (B2B) relationships. ICT is

therefore critical for strategic and operational management of airlines. It also directly affecting the future competitiveness of airlines (Buhalis, 2003).

Prior to the Internet, airlines, GDSs, and travel agents communicated across private networks. Public networks supporting the Internet significantly reduced the cost and complexity of communications between the airlines, GDSs, travel agents, and end consumers. Early Internet reservation applications were limited to booking and payment transactions only. Paper tickets were mailed to the travelers, and they had to make purchases seven days in advance if they were to receive their tickets in time to travel. Electronic ticketing facilitated the growth of Internet travel sales by eliminating the need for paper tickets, reducing the lead time and cost associated with online purchases (IBM 2000).

Furthermore, According to Khan (2008) and Yang (2001); the major strategic impacts that e-commerce bring in the airline industry can be categorized as impact on cost structure, impact on distribution and impact on supply chain.

### **2.1.5 Customer buying Behavior**

According to Solomon (1995) the study of consumer buying behavior is the study of the processes involved when individuals or groups select, purchase, use, or dispose of products, services, ideas, or experiences to satisfy needs and desires.

Understanding Consumer behavior has been always of great interest to marketers. Since knowing about consumer behavior helps the marketer to understand how consumers think, feel and select from alternatives like products, brands and the like and how the consumers are influenced by their environment, the reference groups, family, and salespersons and so on (Kotler,2012).

Regarding buying behavior, consumers usually have endless demand to fulfill their needs and satisfaction to obtain something new or better as every individual has their own behavior, attitude and thought while choosing products, services and making purchase decision. Consequently, there is a large body of literature, which has examined consumers buying behavior and the studies have reported that many factor would influence consumer behavior whether buy or not to buy a product.

It is worth noting that consumer buying behavior is studied as a part of the marketing and its main objective is to learn the way how the individuals, groups or organizations choose, buy use and dispose the goods and the factors such as their previous experience, taste, price and branding on which the consumers base their purchasing decisions (Kotler, 2012).

A consumer buying behavior is influenced by cultural, social, personal and psychological factors. Most of these factors are uncontrollable and beyond the hands of marketers but they have to be considered while trying to understand the complex behavior of the consumers.

### **2.1.6 Customer online buying behavior in airline industry**

Airlines were early adopters of information communication technologies (ICTs) and have a long history of technological innovation, in comparison to many other travel and tourism businesses. The airline responsibility for passenger satisfaction begins when the ticket purchase request is made. This requires learning and research on customer needs, behavior and lifestyle then use that information to make a more specific value proposition (Buhalis, 2004).

The challenge for airlines, in common with other businesses, will be to offer a consistent customer experience across channels. Customers shopping on an airline website expect the same level of service that they would get through a travel agent. Customers buying airline tickets via a third-party website, too, expect the same sort of treatment, including recognition of frequent flier privileges. In an increasingly connected world, online customers expect a consistent experience via different devices (Gasson, 2003).

### **2.1.7 E-commerce in sub Saharan Africa**

Despite low income per capital and limited telecommunications infrastructure consumers in Africa's major cities have embrace the internet. Affordable mobile internet devices, internet cafés and the desire to connect with friend and family have been catalyst for internet adoption throughout the continent. Social networking is the leading use of the internet with about 57% of urban African visited such sites very often. E-mail and music/video followed in popularity. E-commerce activities such as banking shopping and travel have a low penetration in Africa. African countries are not all at the same level of development in e-commerce. Kenya and Senegal

lead the pack demonstrating the pivotal role that sounds public policy, innovative telecommunication operator and the stimulation of consumer demand play in advancing internet penetration (Hattingh et al., 2012).

## **2.2 Empirical Review**

### **2.1.7 Effects of sales promotion tools on customer buying behavior**

Effects of sales promotion on customer buying behavior has been studied by different authors. The authors found that coupons, price discount and buy one get one free sales promotion tools have a positive effects on customers buying behavior.

C. Nagadeepa, J. Tamil and pushpa (2015) examined the effects of sales promotion tools on customers' impulse buying behavior towards apparels at Bangalore. The study considers five important sales promotion techniques namely, Rebate & discount offer, coupon, loyalty program, price packs and contests. Accordingly the study suggested that rebates and discount offer and loyalty programs have significant relationship towards the impulse buying behavior at Bangalore.

Liao, Shen and Chu (2009) suggest that sales-promotion techniques offering instant rewards (such as free samples and buy-one-get-one-free deals) resulted in more reminder impulse buying than did sales-promotion techniques, offering delayed rewards (such as loyalty rewards, competitions and sweepstakes).

According to Ghafran Ashraf (2014) their study confirmed that consumers buying behavior and sales promotion can be motivated through various kinds of elements, including promotion techniques such as free samples, price discounts, social surroundings and physical surrounding.

According to Giuliani Isabella et al. (2012) among the variables that affect the consumer's purchase decision is the price, which has a significant influence on communication factors concerning the advantages of purchasing a product or hiring a service. Price can be accompanied by a "discount," which increases the perceived value of the product for the purchaser. The value is based on the consumer's perception of the benefits of the product. Furthermore, according to price discount is well-known tool for offering a good discount in buying price, which is openly mentioned on the merchandise or point of purchase display.

## 2.3 Conceptual Framework and Hypotheses

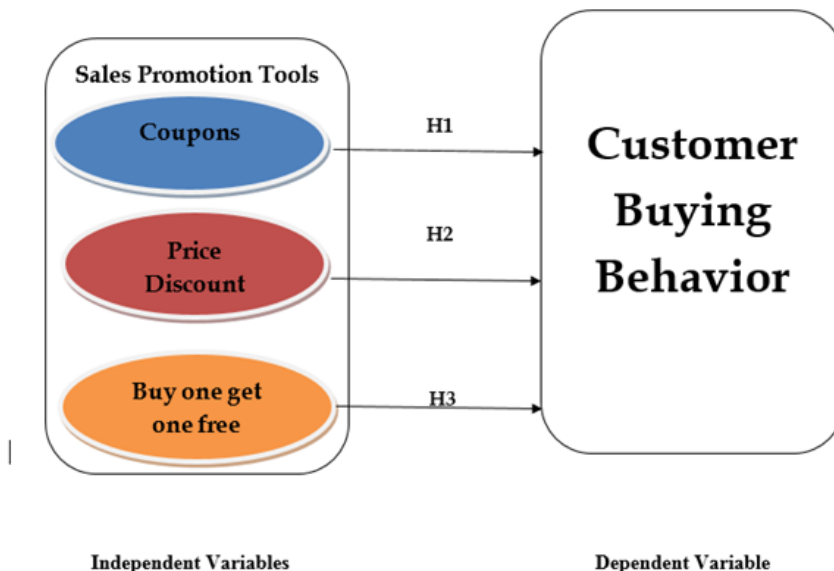
### 2.3.1 Conceptual Framework

Based on the empirical review, in this research it is proposed that the sales promotion tools have a positive effect on customer behavior.

From the findings of the research made by syed et al. (2015) there was a significant relationship between attitudes towards price discount, coupons, and buy one get one free sales promotion tools with buying behavior. Further the research found out that there is no significant relationship between gender and buying behavior. While on the other hand, a family's monthly income had a great impact on the buying behavior. Thus it is proposed that sales promotion tools like coupons, price discount and buy one get one free have positive effects on customers buying behavior.

On other researches made by syuhaily et al. (2011) on simulation of sales promotions towards buying behavior among university students, the study concluded that buying behavior were motivated by multiple types of factors, including socio-demography, promotional tools such as price discounts, coupons, free samples and "buy-one-get-one-free".

Thus, the conceptual framework of the study can be shown as below



**Figure 2.1** Conceptual frame work (source: Modified from Syed et al. (2015) and Syuhaily et al. (2011))

### **2.3.2Hypotheses**

The hypotheses of this study was developed after a careful empirical review and based on the proposed conceptual framework are listed below:

- H1. Price discount has a significant and positive effect on customer buying behavior.
- H2. Coupons discount (web promotional code) has a significant and positive effect on customer buying behavior.
- H3. Buy-one-get-one free has a significant and positive effect on customer buying behavior.



## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

This chapter deals with the research methodology employed to carry out this thesis; applied research approaches, research designs, sources of data, methods of data collection and sampling techniques with justification. Further it describes how these methods would be implemented to find answers for the purpose of the research. Also issues related validity and reliability within the proposed methods are included.

#### **3.1 Research Approaches**

The major objective of this study is to measure the effects of sales promotion tools on Ethiopian airlines online customers buying behavior. Accordingly the study uses explanatory approach in order to explain the effects of sales promotion tools on customers buying behavior.

The explanatory approach is advantageous in order explain the cause and effect relationship between variables.

In this study the dependent variable is customers buying behavior and independent variable are sales promotions tools namely price discount, web promo code coupons (coupons discount) and buy one get one free.

#### **3.2 Research Design**

Research design is a roadmap for data collection in an empirical research project. It is a “Blueprint” for empirical research aimed as answering specific research questions or testing specific hypothesis (Bhattacharjee, 2012).

Among the three popular social science research designs; namely Qualitative, Quantitative and mixed research designs, this study employs a quantitative research design. A closed ended questionnaire was used and variables were numerically tested for their relation by applying statistical methods.

### **3.3 Source of Data**

This research will utilize both primary and secondary data sources in order to collect relevant data in light to the research topic. “Primary data are information generated by the researcher for the purpose of the research immediately at hand. When the data are collected for the first time, the responsibility for their processing also rests with the original investigator. Whereas, secondary data are data that have already been collected for some other purpose, perhaps processed and subsequently stored” (Shajahan, 2004).

To make the study more reliable and dependable, information was obtained from Ethiopian airlines online customers in order to collect the primary data from the e-commerce users. The secondary data is collected from Journals, Existing company reports, different web analytics reports, statistics by government agencies and any other authorities or entities.

### **3.4 Methods of Data collection**

Primary data was collected by using closed ended self-administered questionnaires from Ethiopian airlines online customers using the online survey. Online survey has the advantages of versatility and speed (Cohen et al. 2003).

Target respondents of this study are Ethiopian airlines online customers who previously uses Ethiopian airlines website for buying their air ticket. Accordingly, an online self-administered questionnaire is probably the best method for this study. The self-administered questioners were sent to the respondents using e-mail blast tool as an attachment.

In summary, using an e-mail survey have an advantage of cost, geographic coverage, no bias from an interviewer’s involvement and more accurate results from the survey. In order to overcome online survey weaknesses such as low response rate and low response time, targeting audience, personalization of the e-mail invitations, keeping the e-mail invitation short, sending reminder e-mail and other e-mail survey response rate increasing strategies was used.

### **3.5 Population and Sampling**

#### **3.5.1 Population of the study**

The target population of this study is Ethiopian airlines online customers who have purchased their ticket online from June to Mid-September 2016 and from December 2016 to end January

2017. These two periods were selected as this time of the year is the peak season for the airline industry and accordingly a large number of customers are expected to visit the company website for ticket purchase. The total number of online customers for these months were extracted from the company standard query language (SQL) data base along with their e-mail and full name.

### 3.5.2 Sampling Technique and Size

A sample is defined as a subset or a portion of the population. Process involves using the part of the population to conclude about the whole population (Zikmund et al., 2009). It is too expensive and impractical to use the total population in this study. For this reason Systematic random sampling method was applied for this research. Accordingly sample were selected from the total number of Ethiopian airlines online customers purchased their ticket on period from June to Mid-September 2016 and from December 2016 to end January 2017 using systematic random sampling. Accordingly the first every 100<sup>th</sup> row passengers were used to select 545 purposely enlarged sample respondents from all age and educational groups. The sample size of the research study is determined by the formula presented below:-

$N = \frac{Z^2 PQ}{E^2}$	Where	N - Sample Size
		Z - 95% confidence level (1.96)
$N = \frac{(1.96)^2 * 0.5 (0.5)}{(0.05)^2}$		P - Degree of variability 0.5
$N = \underline{385 \text{ Respondents}}$		Q - 1-P=0.5
		E - $\pm 5\%$ desired level of precision

The sample size was determined based on 95% confidence level and confidence interval of five. According to previous literatures, the response rate using e-mail survey varies from 62 to 79 percent (Monroe & Adams, 2012). Accordingly, the sample size was purposely enlarged to 545, considering the previous literatures e-mail survey response average that is 70.5 percent. E-mail survey can reach potential respondents with a short note inviting them to respond to the survey questionnaire. Follow up Email was also sent to the non-respondents to increase the number of responses rate.

### **3.6 Instruments of Data Collection**

The study uses a structured close ended questionnaire to collect data from Ethiopian airlines online customers as primary data source. This questionnaire was adopted from Syuhaily O. et al. (2011) with some adjustments to make it suitable for this study.

The questionnaire consists three parts. The first part is designed to collect demographic information of the respondents. And second part covers the sales promotion tools using standardized questions. And third part of the questionnaire requests about customer buying behavior. For part two and three a five point Likert scale was used.

### **3.7 Methods of Data Analysis**

In this study both descriptive and inferential statistical methods were used. Descriptive statistics (percentage and Mean) was used mainly to organize and summarize the demographic data of the respondent as well as their overall perception towards the sales promotion tools.

Multiple regression analysis was used to see how much the independent variable; sales promotion tools influences the dependence variable customer buying behavior. And correlation analysis was also conducted to measure the strength of the association between sales promotion tools and Customers buying behavior.

The analysis is performed by using SPSS software Version 20.

### **3.8 Validity and Reliability**

Validity and reliability are the two main issues that should be considered in developing data collection instruments.

#### **3.8.1 Validity**

Validity is defined as how much any measuring instrument measures what it is intended to measure (Bryman & Bell,2003). In other words validity refers to the extent to which a given question predicts, with a measured degree of accuracy. To strengthen the content validity of the questionnaire majority of the survey items was adopted from previous studies with slight modification from an extensive review of academic and practitioner's literatures. Furthermore, the readability of the questionnaire was evaluated by using a pre-test with a similar respondent group

and on Ethiopian Airlines E-commerce staffs. Since the study used systematic random sampling technique the external validity or generalizability cannot be questioned.

### 3.8.2 Reliability

Reliability is the extent to which a measurement reproduces consistent results if the process of measurement were to be repeated (Malhotra and Birks, 2007). In other words, the reliability of a measure indicates the extent to which the measure is without bias or error free and hence offers consistent measurement across time and across the various items in the instrument. This study uses the most popular test of inter-item consistency reliability that is the Cronbach’s coefficient alpha. The closer the reliability coefficient gets to 1.0 the better. According to Zikmund et al. , (2010) scales with coefficient alpha between 0.6 and 0.7 indicates fair reliability, a Cronbach’s alpha score of 0.70 or higher are considered as adequate to determine reliability. All constructs exhibited a Cronbach alpha value of greater than 0.70 observed, thus they are accepted as being reliable.

Table 3.1: Cronbach’s Alpha of constructs

Construct	Number of Item	Cronbach’s alpha
Price Discount	7	0.827
Coupons Discount	7	0.798
Buy one get one Free	7	0.890
Customer buying behavior	7	0.859

### 3.9 Ethical considerations

In the context of research, ethics is defined as the appropriateness of the researcher’s behavior in relation to the rights of the participants or subjects of the research work (Saunders, Lewis, & Thornhill, 2009). This study was governed by the general rules of research ethics in such a way that a formal letter was submitted to Ethiopian airlines Human resource department to request access for the company SQL database and other needed useful information form the company. Furthermore, the respondents were requested to reply for the e-mail survey on voluntary basis, as a note of invitation was sent to respondents to check their willingness to participate in the

research on voluntary basis and regarding the purpose of the study. Participants can withdraw at any time during the survey for whatever reason the respondents have and Confidentiality of the information is guaranteed at all time. The research is purely for academic purposes and as a result of this the researcher will never reveal or use any of Ethiopian airlines confidential information or the business secrete for another purpose.

## CHAPTER FOUR

### DATA PRESENTATION ANALYSIS AND INTERPRETATION

This chapter discusses the main findings and interpretations of the data collected by survey questionnaire from the sample respondents. From the total of 545 questionnaires distributed to potential respondents, only 418 e-mails were returned. This gave a response rate of 76.7 percent, which is better than the expected response rate for most e-mail surveys. Of the 418 responses received, analysis was conducted on usable and complete data obtained from 358 questionnaires. Data extracted from completed questionnaires were coded to SPSS version 20.0 and analyzed through descriptive and inferential statistics as discussed below. In this chapter, the demographic characteristics of the respondents are discussed briefly. The subsequent chapter will present the data along with its statistical analysis. The findings are then discussed and analyzed according to research objectives.

#### 4.1 Descriptive Statistics of the Respondents' Background

##### 4.1.1 Respondent Gender

The demographic characteristics of the respondents indicate that 74.03% of the respondents are male and 25.97% are female. This data shows that while it is likely that there are up to three times as many male than female customers purchasing Ethiopian Airline tickets online, there may also be a research design bias in that men are more likely to complete an online questionnaire than women due to more frequent internet access for example.

Table 4.1: Gender Descriptive statistics by Percentage

Gender of Respondent				
		Frequency	Percent	Valid Percent
Valid	Male	285	74.03	74.03
	Female	100	25.97	25.97
	<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

### 4.1.2 Respondent Age

Of the 385 survey respondents, the majority of the respondents (160, 41.56%) are between the ages of 25 to 34 years of age. The second largest category included respondents between the age of 35 and 44 years of age (98, 25.45%). The third and fourth largest categories of respondents are between the ages of 18 to 24 (55, 14.28%) and 45 to 54 years old (47, 12.21%). Only 25 (6.9%) percent of the respondents are above the age of 55 years. This data indicates that younger respondents (between the ages of 25 to 34) have a stronger preference for purchasing air tickets online.

Table 4.2: Age Descriptive statistics by Percentage

Age of Respondent				
		Frequency	Percent	Valid Percent
Valid	18 to 24 years old	55	14.29	14.29
	25 to 34 years old	160	41.56	41.56
	35 to 44 years old	98	25.45	25.45
	45 to 54 years old	47	12.21	12.21
	55 years or older	25	6.49	6.49
	<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

### 4.1.3 Respondents' monthly Family Income

The majority of the respondents (213, 55.32%) are earning a household monthly income of more than 2000 USD. The second and third highest respondents earn a monthly family income of between 1500 to 1999 USD (95, 24.68%) and 1000 to 1499 USD (47, 12.21%) respectively. In contrast, only 29 (7.53%) and 1 (0.26%) of the respondents earn a monthly family income of between 500 to 999 USD and under 499 USD respectively. Ethiopian airlines tickets cost an average of 390 USD for passengers traveling within sub Saharan Africa and from sub Saharan Africa to Asia, Middle East, Europe and America. This data indicates that the majority of respondents can afford to travel by air more than once a year.



Table 4.3: Monthly Family Income Descriptive statistics by Percentage

Respondent Monthly Family Income				
		Frequency	Percent	Valid Percent
Valid	Less than 499 USD	1	0.26	0.26
	500 to 999 USD	29	7.53	7.53
	1000 to 1499 USD	47	12.21	12.21
	1500 to 1999	95	24.68	24.68
	2000 USD and above	213	55.32	55.32
	<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

#### 4.1.4 Number of International Flights (Round Trip) purchased by respondents within one year

Among the total of 385 respondents who were asked how many times they purchased an international round trip air ticket online over the last year, 152 (39.48%) had purchased 7 to 9 round trip flights per year. The second and third largest categories of respondents purchased less than 3 flights per year (137, 35.58%) and between 4 to 6 flights per year (84, 21.85%) respectively. Only 12 (3.12%) of the respondents purchased more than 9 flights per year. It can be easily analyzed that majority of respondents purchased between 7 to 9 air tickets online each year and are therefore considered frequent online ticket purchasers.

Table 4.4: Number of International Flights (Round Trip) purchased by respondents within one year

Respondent International Flight (RT) purchased within one year				
		Frequency	Percent	Valid Percent
Valid	Less than 3	137	35.58	35.58
	4 to 6	84	21.82	21.82
	7 to 9	152	39.48	39.48
	More than 9	12	3.12	3.12
	<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

#### 4.1.5 Respondents Preferred Sales Channel

In the questionnaire, respondents were asked what their preferred sales channel for Airline tickets purchase is. According to the responses they provided, the preferred sales channel of all respondents is the Airlines direct website (online channel). This is as the sample is purposely selected customers who previously bought their ticket on-line on WWW.ethiopianairlines.com

Table 4.5: Preferred Sales Channel for respondents Air Ticket purchase Descriptive statistics by Percentage

Preferred sales channel for respondents air ticket purchase				
		Frequency	Percent	Valid Percent
Valid	Airline Ticket office	0	0	0
	Airlines Direct Website	385	100	100
	Call Center	0	0	0
	Travel Agencies	0	0	0
	On-line Travel agencies/Aggregators	0	0	0
	<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

#### 4.1.6 Primary purpose of respondent's trip

Respondents were asked in the questionnaire to identify the most common purpose of their air travel. Personal business or trade was most frequently mentioned as the respondents' purpose of travel (196, 50.91%) and visiting family or friends was the second most common purpose of travel (103, 26.75%) Fewest respondents listed business (59, 15.32%) or leisure (27, 7.01%) as their purpose for travel.

Table 4.6: Primary purpose of respondents' trip Descriptive statistics by Percentage

Primary purpose of respondents' trip				
		Frequency	Percent	Valid Percent
Valid	Leisure	27	7.01	7.01
	Business or Corporate	59	15.32	15.32
	Personal business or trade	196	50.91	50.91
	Visit of family and friend	103	26.75	26.75
	<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

#### 4.1.7 Most frequent class of service for respondents' trip

Among the 385 respondents, the majority (324, 84.16%) flew in economy class for all air tickets purchased within the past year. The remaining respondents (61, 15.84%) flew in business class over the last year.

Table 4.7: Most frequent class of service for respondents' trip Descriptive statistics by Percentage

Most frequent class of service for respondents' trip				
		Frequency	Percent	Valid Percent
Valid	Business Class	61	15.84	15.84
	Economy Class	324	84.16	84.16
	<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

## Cross-Tabulation

#### 4.1.8 Age and Gender Cross tabulation

Among both male and female respondents, the majority are between the ages of 25 to 34 years old followed by age group 35 to 44 years old. Fewest respondents were in the category of 55 years or older. The data shows that both male and female consumers within the age group of 25-34 purchase the most air tickets online. The finding implies that young people from both genders are more likely to purchase air tickets online than people above the age of 45.

Table 4.8: Age and Gender cross tabulation

		Age of the Respondent					
Gender of the Respondent		18 to 24 years old	25 to 34 years old	35 to 44 years old	45 to 54 years old	55 years or older	<b>Total</b>
	Male	46	111	65	40	23	<b>285</b>
	Female	9	49	33	7	2	<b>100</b>
<b>Total</b>		<b>55</b>	<b>160</b>	<b>98</b>	<b>47</b>	<b>25</b>	<b>385</b>

#### 4.1.9 Gender and International flight frequency Cross tabulation

From a total of 285 male respondents, the majority (152, 39.4%) have flown 7 to 9 times internationally within the last year. Moreover, from the total of 100 female respondents, the majority (49, 49.0%) have flown less than 3 times internationally within the last year. From the data presented in table 4.9, it can be observed that male customers fly more frequently than female customers.

Table 4.9: Gender and International flight frequency Cross tabulation

		International flight round trip you fly with in 1 year				
Gender of the Respondent		Less than 3	4 to 6	7 to 9	More than 9	<b>Total</b>
	Male	88 (22.8%)	49 (12.7%)	137 (35.5%)	11 (2.8%)	<b>285</b> <b>(74.1%)</b>
	Female	49 (12.7%)	35 (9.1%)	15 (3.9%)	1 (0.2%)	<b>100</b> <b>(25.9%)</b>
<b>Total</b>		<b>137</b> <b>(35.5%)</b>	<b>84</b> <b>(21.8%)</b>	<b>152</b> <b>(39.4%)</b>	<b>12</b> <b>(3.1%)</b>	<b>385</b> <b>(100%)</b>

#### 4.1.10 Gender and most frequent purpose of respondents' trip cross tabulation

According to the data presented in Table 4.10, 171 (60.0%) of male respondents from the total of 285 travel primarily for the purpose of personal business or trade. Whereas 35 (35.0) of female respondents from the total of 100 travel primarily for the purpose of visiting family and friends.

Table 4.10: Gender and Purpose of the respondents most trip cross tabulation

		Purpose of Respondents most trip				
Gender of the Respondent		Leisure	Business or Corporate	Personal business or trade	Visit of Family and Friend	<b>Total</b>
	Male	14 (3.6%)	32 (8.3%)	171 (44.4%)	68 (17.7%)	<b>285</b> <b>(74.1%)</b>
Female	13 (3.4%)	27 (7.0%)	25 (6.5%)	35 (9.1%)	<b>100</b> <b>(25.9%)</b>	
<b>Total</b>	<b>27</b> <b>(7.0%)</b>	<b>59</b> <b>(15.3%)</b>	<b>196</b> <b>(50.9%)</b>	<b>103</b> <b>(26.8%)</b>	<b>385</b> <b>(100%)</b>	

#### 4.1.11 Monthly family income and international flight frequency cross tabulation

Based on the data presented below, all respondents whose family monthly income is below 1,499 USD traveled internationally less than 3 times within the last year. However, from the total of 95 respondents whose family monthly income is between 1500 to 1999 USD, 43 (45.2%) (Travelled from 4 to 6 times in the past year internationally whereas 52 (54.7%) travelled less than three times. When we come to the 213 respondents whose monthly family income is 2000 USD and above, the majority (152, 71.3%) traveled 7 to 9 times per year whereas 12 respondents (5.6%) travelled more than 9 times internationally in the past year. This shows that there is a positive relationship between monthly family income and international flight frequency.

Table 4.11: Monthly family income by International flight frequency cross tabulation

	International flight round trip you fly with in 1 year					<b>Total</b>
		Less than 3	4 to 6	7 to 9	More than 9	
Monthly Family Income	Less than 499 USD	1 (0.3%)	0 (0%)	0 (0%)	0 (0%)	<b>1</b> <b>(0.3%)</b>
	500 to 999 USD	29 (7.5%)	0 (0%)	0 (0%)	0 (0%)	<b>29</b> <b>(7.5%)</b>
	1000 to 1499 USD	47 (12.2%)	0 (0%)	0 (0%)	0 (0%)	<b>47</b> <b>(12.2%)</b>
	1500 to 1999	52 (13.5%)	43 (11.1%)	0 (0%)	0 (0%)	<b>95</b> <b>(24.7%)</b>
	2000 USD and above	8 (2.0%)	41 (10.7%)	152 (39.5%)	12 (3.1%)	<b>213</b> <b>(55.3%)</b>
	<b>Total</b>	<b>137</b> <b>(35.6%)</b>	<b>84</b> <b>(21.8%)</b>	<b>152</b> <b>(39.5%)</b>	<b>12</b> <b>(3.1%)</b>	<b>385</b> <b>(100%)</b>

#### 4.1.12 Most frequent purpose of respondents' trip and international flight frequency cross tabulation

From the total of 385 respondents, the majority (196, 50.9%) traveled internationally primarily for the purpose of personal business or trade. It's from this category that the highest number of frequent fliers (7 to 9 flights per year) is recorded (80, 20.8%) The second highest number of frequent fliers (7 to 9 flights per year) are respondents travelling for the purpose of visiting their family and friends (72, 18.7%). In contrary, respondents who traveled for leisure travelled the least frequently of all (less than 3 times within the past year). From the data presented in Table

4.12, it can be seen that people who travel for personal business or trade are frequent fliers whereas, people who travel for leisure are the least frequent fliers.

Table 4.12: Most frequent purpose of respondents' trip and international flight frequency cross tabulation

		International flight round trip you fly with in 1 year				
		Less than 3	4 to 6	7 to 9	More than 9	<b>Total</b>
Purpose of your last trip	Leisure	27 (7.0%)	0 (0%)	0 (0%)	0 (0%)	<b>27</b> <b>(7.0%)</b>
	Business or Corporate	59 (15.3%)	0 (0%)	0 (0%)	0 (0%)	<b>59</b> <b>(15.3%)</b>
	Personal business or trade	51 (13.2%)	65 (16.9%)	80 (20.8%)	0 (0%)	<b>196</b> <b>(50.9%)</b>
	Visit of family and friend	0 (0%)	19 (4.9%)	72 (18.7%)	12 (3.1%)	<b>103</b> <b>(26.8%)</b>
<b>Total</b>		<b>137</b> <b>(35.6%)</b>	<b>84</b> <b>(21.8%)</b>	<b>152</b> <b>(39.5%)</b>	<b>12</b> <b>(3.1%)</b>	<b>385</b> <b>(100%)</b>

#### 4.1.13 Purpose and Class of service for most of the respondents' trip Cross tabulation

From the total of 61(15.8%) respondents who traveled business class for most of their international travel within the past year, 34 (8.8%) traveled mostly for the purpose of business closely followed by 27 (7.0%) respondents who traveled for leisure. On the other hand, from the total of 324 respondents who used economy class for most of their international travel, the majority of them (196) 50.9%, traveled for personal business or trade purposes followed by 103 (26.8%) respondents who traveled primarily for the purpose of visiting their family or friends. From this we can easily generalize that those who travel for business or corporate reasons use business class more frequently than those travelling for personal, business or trade purposes and/or to visit of family and friends.

Table 4.13: Purpose and Class of service for majority of respondents' trips within the past year  
Cross tabulation

		Class of service for majority of respondents' trips within the past year		
		Business Class	Economy Class	<b>Total</b>
Purpose for most of your trip	Leisure	27 (7.0%)	0 (0%)	<b>27 (7.0%)</b>
	Business or Corporate	34 (8.8%)	25 (6.5%)	<b>59 (15.3%)</b>
	Personal business or trade	0 (0%)	196 (50.9%)	<b>196 (50.9%)</b>
	Visit of family and friend	0 (0%)	103 (26.8%)	<b>103 (26.8%)</b>
<b>Total</b>		<b>61 (15.8%)</b>	<b>324 (84.2%)</b>	<b>385 (100%)</b>

## 4.2. Descriptive Analysis of the study variables

In this sub chapter, the three independent variables analyzed include price discounts, coupons discounts and 'buy one get one free' (B1G1F). The dependent variable analyzed is customer buying behavior and is analyzed against each independent variable separately for sake of simplicity. The findings are presented below in tabular form with detailed explanation.

### 4.2.1 Sales Promotion tools

#### 4.2.1.1. Price Discount

Much research shows that price discounting is by far the most common form of sales promotion tools employed by firms across the globe. Moreover, various literature provides evidence that price discounting is one on the most important customer buying behavior determinants. In this study, to measure the attitude of the customer towards a price discount, respondents were presented with 7 statements and were required to rate their level of agreement towards each statement using a five point Likert scale.



**Statement 1. If an Airline offers a price discount, that could be a reason for me to buy a ticket**

As shown in Table 4.14 below, most of the respondents either strongly agree (61.82%) or agree (28.57%) to the first statement that an airline which offers price discounts could be a reason for them to buy an air ticket from that airline and 9.61% of the responses were neutral. This shows that respondents prefer discounted prices.

Table 4.14: If an Airline offers price discount that could be a reason for me to buy a ticket

If an Airline offers price discount that could be a reason for me to buy a ticket			
	Frequency	Percent	Valid Percent
Strongly disagree	0	0	0
Disagree	0	0	0
Neither agree nor disagree	37	9.61	9.61
Agree	110	28.57	28.57
Strongly Agree	238	61.82	61.82
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 2. When I buy an air ticket that offers price discount, I feel I am getting good value for money**

The respondents were asked to indicate their level of agreement towards the statement “When I buy an air ticket that offers a price discount, I feel I am getting good value for money” by using a five point Likert scale. As a result, 240 (62.3%) of respondents indicated that they strongly agree and 109 (28.3%) agreed to the statement. The remaining 36 (9.4%) are neutral about the statement. This shows that when respondents buy an offer with price discount, they feel that they are getting a good value of money.

Table 4.15: When I buy an air ticket that offers price discount, I feel I am getting good value for money

When I buy an air ticket that offers price discount, I feel I am getting good value for money			
	Frequency	Percent	Valid Percent
Strongly disagree	0	0	0
Disagree	0	0	0
Neither agree nor disagree	36	9.40	9.40
Agree	109	28.30	28.30
Strongly Agree	240	62.30	62.30
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 3. A price discount has allowed me to purchase a ticket from another Airline which I do not regularly fly with**

Of the 385 respondents, 34.03% agree and 23.38% strongly agree that a price discount has allowed them to purchase a ticket from another Airline which they do not regularly fly with and 13.51% of the responses were neutral. However, 18.70% and 10.39% of the respondents disagree and strongly disagree with this statement. From this we can say that a price discount have an impact in shifting customers from their regularly flying airline to the one which they don't have a previous experience.

Table 4.16: A price discount has allowed me to purchase a ticket from another Airline which I do not regularly fly with

A price discount has allowed me to purchase a ticket from another Airline which I do not regularly fly with			
	Frequency	Percent	Valid Percent
Strongly disagree	40	10.39	10.39
Disagree	72	18.70	18.70
Neither agree nor disagree	52	13.51	13.51
Agree	131	34.03	34.03
Strongly Agree	90	23.38	23.38
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 4. I have favorite Airline, but most of the time I purchase tickets from airlines that offer a price discount**

The fourth statement was included to measure the effect of a price discount on shifting air ticket buyers from buying a ticket from their favorite airline to another airline with a price discount. The majority of respondents agree (42.08) or strongly agree (23.38) to the statement that they have favorite airline but most of the time, they will purchase tickets from another airline if they offer a price discount.

Table 4.17: I have favorite Airline, but most of the time I purchase tickets from airlines that offer a price discount

I have favorite Airline, but most of the time I purchase tickets from airlines that offer a price discount			
	Frequency	Percent	Valid Percent
Strongly disagree	63	16.36	16.36
Disagree	49	12.73	12.73
Neither agree nor disagree	21	5.45	5.45
Agree	162	42.08	42.08
Strongly Agree	90	23.38	23.38
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 5. A price discount has allowed me to buy earlier than planned**

According to the data presented in Table 4.18, 198 (51.4%) and 94 (24.4%) of the respondents agree and strongly agreed respectively that a price discount has allowed them to buy earlier than planned. However, 72 (18.7%) and 14 (3.64%) of the respondents disagree and strongly disagree on the statement. Only 7 (1.8%) of the respondents remain neutral. This shows that a price discount have an impact on shifting customers from their planned travel date to earlier than planned. This have a great impact on airline industry to shift the load factor considering the travel demand seasonal variance.

Table 4.18: A price discount has allowed me to buy earlier than planned

A price discount has allowed me to buy earlier than planned			
	Frequency	Percent	Valid Percent
Strongly disagree	14	3.64	3.64
Disagree	72	18.70	18.70
Neither agree nor disagree	7	1.82	1.82
Agree	198	51.43	51.43
Strongly Agree	94	24.42	24.42
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 6. A price discount has allowed me to buy more frequently on the same flight sectors**

When asked whether a price discount has allowed respondents to buy more frequently on the same flight sectors, the majority show agreement: 86 (22.3%) and 240 (62.3%) of the respondents agree and strongly agreed respectively. However, 18 (4.68%) and 30 (7.79%) of the respondents disagree and strongly disagree on the statement. Only 11 (2.86%) of the respondents remain neutral. This shows that a price discount have an impact to shift respondents to buy same flight sector if that sectors offer a price discount.

Table 4.19: A price discount has allowed me to buy more frequently on the same flight sectors

A price discount has allowed me to buy more frequently on the same flight sectors			
	Frequency	Percent	Valid Percent
Strongly disagree	30	7.79	7.79
Disagree	18	4.68	4.68
Neither agree nor disagree	11	2.86	2.86
Agree	86	22.34	22.34
Strongly Agree	240	62.34	62.34
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 7. Compared to most people, I am more likely fly with airlines that offer price discount**

Based on the data gathered, 238 (61.8%) and 114 (29.6%) of respondents show strong agreement and agreement respectively on the statement “Compared to most people, I am more likely fly with airlines that offer price discount”. Only 1 respondent show disagreement and 32 (8.3%) of the respondents remain neutral on this statement.

Table 4.20: Compared to most people, I am more likely fly with airlines that offer price discount

Compared to most people, I am more likely fly with airlines that offer price discount			
	Frequency	Percent	Valid Percent
Strongly disagree	0	0.00	0.00
Disagree	1	0.26	0.26
Neither agree nor disagree	32	8.31	8.31
Agree	114	29.61	29.61
Strongly Agree	238	61.82	61.82
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

The findings indicated that if an Airline offers a price discount, that could be a reason for me to buy it and When I buy an air ticket that offers price discount, I feel I am getting a good buy both have a mean of 4.52 and with significant standard deviations of 0.66. A price discount has allowed me to buy another Airline which I do not regularly fly with also had a mean of 3.41 with significant standard deviation. A price discount has allowed me to buy earlier than planned and a price discount has allowed me to buy more frequently on the same flight sectors were also reported as price discount has great influence on the customer buying behavior shown by a mean of 3.74 and 4.26 respectively. Compared to most people, I am more likely fly with airlines that offer price discount have a mean of 4.52 and with significant standard deviations of 0.65. These findings are consistent with the findings presented in preceding tables and the result is skewed

towards agreeing on the extreme positive influence price discounts exert over customer buying behavior

Table 4.21 Brief Introduction to Price Discount Statements

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
If an Airline offers price discount that could be a reason for me to buy it	385	3	5	4.522078	0.665
When I buy an air ticket that offers price discount, I feel I am getting a good buy	385	3	5	4.52987	0.661
A price discount has allowed me to buy another Airline which I do not regularly fly with	385	1	5	3.412987	1.308
I have favorite Airline, but most of the times I buy airlines that offers price discount	385	1	5	3.433766	1.398
A price discount has allowed me to buy earlier than planned	385	1	5	3.742857	1.129
A price discount has allowed me to buy more frequently on the same flight sectors	385	1	5	4.267532	1.213
Compared to most people, I am more likely fly with airlines that offer price discount	385	2	5	4.52987	0.657
<b>Valid N (list wise)</b>	<b>385</b>				

#### 4.2.1.2. Coupons Discount (web promotional codes)

Coupons are hot and the state of the economy has much to do with their popularity. Article after article about saving money mentions using coupons. And consumers are following their advice. Coupon discount planes help the host firm in many ways. They can increase the number of new customers, help move specific product, build brand awareness, reward current customers and retain them and much more. However, you will not be able to measure the effectiveness of coupons discount programs without testing and measuring it for each and specific marketing scheme. In order to measure this variable this research forward seven related statements to a total of 385 respondents and analyzed and presented the finding in the following table by taking the necessary output data from SPSS.

#### **Statement 1. If an Airline offers web promo codes with discounts could be a reason for me to buy an air ticket from that Airline**

As shown in Table 4.22 below, most of the respondents either agree (59.22%) or strongly agree (28.31%) to the first statement that an airline which offers web promo codes with discounts could be a reason to buy an air ticket from that airline and 12.47% of the responses were neutral. None of the respondents disagreed with the statement. This shows that respondents buying behavior could be affected by a web promo code offering.

Table 4.22: If an Airline offers web promo codes with discounts that could be a reason for me to buy it

If an Airline offers web promo codes with discounts that could be a reason for me to buy it			
	Frequency	Percent	Valid Percent
Strongly disagree	0	0	0
Disagree	0	0	0
Neither agree nor disagree	48	12.47	12.47
Agree	228	59.22	59.22
Strongly Agree	109	28.31	28.31
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>



**Statement 2. When I buy an air ticket that offers web promo codes, I feel I am getting a good buy**

The respondents were asked to indicate their level of agreement towards the statement “When I buy an air ticket that offers web promo codes, I feel I am getting good value for money” by using a five point Likert scale. As a result, 202 (52.47%) of respondents indicated that they strongly agree and 106 (27.53%) agreed to the statement. A total of 49 (12.73%) are neutral about the statement, 24 (6.23%) disagreed with the statement and 4 (1.04%) strongly disagreed. From this we can say that respondents feel that they are getting a good value of money when the flight they bought consists of a web promotional codes (coupons).

Table 4.23: When I buy an air ticket that offers web promo codes, I feel I am getting good value for money

When I buy an air ticket that offers web promo codes, I feel I am getting good value for money			
	Frequency	Percent	Valid Percent
Strongly disagree	4	1.04	1.04
Disagree	24	6.23	6.23
Neither agree nor disagree	49	12.73	12.73
Agree	202	52.47	52.47
Strongly Agree	106	27.53	27.53
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 3. A web promo codes has allowed me to buy another Airline which I do not regularly fly with**

Of the 385 respondents, 27.53% agree and 15.84% strongly agree that a web promo code has allowed them to purchase a ticket from another Airline which they do not regularly fly with and 2.6% of the responses were neutral. However, a higher proportion of respondents disagreed (37.66%) or strongly disagreed (16.36%) with this statement which may indicate that web promo

codes could actually discourage customers from purchasing tickets from an airline they do not regularly fly with.

Table 4.24: A web promo codes has allowed me to buy another Airline which I do not regularly fly with

A web promo codes has allowed me to buy another Airline which I do not regularly fly with			
	Frequency	Percent	Valid Percent
Strongly disagree	63	16.36	16.36
Disagree	145	37.66	37.66
Neither agree nor disagree	10	2.60	2.60
Agree	106	27.53	27.53
Strongly Agree	61	15.84	15.84
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 4. I have favorite Airline, but most of the times I buy airlines that offers promo codes discounts**

The fourth statement was included to measure the effect of web promo codes on shifting air ticket buyers from buying a ticket from their favorite airline to another airline with a web promo code. The majority of respondents disagree (48.31%) or strongly disagree (22.34%) to the statement that they have favorite airline but they would purchase tickets from another airline if they offered a web promo code. Although some respondents agreed (17.40%), strongly agreed (10.13%) or were neutral to the statement (1.82%), the data indicates that web promo codes are unlikely to shift customers from their favorite airline to another airline.

Table 4.25: I have favorite Airline, but most of the time I buy tickets from airlines that offer promo codes discounts

I have favorite Airline, but most of the time I buy tickets from airlines that offers promo codes discounts			
	Frequency	Percent	Valid Percent
Strongly disagree	86	22.34	22.34
Disagree	186	48.31	48.31
Neither agree nor disagree	7	1.82	1.82
Agree	67	17.40	17.40
Strongly Agree	39	10.13	10.13
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 5. A web promo codes has allowed me to buy earlier than planned**

According to the data presented in Table 4.26, 194 (50.39%) and 88 (22.86%) of the respondents disagree and strongly disagree respectively that a web promo code has allowed them to buy earlier than planned. However, 67 (17.40%) and 22 (5.71%) of the respondents agree and strongly agree respectively on the statement. Only 14 (3.64%) of the respondents remain neutral. From this data it can be concluded that web promo codes do not influence customers to purchase tickets any earlier than planned and may even have a negative effect on advance purchasing.

Table 4.26: A web promo codes has allowed me to buy earlier than planned

A web promo codes has allowed me to buy earlier than planned			
	Frequency	Percent	Valid Percent
Strongly disagree	88	22.86	22.86
Disagree	194	50.39	50.39
Neither agree nor disagree	14	3.64	3.64
Agree	67	17.40	17.40
Strongly Agree	22	5.71	5.71
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 6. A web promo codes has allowed me to buy more frequently on the same flight sectors**

When asked whether a web promo code has allowed respondents to buy more frequently on the same flight sectors, the majority show agreement: 229 (59.48%) and 109 (28.31%) of the respondents agree and strongly agreed respectively. However, 18 (4.68%) and 7 (1.82%) of the respondents disagree and strongly disagree on the statement. Only 22 (5.71%) of the respondents remain neutral. From this data it appears that while promo codes may not be successful in encouraging customers to purchase tickets from a new airline or in advance, they may be more useful in encouraging customers to buy more frequently on the same flight sectors.

Table 4.27: A web promo codes has allowed me to buy more frequently on the same flight sectors

A web promo codes has allowed me to buy more frequently on the same flight sectors			
	Frequency	Percent	Valid Percent
Strongly disagree	7	1.82	1.82
Disagree	18	4.68	4.68
Neither agree nor disagree	22	5.71	5.71
Agree	229	59.48	59.48
Strongly Agree	109	28.31	28.31
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 7. Compared to most people, I am more likely fly with airlines that offer web promo codes**

Based on the data gathered, 230 (59.74%) and 134 (34.81%) of respondents show agreement and strong agreement respectively on the statement “Compared to most people, I am more likely fly with airlines that offer web promo codes”. Only 7 respondents (1.82%) showed disagreement and 14 (3.64%) of the respondents remain neutral on this statement.

Table 4.28: Compared to most people, I am more likely fly with airlines that offer web promo codes

Compared to most people, I am more likely fly with airlines that offer web promo codes			
	Frequency	Percent	Valid Percent
Strongly disagree	0	0.00	0.00
Disagree	7	1.82	1.82
Neither agree nor disagree	14	3.64	3.64
Agree	230	59.74	59.74
Strongly Agree	134	34.81	34.81
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

Considering the data presented in the table blow, If an Airline offers web promo codes with discounts that could be a reason for me to buy it is rated with a mean value of 4.15 and standard deviation of 0.619. When I buy an air ticket that offers web promo codes, I feel I am getting a good buy is rated with a mean value of 3.99 and standard deviation of 0.864. A web promo codes has allowed me to buy another Airline which I do not regularly fly with and I have favorite Airline, but most of the times I buy airlines that offers promo codes discounts are rated with a mean value of 2.88 and 2.44. Likewise, a web promo codes has allowed me to buy earlier than planned was rated with a mean value of 2.32 and standard deviation of 1.171. A web promo codes has allowed me to buy more frequently on the same flight sectors and Compared to most people, I am more likely fly with airlines that offer web promo codes ware rated with a mean value of 4.07 and 4.27. This show that coupons discount has a significant effect on customers.

Table 4.29: Coupons Discount Brief Introduction

Descriptive Statistics	N	Minimum	Maximum	Mean	Std. Deviation
If an Airline offers web promo codes with discounts that could be a reason for me to buy it	385	3	5	4.158442	0.619
When I buy an air ticket that offers web promo codes, I feel I am getting a good buy	385	1	5	3.992208	0.864
A web promo codes has allowed me to buy another Airline which I do not regularly fly with	385	1	5	2.888312	1.390
I have favorite Airline, but most of the times I buy airlines that offers promo codes discounts	385	1	5	2.446753	1.286
A web promo codes has allowed me to buy earlier than planned	385	1	5	2.327273	1.171
A web promo codes has allowed me to buy more frequently on the same flight sectors	385	1	5	4.077922	0.829
Compared to most people, I am more likely fly with airlines that offer web promo codes	385	2	5	4.275325	0.618
<b>Valid N (list wise)</b>	<b>385</b>				

### 4.2.1.3 Buy one Get one Free

Buy one Get one Free deals are among the most and well-used promotional tools. Within business circles, they are often referred to as “self-liquidating” promotions because they encourage the clearing of stock. Still, rarely do buy one get one free promotions cost business anything. In fact they are designed to increase revenue by exerting a significant positive effect on customer buying behavior. In order to get a more clear understanding of the effectiveness of this sales promotion tools on the Ethiopian Airlines online customers, the researcher have analyzed and presented the data gathered from respondents selected for this purpose.

#### Statement 1. If an Airline offers B1G1F that could be a reason for me to buy it

Majority of the respondents 207 (53.8%) Strongly agree and 161 (41.8%) agreed that if an Airline offers B1G1F that could be a reason for them to buy it. Only one respondent show disagreement and the rest 16(4.2%) of respondents remain neutral to the statement. This shows that majority of the respondents buying behavior could be affected by an offer of B1G1F.

Table 4.30: If an Airline offers B1G1F that could be a reason for me to buy it

If an Airline offers B1G1F that could be a reason for me to buy it			
	Frequency	Percent	Valid Percent
Strongly disagree	0	0	0
Disagree	1	0.30	0.30
Neither agree nor disagree	16	4.20	4.20
Agree	161	41.80	41.80
Strongly Agree	207	53.80	53.80
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

#### Statement 2. When I buy an air ticket that offers B1G1F, I feel I am getting a good buy

When asked if they feel that they are getting a good buy when they buy air ticket that offers B1G1F, majority of the respondents show strong agreement 204(52.99%) and agreement 159(41.3%). Only 7 respondents which account for 1.82% of the total respondents show disagreement and 15(3.9%) remain neutral for this statement.



Table 4.31: When I buy an air ticket that offers B1G1F, I feel I am getting a good buy

When I buy an air ticket that offers B1G1F, I feel I am getting a good buy			
	Frequency	Percent	Valid Percent
Strongly disagree	0	0	0
Disagree	7	1.82	1.82
Neither agree nor disagree	15	3.90	3.90
Agree	159	41.30	41.30
Strongly Agree	204	52.99	52.99
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 3. B1G1F has allowed me to buy another Airline which I do not regularly fly with**

Based on the data in the following table, 145 (37.66%) and 70 (18.18%) respondents agreement and strong agreement respectively that they could choose to fly with another airline than they normally use if it offers B1G1F. However other respondents 41 (10.65%) and 85 (22.08%) strongly disagree and disagree respectively that they would not switch to another airline just for B1G1F offers. On the other hand, 44 (11.43%) from the total respondents remain neutral. From this we can say that B1G1F have an impact in shifting customers from their regularly flying airline to the one which they don't have a previous experience.

Table 4.32: B1G1F has allowed me to buy another Airline which I do not regularly fly with

B1G1F has allowed me to buy another Airline which I do not regularly fly with			
	Frequency	Percent	Valid Percent
Strongly disagree	41	10.65	10.65
Disagree	85	22.08	22.08
Neither agree nor disagree	44	11.43	11.43
Agree	145	37.66	37.66
Strongly Agree	70	18.18	18.18
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

#### **Statement 4. I have favorite Airline, but most of the times I buy airlines that offers B1G1F**

For the statement, I have favorite Airline, but most of the times I buy airlines that offers B1G1F, 163 (42.34%) and 74 (19.22%) of the total respondents show agreement and strong agreement. While 19 (4.94%) remain neutral, the rest of respondents 65 (16.88%) and 64 (16.62%) indicate strong disagreement and disagreement on the statement. From this we can say that B1G1F have an impact in shifting customers from their favorite airlines to an airline offering a B1G1F.

Table 4.33: I have favorite Airline, but most of the times I buy airlines that offers B1G1F

I have favorite Airline, but most of the times I buy airlines that offers B1G1F			
	Frequency	Percent	Valid Percent
Strongly disagree	65	16.88	16.88
Disagree	64	16.62	16.62
Neither agree nor disagree	19	4.94	4.94
Agree	163	42.34	42.34
Strongly Agree	74	19.22	19.22
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

#### **Statement 5. B1G1F has allowed me to buy earlier than planned**

Most of the respondents 188 (48.83%) and 79 (20.52%) agreed and strongly agreed respectively that B1G1F has allowed them to buy earlier than planned. 81 (21.04%) and 32(8.31%) disagree and strongly disagreed to the statement while 5 (1.3%) were neutral. This shows that a BG1F tool have an impact of shifting respondents travel period earlier than planned.

Table 4.34: B1G1F has allowed me to buy earlier than planned

B1G1F has allowed me to buy earlier than planned			
	Frequency	Percent	Valid Percent
Strongly disagree	32	8.31	8.31
Disagree	81	21.04	21.04
Neither agree nor disagree	5	1.30	1.30
Agree	188	48.83	48.83
Strongly Agree	79	20.52	20.52
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 6. B1G1F has allowed me to buy more frequently on the same flight sectors**

When asked if B1G1F has allowed them to buy more frequently on the same flight sectors, most of the respondents show agreement by indicating 143 (37.14%) agree and 155 (40.26%) strong agreement. However, 39 (10.13%) and 35 (9.09%) of the respondents strongly disagree and disagree respectively. Only 13 respondents which account for 3.38% of the total respondents were neutral to the statement. From this we can say that B1G1F has an impact to increase sales of same flight sector with offering of B1G1F.

Table 4.35: B1G1F has allowed me to buy more frequently on the same flight sectors

B1G1F has allowed me to buy more frequently on the same flight sectors			
	Frequency	Percent	Valid Percent
Strongly disagree	39	10.13	10.13
Disagree	35	9.09	9.09
Neither agree nor disagree	13	3.38	3.38
Agree	143	37.14	37.14
Strongly Agree	155	40.26	40.26
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 7. Compared to most people, I am more likely fly with airlines that offer B1G1F**

As shown in Table 4.36 majority 200 (51.95%), of the respondents and 169 (43.9%) of the respondents stated their strong agreement and agreement respectively to the statement, Compared to most people, I am more likely fly with airlines that offer B1G1F. On the other hand 2 (0.52%) indicated that they disagree with the statement. Whereas 14 (3.64%) of the respondents neither agree nor disagree the statement.

Table 4.36: Compared to most people, I am more likely fly with airlines that offer B1G1F

Compared to most people, I am more likely fly with airlines that offer B1G1F			
	Frequency	Percent	Valid Percent
Strongly disagree	0	0.00	0.00
Disagree	2	0.52	0.52
Neither agree nor disagree	14	3.64	3.64
Agree	169	43.90	43.90
Strongly Agree	200	51.95	51.95
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

The finding portrayed in the table below indicates that if an Airline offers B1G1F that could be a reason for me to buy it and when I buy an air ticket that offers B1G1F, I feel I am getting a good buy are rated 4.49, 4.45 mean values and 0.591, 0.66 standard deviations respectively. Similarly respondents rated B1G1F has allowed me to buy another Airline which I do not regularly fly with and I have favorite Airline, but most of the times I buy airlines that offers B1G1F by 3.30 mean value for both and 1.289 and 1.395 standard deviations respectively. When asked if B1G1F has allowed them to buy earlier than planned or more frequently on the same flight sectors, they rated them with a mean value of 3.52 and 3.88 respectively. The last statement presented to the respondents to measure the effectiveness of B1G1F promotion tools was compared to most people, I am more likely fly with airlines that offer B1G1F this statement a mean value of 4.47 and a standard deviation of 0.595 was recorded. This indicates that B1G1F have a strong positive influence on respondents' buying behavior.

Table 4.37: B1G1F Brief Introduction

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
If an Airline offers B1G1F that could be a reason for me to buy it	385	2	5	4.490909	0.591
When I buy an air ticket that offers B1G1F, I feel I am getting a good buy	385	2	5	4.454545	0.66
B1G1F has allowed me to buy another Airline which I do not regularly fly with	385	1	5	3.306494	1.289
I have favorite Airline, but most of the times I buy airlines that offers B1G1F	385	1	5	3.303896	1.395
B1G1F has allowed me to buy earlier than planned	385	1	5	3.522078	1.258
B1G1F has allowed me to buy more frequently on the same flight sectors	385	1	5	3.883117	1.305
Compared to most people, I am more likely fly with airlines that offer B1G1F	385	2	5	4.472727	0.595
<b>Valid N (list wise)</b>	<b>385</b>				

#### 4.2.2 Customer Buying Behavior

Customer buying behavior is the process, thoughts, feelings and actions related to consumption process. The behavior is a dynamic interaction and communication between consumers and the marketers doing exchange. There are four main factors influencing consumer behavior each of these factors can influence a consumer action in different ways, a combination of these factors affect the decision making process differently. Because of these reasons, there is a need to analyze the customer buying behavior that is attributed to the sample population that are considered as respondents for this research and the main objective of this research. For this purpose, the researcher forwarded 7 related statements for 385 respondents, analyzed and presented its findings in the flowing way.

**Statement 1. Once I selected my preferred airline, I buy flight offers from the airline regularly**

For the first statement “Once I selected my preferred airline, I buy flight offers from the airline regularly”, majority of the respondents show agreement by indicating Agree 188 (48.8%) and Strongly Agree 133 (34.5%). A very small proportion of the respondents show disagreement and 22 (5.71%) were neutral. This shows that majority of the respondents favor to stay loyal to the airline they preferred.

Table 4.38: Once I selected my preferred airline, I buy flight offers from the airline regularly

Once I selected my preferred airline, I buy flight offers from the airline regularly			
	Frequency	Percent	Valid Percent
Strongly disagree	9	2.34	2.34
Disagree	33	8.57	8.57
Neither agree nor disagree	22	5.71	5.71
Agree	188	48.83	48.83
Strongly Agree	133	34.55	34.55
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 2. In general, I try to get the best overall service quality**

The respondents were asked to state their level of agreement for the statement In general; I try to get the best overall service quality. Accordingly most respondent strongly agree, 261(65.7%) of the total, with the statement followed by respondent who are also agree with it and account 114 or 29.6% of the total sample respondents. Out of the total 9 (2.3%) respondent neither agrees nor disagrees about the statement and remains neutral. However, only one (0.2%) respondent disagrees with the stated statement respectively. This shows that the respondents prefer to get the best overall service quality.

Table 4.39: In general, I try to get the best overall service quality

In general, I try to get the best overall service quality			
	Frequency	Percent	Valid Percent
Strongly disagree	0	0	0
Disagree	1	0.26	0.26
Neither agree nor disagree	9	2.34	2.34
Agree	114	29.61	29.61
Strongly Agree	261	67.79	67.79
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 3. I look very carefully to find the best value of money**

The other statement that was raised for the respondents was, I look very carefully to find the best value of money. Consequently, similar to the previous result most respondent, 193(50.1%) and 181 (47%) of the total strongly agree and agree with the statement respectively. Likewise 11 or 2.86% of them were neutral about the statement but none of them show disagreement and strong disagreement on the statement. This shows that almost all respondents look very carefully to find the best value of money.

Table 4.40: I look very carefully to find the best value of money

I look very carefully to find the best value of money			
	Frequency	Percent	Valid Percent
Strongly disagree	0	0	0
Disagree	0	0	0
Neither agree nor disagree	11	2.86	2.86
Agree	181	47.01	47.01
Strongly Agree	193	50.13	50.13
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

#### Statement 4. I usually buy lower priced flight offers

On this statement most of the respondents say they usually buy lower priced flight offers by indicating Agree 205(53.2%) and Strongly Agree 90 (23.3%). On the other hand 34 (8.8%) and 56 (14.5%) of the total respondents indicate that they strongly Disagree and Disagree respectively. However, none of the respondents remain neutral on this statement. From this we can say that respondents are highly sensitive about price.

Table 4.41: I usually buy lower priced flight offers

I usually buy lower priced flight offers			
	Frequency	Percent	Valid Percent
Strongly disagree	34	8.83	8.83
Disagree	56	14.55	14.55
Neither agree nor disagree	0	0	0
Agree	205	53.25	53.25
Strongly Agree	90	23.38	23.38
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

#### Statement 5. I usually spend long time deciding on flight offer I buy

Considering the statement, I usually spend long time deciding on flight offer I buy, most respondent strongly agree, 124(32.2%) and 187 or 48.5% of the total sample respondents agree with the statement. Out of the total, 18 (4.6%) respondent neither agrees nor disagrees about the statement and remains neutral. However, 45(11.6%) and 11(2.8%) of the total respondents disagree and strongly disagree with the statement respectively. From this we can say that most respondents spend longer time on deciding flight offer they would buy, this could be as the amount spent on purchasing air flight is significant.



Table 4.42: I usually spend long time deciding on flight offer I buy

I usually spend long time deciding on flight offer I buy			
	Frequency	Percent	Valid Percent
Strongly disagree	11	2.86	2.86
Disagree	45	11.69	11.69
Neither agree nor disagree	18	4.68	4.68
Agree	187	48.57	48.57
Strongly Agree	124	32.21	32.21
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

**Statement 6. I normally compare different Airline offerings before I buy air ticket**

When respondents asked to show their level of agreement on the statement, I normally compare different Airline offerings before I buy air ticket, 170 (44.1%) of the total respondents agreed and 122(31.6%) show a strong agreement towards the statement. However, 65 (16.8%) and 22 (5.7%) of them indicated that they disagree or strongly disagree with the statement respectively. On the other hand, 6 respondents which account for 1.5% of the total respondents under question stay neutral to the statement. From this we can say that respondents compare different airline offerings before they buy air ticket.

Table 4.43: I normally compare different Airline offerings before I buy air ticket

I normally compare different Airline offerings before I buy air ticket			
	Frequency	Percent	Valid Percent
Strongly disagree	22	5.71	5.71
Disagree	65	16.88	16.88
Neither agree nor disagree	6	1.56	1.56
Agree	170	44.16	44.16
Strongly Agree	122	31.69	31.69
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

### Statement 7. I usually recommend my favorite Airline to others

For the final statement presented to respondents which was, I usually recommend my favorite Airline to others, 201(52.2%) agreed and 149(38.7%) strongly agreed to it. A small proportion of the total respondents however disagree and strongly disagreed to the statement which account for 8(2.1%) and 1(0.26%) respectively. However 26(6.75%) respondents indicated that they neither agree nor disagree to the statement presented. This indicates that respondents recommend their favorite airlines to others and this may have impact on buying behaviors.

Table 4.44: I usually recommend my favorite Airline to others

I usually recommend my favorite Airline to others			
	Frequency	Percent	Valid Percent
Strongly disagree	1	0.26	0.26
Disagree	8	2.08	2.08
Neither agree nor disagree	26	6.75	6.75
Agree	201	52.21	52.21
Strongly Agree	149	38.70	38.70
<b>Total</b>	<b>385</b>	<b>100</b>	<b>100</b>

According to the findings shown in table 4.45. Once I selected my preferred airline, I buy flight offers from the airline regularly has a mean of 4.04 with standard deviation of 0.97. A mean of 4.64 with standard deviation of 0.53 was recorded for the second statement that was presented to the respondents i.e. In general, I try to get the best overall service quality. I look very carefully to find the best value of money had a mean value of 4.47 with standard deviation of 0.55. In addition, I usually buy lower priced flight offers had a mean value of 3.67 and with significant standard deviation of 1.229. A mean of 3.95 with standard deviation of 1.046 was recorded for the statement, I usually spend long time deciding on flight offer I buy. The sixth statement that was presented for the flow respondents was I normally compare different Airline offerings before I buy air ticket. For this statement a mean of 3.79 and a standard deviation of 1.218 was recorded. A mean of 4.27 and a standard deviation of 0.700 was recorded for the last statement presented to

measure customer buying behavior which was, I usually recommend my favorite Airline to others. This means that the respondents' opinions were skewed towards agreement and even strong agreement for these seven statements related to customer buying behavior.

Table 4.45: Customer Buying Behavior Brief Introduction

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
Once I selected my preferred airline, I buy flight offers from the airline regularly	385	1	5	4.046753	0.978
In general, I try to get the best overall service quality	385	2	5	4.649351	0.539
I look very carefully to find the best value of money	385	3	5	4.472727	0.554
I usually buy lower priced flight offers	385	1	5	3.677922	1.229
I usually spend long time deciding on flight offer I buy	385	1	5	3.955844	1.046
I normally compare different Airline offerings before I buy air ticket	385	1	5	3.792208	1.218
I usually recommend my favorite Airline to others	385	1	5	4.27013	0.700
<b>Valid N (list wise)</b>	<b>385</b>				

### 4.3 Exploring the Hypothesis

The study employed both correlation and regression analysis to determine whether there is a statistically significant relationship between the independent and dependent variables.

### 4.3.1 Correlation Analysis

The correlation analysis was done to assess the relationship between the independent variables and dependent variables and among the independent variables. Correlation coefficient takes value between -1 and 1 ranging from being negatively correlated (-1) to uncorrelated (0) to positively correlated (+1).

As per the general principle suggested by field (2005), correlation values less than 0.3 are considered weak, correlation between 0.3 and 0.7 are considered moderate, and correlations greater than 0.7 are considered strong. As the closer the correlation gets to 1 the stronger it becomes and the closer it gets to zero the weaker it is.

Table 4.46: Persons correlation analysis

		Price Discount	Coupons Discount	Buy one Get one Free	Buying Behavior
Price Discount	Pearson Correlation	1			
	Sig. (2-tailed)				
	N	385			
Coupons Discount	Pearson Correlation	.493**	1		
	Sig. (2-tailed)	.000			
	N	385	385		
Buy one Get one Free	Pearson Correlation	.585**	.628**	1	
	Sig. (2-tailed)	.000	.000		
	N	385	385	385	
Buying Behavior	Pearson Correlation	.951**	.565**	.650**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	385	385	385	385

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

As shown in table, all the values of the person correlation (r) were found to be significant at  $P < 0.01$  showing a reliable relationship. The extent of the relationship ranged from .493 (between

price discount and coupons discount) to .951 (between price discount and buying behavior). For price discount and buying behavior the strength of the correlation was found to be strong and for remaining variables the strength of the correlation was found to be moderate.

### **4.3.2 Test of linear regression model assumptions**

#### **4.3.2.1 Normality Assumption**

Before the regression analysis, all assumption tests to perform the analysis was made and satisfied. Among the tests normality of data is one of it as the independent variables in the analysis are normally distributed. According to Brooks (2008) as cited by Ashenafi (2016) and Abate (2012) if the residuals are normally distributed, the histogram should be bell shaped and thus this study implemented graphical methods to test the normality of data. From the Histogram figure (Appendix 3), it can be noted that the distribution is normal curve, demonstrating that data witnesses to the normality assumption

Furthermore, the normal probability plots were also used to test the normality assumption as shown by the Normal P P-Plot Figure as you can see from Appendix 4.

As both Figures showed (Appendix 3 and 4) residuals were normally distributed around its mean of zero which indicates that the data were normally distributed and it was consistent with a normal distribution assumption. As the figures confirmed the normality assumption of the data, this implies that the inferences made about the population parameters from the sample statistics tend to be valid.

#### **4.3.2.2 Multicollinearity Test Assumption**

Among the test multicollinearity is the other one. As Pallant (2005) mentioned for determining the existence of multicollinearity among independent variables are tolerance value and variance inflation factor (VIF) value. The rule is that when tolerance value is less than 0.2 and the VIF is greater than 10. For values which cannot satisfy this requirement leads to misleading and/or inaccurate results. Multicollinearity happens when two or more predictors contain much of the same information. As shown on the below table the VIF of all variables were less than 10 and tolerance of all variables also greater than 0.2 and this shows that there is no multicollinearity effect.

Table 4.47: Multicollinearity Statistics

Variables	Tolerance	VIF
Price Discount	.632	1.583
Coupons Discount	.582	1.718
Buy one Get one Free	.506	1.978

### 4.3.3 Regression Analysis

After examining the correlation between the independent variables and dependent variables and Testing of linear regression model assumptions, multiple regression analysis was conducted using customer buying behavior as a dependent variable and price discount, coupons discount and buy one get one free as an independent variable. The regression analysis helps to see the relevance of the three independent variables in affecting customers buying behavior. As shown in Table (4.48 & 4.49) the research uses multiple regression analysis to insure the effect of price discount, coupons discount and Buy one get one free on customer buying behavior.

Table 4.48: Multiple regression analysis test results of the effect of price discount, coupons discount and Buy one get one on customers buying behavior.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	
	B	Std. Error	Beta			
1	(Constant)	1.577	.014		.000	1.000
	Price Discount	.851	.018	.851	47.112	.000
	Coupons Discount	.082	.019	.082	4.362	.000
	Buy one Get one Free	.101	.020	.101	4.984	.000

a. Dependent Variable: Buying Behavior

From the above table we can have the following general formula for the model under the study.

The regression equation was

$$BB=0.851(PD) +0.082(CD) +0.101(B1G1F) +1.577$$

Where: BB= Buying Behavior

PD= Price Discount

CD=Coupons Discount

B1G1F= Buy one Get one Free

Table 4.49: Model summary of multiple regression analysis

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.960a	.921	.921	.28146370

a. Predictors: (Constant), Buy one Get one Free, Coupons Discount, Price Discount

b. Dependent Variable: Buying Behavior

As shown in table 4.49 there is a positive and significant influence of price discount, coupons discount and buy one get one free on customer buying behavior. The R is .960 whereas the R<sup>2</sup> is .921. This means 92.1 % of the customer buying behavior is explained by model. In other words 7.9% of the variation on customer buying behavior is affected by other factors.

As stated earlier, this study aims to identify the effects of the independent variables on dependent variables. Thus, the strength of each independent variables affecting the dependent variable can be investigated via standardized Beta coefficient. The regression coefficient explains the average amount of change in the dependent variable that is caused by a unit change in the independent variable. The larger value of beta coefficient an independent variable has, brings the more support to the independent variable as the more important determinant in predicting the dependent variable.

According to the prior researches there was a significant relationship between price discount and buying behavior. The findings of the research made by Syuhaily et al. (2012) and Syed et al (2015) shows that there was a significant relationship between Price discount, coupons and buy one get one free sales promotion tools with buying behavior. As shown on Table 4.48 the standardized coefficients for the three independent variables price discount, coupons discount and buy one get one free are .851, .082,.101 respectively and their significant levels are .000 for all which are less than 0.05. This indicates a significant relationship between the independent variables and the dependent one. Since, coefficients of the independent variables are statistically significant at less than five percent; alternative hypothesis related to all three sales promotion tools are accepted.

The below table summarizes the overall outcome of the research hypotheses.

Table 4.50: summary of the overall outcome of the research hypotheses,

Hypotheses	Result	Reason
H0: Price discount does not have a significant and positive effect on customer buying behavior. H1: Price discount has a significant and positive effect on customer buying behavior.	H0: Rejected H1: Accepted	Correlation result, Rho=.951 Pr<.01 Regression result $\beta$ = .851, sig.000
H0: coupons discount does not have a significant and positive effect on customer buying behavior. H1: Coupons discount has a significant and positive effect on customer buying behavior.	H0: Rejected H1: Accepted	Correlation result, Rho=.565. Pr<.01 Regression result $\beta$ = .082, sig.000
H0: Buy one get one free does not have a significant and positive effect on customer buying behavior. H1: Buy one get one free has a significant and positive effect on customer buying behavior.	H0: Rejected H1: Accepted	Correlation result, Rho=.650 Pr<.01 Regression result $\beta$ = .101, sig.000



# CHAPTER FIVE

## SUMMARY, CONCLUSION AND RECOMMENDATION

This chapter Winds up the study undertaken so far by giving insights, conclusion and recommendation highlighting future research area.

### 5.1 Summary of the major findings

This study was attempted to assess the effect of three sales promotion tolls namely Price discount, Coupons discount and Buy one get one free on customers buying behavior in case of Ethiopian airlines on-line customers. Based on the previous discussion the below major findings has been Summarized.

- From the demographic characteristics of the respondents, majority are male respondents between the age group of 25-34 years old. On top of that majority of them earns a monthly family income of USD2000 and above. Furthermore majority of the respondents fly 7 to 9 flights within one year using the airlines direct website as their preferred sales channel. Seeing their purpose of trip, majority of the respondents mostly fly for personal business or trade on Economy class of service.
- The Descriptive statistics shows that the mean score values of the independent variables which are Price discount, coupons discount and Buy one get one free ranges from 2.32 to 4.27, 3.41 to 4.52 and 3.30 to 4.49 respectively.
- The Descriptive statistics shows that the mean score value of the dependent variable (i.e. Customer buying behavior) ranges from 3.67 to 4.64
- The Pearson correlation coefficient reveals that price discount ( $r=.951$ ) showing the strength of the correlation as strongly and positively correlated with customers buying behavior. For other variables coupons discount ( $r=.565$ ) and buy one get one free ( $r=.650$ ) showing the strength of the correlation as moderate and positively correlated with customer buying behavior.

- Finally from multiple regression result, estimate of the regression weight shows that all the independent variables (Price discount ( $\beta=.851$ ), coupons discount ( $\beta=.082$ ) and Buy one get one free ( $\beta=.101$ )) significantly affect customers buying behavior.

## 5.2 Conclusion

This study aims to investigate effect of sales promotion tools namely price discount, coupons discount and buy one get one free on customers buying behavior by examining Ethiopian airlines on-line customers.

Price discount appears to be the most correlated independent variable with customer buying behavior of Ethiopian airlines on-line customers with a correlation coefficient of 0.951. It is also the most affecting factor of customer buying behavior with a beta coefficient of 0.851. As shown on the descriptive statistics, customers prefer to fly with airlines which offer a price discount showing a mean score of 4.52. Furthermore price discount allowed to fly more frequently on same flight sector, Allowed customers to buy earlier than planned and shifting customers from their favorite airlines to price discount offering airline showing a mean score of 4.26, 3.74 and 3.43 respectively. Thus availing price discount affects the customer buying behavior significantly.

Buy one get one free appeared to be the second most correlated independent variable with customer buying behavior of Ethiopian airlines on-line customers with a correlation coefficient of 0.650. It is also the most affecting factor of customer buying behavior with a beta coefficient of 0.101. As shown on the descriptive statistics, customers prefer to fly with airlines offering buy one get one flight showing a mean score of 4.49. Furthermore buy one get one free allowed customers to fly more frequently on same flight sector and earlier than planned showing a mean score of 3.88 and 3.52 respectively. Thus availing buy one get one free affects the customer buying behavior significantly.

Coupons discount appeared to be the third most correlated independent variable with customer buying behavior of Ethiopian airlines on-line customers with a correlation coefficient of 0.565. It is also the most affecting factor of customer buying behavior with a beta coefficient of 0.082. As shown on the descriptive statistics, customers prefer to fly with airlines offering Coupons discount flight showing a mean score of 4.16. Furthermore coupons discount allowed customers to fly more frequently on same flight showing a mean score of 4.07. However coupons discount

does not affect customers to fly earlier than planned and shift to fly from their favorite airlines showing mean score of 2.32 and 2.44 respectively. Thus availing buy one get one free affects the customer buying behavior significantly for the airlines own frequent travelers.

This confirms the findings of earlier researchers made by Syuhaily et al. (2012) and Syed et al (2015) showing that there was a significant relationship between Price discount, coupons and buy one get one free sales promotion tools with buying behavior Thus, working on these three sales promotion tools have a significant impact on customer's buying behavior.

### **5.3 Recommendations**

Marketers and academics often view the reliance on sales promotions, especially monetary promotions; like price discount, coupons discount and B1G1F on profitability of the company. Therefore while implementing the below recommendation points, the Airline companies needs to closely monitor the effect of each actions in terms of profit impact.

Depending on the findings of the research, the researcher suggests the following points.

- The study result have shown that the three sales promotion tools namely price discount, coupons discount and buy one get one free have a significant impact on customers buying behaviors. As result, Ethiopian airlines should use the price discount, coupons discount and buy one get one free sales promotion tools as customer acquisition and retention strategy.
- For markets where Ethiopian airlines have low market share, the airline should use price discount as this sales promotion tool can make customers shift from their favorite airlines.
- For seasons where the airline's load factor becomes minimal, Ethiopian airlines should use price discount and buy one get one as these sales promotion tool can make customers shift their travel plan earlier than planned.
- In order to attract customers to fly more frequently on same sector, Ethiopian airlines should use price discount, buy one get one free and coupons discount sales promotion tools. Specifically Ethiopian airline should use this strategy for two destination markets having minimal mile variance between them with high and low flight load factor on intention to shift the load from one destination market to the other.

- Ethiopian Airlines should use buy one get one free sales promotion tools for flights having a load factor of below 50 % and for newly opened sectors with minimum load factor as buy one get one sales promotion tool has a significant impact on customers buying behavior and as flights have wide seat openings.

#### **5.4 Directions for Future research**

Due to time and resource constraint the study is conducted by targeting customers who are located in sub Saharan Africa and purchased their ticket online from June to Mid-September 2016 and from December 2016 to end January 2017 only depending on their willingness to fill the questionnaires sent through e-mail. Hence those passengers who are located outside of sub-Saharan Africa and those who did not purchased their ticket during this period are not addressed.

The writer of this research believes that this study reviles just the small portion of findings for the topic under study. The area needs a through and detailed investigation with more resource both in terms of time and money.

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# APPENDIX - 1: - Survey Questionnaire

Addis Ababa University

School of Commerce Post Graduate Program

Department of Marketing Management

## Survey Questionnaire

The purpose of this questionnaire is to investigate the effects of sales promotion tool (Coupons, price discount and buy one get one free) on customer buying behavior. Hence, taking in to account its educational purpose, you are kindly requested to fill the questionnaire objectively and honestly. The student researcher believes that the outcome of this study will highly depend up on your cooperation. Therefore please answer all the questions and for any support you can contact the researcher by the below address. Participation is purely voluntary and no need to write your name.

**Researcher Address:** - E-mail [Surafelworku123@yahoo.com](mailto:Surafelworku123@yahoo.com) and Cell phone number +251911459378

**Thank You for Cooperation!**

### Section One: - Respondents Background

Please indicate your answer by putting “X” or “√” marks to the option under the described column.

#### 1. Gender

Male	Female

#### 2. Age

18-24 yrs. old	25-34 yrs. old	35-44 yrs. old	45-54 yrs. old	55year or older

#### 3. Monthly family Income

Less than 499 USD	500-999 USD	1,000-1,499 USD	1,500-1,999 USD	2,000USD and Above

**4. International flight ( round trip) you fly with in 1 year**

Less than 3	4-6	7-9	More than 9

**5. Preferred sales channel for your Most Air Ticket purchase**

Airlines Direct Website	Airline Ticket office	Call center	Travel Agencies	On-line Travel agencies/Aggregators

**6. Purpose of your trip for your most travels**

Leisure	Business / Corporate	Personal business / Trade	Visit of family and Friend

**7. Class of service for your most travels**

Business Class	Economy Class

**Section Two: Sales promotion tools**

Please indicate the extent to which you agree or disagree to each of the following statements. Circle the numbers in the box to choose from strongly disagree to strongly agree that best represents your level of agreement with the Statement.

No	Statements	Strongly disagree	Disagree	Neither agree nor	Agree	Strongly Agree
<b>A</b>	<b>Price Discounts</b>					
1	If an Airline offers price discount that could be a reason for me to buy it.	1	2	3	4	5
2	When I buy an air ticket that offers price discount, I feel I am getting a good buy	1	2	3	4	5
3	A price discount has allowed me to buy another Airline which I do not regularly fly with.	1	2	3	4	5
4	I have favorite Airline, but most of the times I buy airlines that offers price discount.	1	2	3	4	5

5	A price discount has allowed me to buy earlier than planned.	1	2	3	4	5
6	A price discount has allowed me to buy more frequently on the same flight sectors	1	2	3	4	5
7	Compared to most people, I am more likely fly with airlines that offer price discount.	1	2	3	4	5
<b>B</b>	<b>Coupons Discount (web promo codes)( web promotional codes)</b>					
1	If an airline offers web promo codes with discounts that could be a reason for me to buy it	1	2	3	4	5
2	When I buy an air ticket that offers web promo codes, I feel I am getting a good buy	1	2	3	4	5
3	A web promo code has allowed me to buy other airlines which I do not regularly fly with.	1	2	3	4	5
4	I have favorite airline, but most of the time I buy an airline that offers promo code discounts.	1	2	3	4	5
5	A web promo codes has allowed me to buy earlier than planned.	1	2	3	4	5
6	A web promo codes has allowed me to buy more frequently on the same flight sectors	1	2	3	4	5
7	Compared to most people, I am more likely buy with airlines that offer web promo codes.	1	2	3	4	5
<b>C</b>	<b>Buy one get one Free (B1G1F)</b>					
1	If an airline offers B1G1F that could be a reason for me to buy it.	1	2	3	4	5
2	When I buy an air ticket that offers B1G1F, I feel I am getting a good buy.	1	2	3	4	5
3	B1G1F has allowed me to buy another airline which I do not regularly fly with.	1	2	3	4	5
4	I have favorite Airline, but most of the time I buy with the airline that offers B1G1F	1	2	3	4	5
5	B1G1F allows me to buy earlier than planned.	1	2	3	4	5
6	B1G1F allows me to buy more frequently on the same flight sectors	1	2	3	4	5
7	Compared to most people, I am more likely to buy airlines that offer B1G1F	1	2	3	4	5

### Section Three: Customer buying behavior

Please indicate the extent to which you agree or disagree to each of the following statements. Circle the numbers in the box to choose from strongly disagree to strongly agree that best represents your level of agreement with the Statement.

No	Statements	Strongly disagree	Disagree	Neither agree nor	Agree	Strongly Agree
1	Once I selected my preferred airline, I buy flight offers from the airline regularly	1	2	3	4	5
2	In general, I try to get the best overall service quality	1	2	3	4	5
3	I look very carefully to find the best value of money	1	2	3	4	5
4	I usually buy lower priced flight offers	1	2	3	4	5
5	I should spend more time deciding on flight offer I buy	1	2	3	4	5
6	I normally select and buy air ticket quickly and select the airline so easily	1	2	3	4	5
7	The more I fly with different airlines, the harder it seems to choose the best.	1	2	3	4	5

**Once again thank you for your cooperation!!!**

## APPENDIX 2:- Regression Assumption Test

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

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	95% Confidence Interval for B		Collinearity Statistics	
		B	Std. Error	Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)	1.577E-15	.014		.000	1.000	-.028	.028		
	Price Discount	.851	.018	.851	47.112	.000	.816	.887	.632	1.583
	CouponesDiscount	.082	.019	.082	4.362	.000	.045	.119	.582	1.718
	B1G1F	.101	.020	.101	4.984	.000	.061	.140	.506	1.978

a. Dependent Variable: Buying Behavior

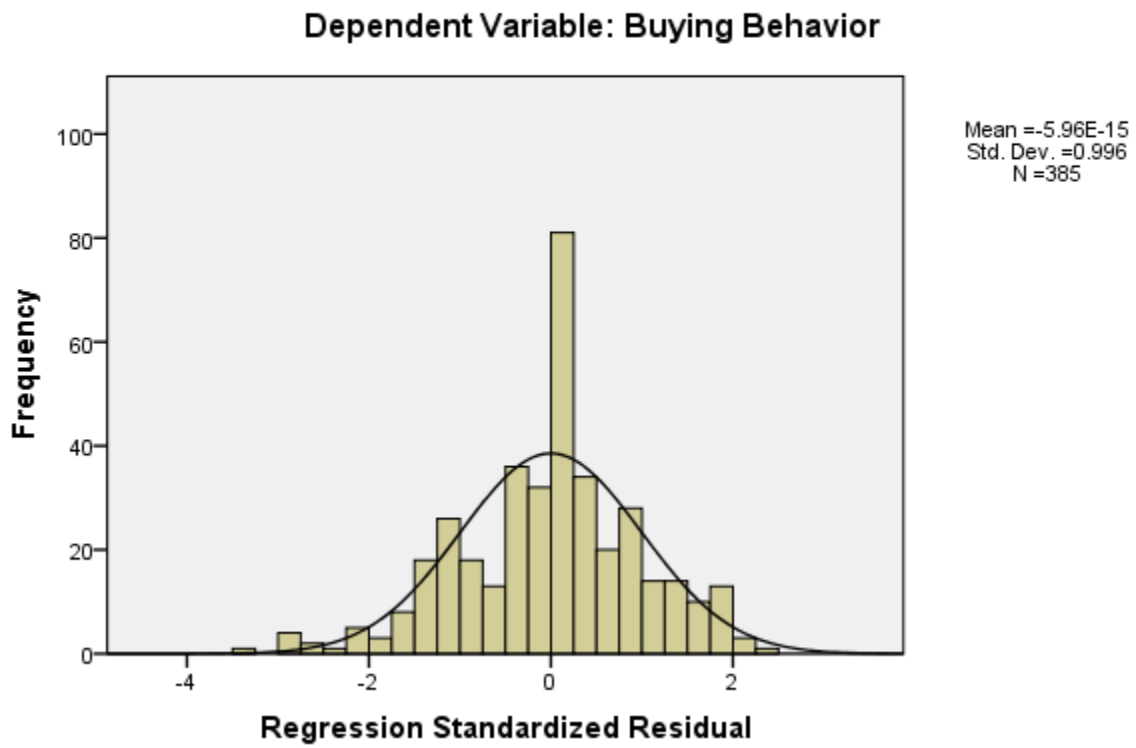
**Correlations**

		Price Discount	Coupones Discount	B1G1F	Buying Behavior
Price Discount	Pearson Correlation	1	.493**	.585**	.951**
	Sig. (2-tailed)		.000	.000	.000
	N	385	385	385	385
CouponesDiscount	Pearson Correlation	.493**	1	.628**	.565**
	Sig. (2-tailed)	.000		.000	.000
	N	385	385	385	385
B1G1F	Pearson Correlation	.585**	.628**	1	.650**
	Sig. (2-tailed)	.000	.000		.000
	N	385	385	385	385
Buying Behavior	Pearson Correlation	.951**	.565**	.650**	1
	Sig. (2-tailed)	.000	.000	.000	
	N	385	385	385	385

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

### APPENDIX 3:- Regression Assumption Test

Histogram



## Appendix 4:- Regression Assumption Test

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

