



**ST. MARY'S UNIVERSITY  
SCHOOL OF GRADUATE STUDIES**

**THE EFFECT OF ADVERTISEMENT ON  
CONSUMERS BUYING BEHAVIOR:  
A CASE OF ETHIO – CERAMICS PLC**

**BY  
MEWEAL NEGASH**

**JULY, 2015  
ADDIS ABABA, ETHIOPIA**

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GOD richly bless you all

*Meweal Negash*

## **LIST OF ACRONYMS**

AD	Advert
AGAD	Attention Grabbing Advertisement
AIDA	Attention, Interest, Desire and Action
ANOVA	Analysis of variance
CAD	Creative Advertisement
CBB	Consumers Buying Behavior
DAGMAR	Designing Goals for Measured Results
EBA	Ethiopian Broadcast Authority
EC	Ethio – Ceramics
ENA	Ethiopian News Agency
FCB	Foote, Cone and Belding
FM	Frequency Modulation
HA	Honest Advertisement
IAD	Impressive Advertisement
MAD	Memorable Advertisement
MCA	Minster of Communication Affairs
MDG	Millennium Development of Goals
NGO	Non Governmental Organization
PLC	Private Limited Company
POP	Point of Purchase
SPSS	Statistical Package for Social Science
SWOT	Strength, Weakness, Opportunity and Treat Analysis
UAD	Understandable Advertisement
UNICEF	United Nations International Children's Emergency Fund
WB	World Bank



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## **ABSTRACT**

*This study was undertaken to investigate the effect of advertisement on consumers buying behavior in the case of Ethio – Ceramics Private Limited Company. The literature provided discusses the concept of advertisement and consumers buying behavior. The researcher used Descriptive approach study which describes quantitatively the effect of advertisement on consumers buying behavior. Information was gathered from a sample of 180 consumers. Advertisement was identified as the independent variable and consumers buying behavior as the dependent variable. Impressive, understandable, attention grabbing, memorable, creative and honest advertisements were considered as sub-variables of advertisement. Data obtained from the respondents was then analyzed. Two-tailed correlation analysis showed that there is a strong and positive relationship between understandable, attention grabbing & honest advertisement and consumers buying behavior. The correlation analysis also indicates a moderate and positive relationship between impressive, memorable & creative advertisements and consumers buying behavior. Multiple regressions were also applied. The results were according to the expectation after theory examination, but understandable advertisement has insignificant contribution on consumers buying behavior. On the other hand attention grabbing advertisement contributes the largest effect towards influencing consumers buying behavior. Based on the result of this research it is recommended that effective advertisement campaign which includes the aforementioned predictors should be practiced to attract more consumers and to gain competitive advantage against rivals. This research therefore adds a new dimension to the body of literature that will help researchers' efforts to understand the effect of advertisement on consumers buying behavior.*

### **KEY WORDS:**

*Advertisement, Impressive AD, Understandable AD, Attention grabbing AD, Memorable AD, Creative AD, Honest AD and Consumers buying behavior.*

# CHAPTER ONE

## INTRODUCTION

This chapter provides a background to the study. It highlights the relevance of advertisement based on its effect on consumers buying behaviour by taking into consideration ECs' advertisement campaign and practices. The chapter also brings out the background of the study, definition of terms, problem statement, research questions, objectives, significance, delimitation, limitation and lastly the organization of the study.

### 1.1. Background of the Study

Today's world is more turbulent, chaotic and challenging than ever before Kanter (1995). It is not enough for a business to have good and quality products or services sold at appealing prices. To generate sales and profits, the benefits of products have to be communicated to consumers via different channels. In marketing, this is commonly known as promotion. A business' total marketing communications programme is called the promotional mix and consists of a combination of advertising, personal selling, sales promotion, public relation and direct marketing Kotler (2012). The organization has to deliver the message about the product to its consumers through well-organized marketing strategy. This assists in sustaining a recurrent demand for the product and in suitably positioning it among the target audience.

Advertisement has become one of the most crucial commercial activities in the modern globalized and digitalized environment. Companies allocate large part of their budget to execute and run advertisements to communicate information about their services and products. Companies hope that consumers will purchase their products due to the advertisements, which deliver messages about a certain brand and products. McDaniel *et al.* (1998) stated that the best prophet for purchase is advertising. Technologies advance rapidly day by day, contributing to the constant renewal of and changes in broadcasting forms. Among those forms, advertising media is widely used. Advertisements are useful for the representation of a commodity's image. They also act as announcements for the corporate image and product positioning. Advertisements are a kind of persuasive communication that offers product information to every consumer via institutions in charge of production or supply. In a complete study of marketing and promotional activities, advertising usually plays the most important role Arens (1996).

Advertisement can lead business firms to the paradigm of success or to the diminishing layers of its existence. Advertising, when done in a proper way, is a successful way to attract a large volume of target audience in one shot. Only those products or brands become popular who put a brave show of their product. Advertisement can be done through different media. The most widely used are print medium (newspapers, magazines and brochures), outdoor medium (billboards and events) and broadcast medium (television, radio and internet) Bearden (1999).

With this overview about advertising in mind let us concentrate on the main issue of the study. A World Bank report (2013) says “Ethiopia has made progress on various fronts since 2002. It noted country’s economy grew at an average annual rate of 10.6 percent from 2003/04 to 2010/11 (11.4 percent according to government figures) WB, Ethiopian Economic Update (2012). This makes Ethiopia one of the fastest growing economies in Africa. Following the pro-poor spending strategy of implementation, encouraging results have been recorded in meeting the MDGs in the provision of education and health, and in the expansion of road infrastructure.” Mega projects, like the Grand Ethiopian Renaissance Dam, the national railway lines and massive road construction are worth mentioning in this regard. The country has been in a construction boom for some time now with tall buildings rising in many places especially in the capital city, Addis Ababa. Various luxury services have also become available and the construction of shopping malls has recently increased as well. Recently Addis Ababa was recognized as one of the top 10 destination cities in the world that tourists are interested to visit.

Due to this fact demand of different items and the purchasing power of the citizens is increasing. Consequently different types of firms are competing to obtain their target customers’ attention. Accordingly, most of the firms use advertisement as an important marketing tool to survive in this very competitive environment. One of these firms is EC.

EC is a huge ceramic provider in Ethiopia, supplying different features of ceramics to customers throughout the country. Through its existence, EC has demonstrated a commitment to providing the highest quality customer service and superiority and value in the ceramic and porcelain tiles it supplies. EC goes beyond simply stocking various products, showroom features numerous unique ideas and styles that someone can welcome into their home or business.

EC currently imports different kinds of ceramics products from Dubai, China, Spain, Saudi Arabia, Turkey, South Korea and Italy and offer a variety of products that are best suited for

its customers' requirement. The following are products of EC: Tiles for floor, wall and external cladding (i.e. Ceramic, Granite, Plastic, and Porcelain Tiles), laminated floor, swimming pool, mosaic, mixers for wash basin, kitchen sink and bathtub.

The above products are available at four sales branches in Addis Ababa, namely: Gurd Sholla, Piazza No.1, Piazza No.2 and Urael. Currently, the company has 260 employees which are committed to excellence and helping the company is getting successful.

The company segments its consumers in five categories as follows:

Table 1.1: Average Number of EC Customers until December 2015

No.	Customer Category	Average Number of Customers Until December 2015	Remark
1.	Construction Companies	210	It includes different levels of construction and related firms.
2.	Real-estate Developers	50	It includes firms which build houses and multipurpose building.
3.	House Hold Consumers	2,500	It includes individuals which purchase ceramic and furniture products for their personal consumption.
4.	Institutions	1,010	It includes governmental and nongovernmental organizations.
5.	Retailers	10	It includes merchants who resell EC products at their shops.
Total		3,780	

Source: ECs' Company Profile (December, 2015)

EC uses advertisement extensively to reach its target audience through different media. It uses print, electronic and outdoor Medias simultaneously. Its annual budget for advertisement is increasing year-on-years. According to the marketing manager, the advertisement budget for 2014/15 budget year was 3.5 million Birr (35% of the entire budget). The following table shows the company advertisement practice for budget year 2012/13, 2013/14 and 2014/15.

Other than the advertisement practices mentioned in Table 1.2, EC use the following additional advertisement strategies. SMS messages, brochures, entering to business directory, table calendars, stickers and social Medias.

Table 1.2: EC Advertisement Practice for Budget Year 2012/13, 2013/14 and 2014/15

No.	Media Type	Budget Year and Frequency of the AD		
		2012/13	2013/14	2014/15
1.	Sheger 102.1	32 Times	45 Times	56 Times
2.	Fana 98.1	36 Times	49 Times	65 Times
3.	Fm Addis 97.1	44 Times	55 Times	66 Times
4.	National Construction Magazine	7 Months	7 Months	7 Months
5.	Reporter Newspaper	18 Weeks	24 Weeks	32 Weeks
6.	Fortune Newspaper	24 Weeks	42 Weeks	49 Weeks
7.	Wall Branding and Different Banners	79 Locations	146 Locations	186 Locations
8.	TV Advertisement	15 Times	21 Times	38 Times
9.	Different Bazaars and Events	5 Times	6 Times	6 Times
Total		260	395	505

Source: ECs' Company Profile (December, 2015)

As it can be seen on Table 1.2, in the 2014/15 budget year EC advertised itself widely. The frequency for the year was much higher than that of the 2012/13 and 2013/14 budget years. As a result of this the sales volume of this budget year showed was significantly improved, and it will be presented in the next section.

Hence the current research focused on the advertisements being practiced within the company that have an effect on consumers buying behavior. At the end of the research, the results suggested the best mix of advertisement package, the basic and details of consumers buying behavior, the ability on how the managerial employees of the organization attract and

influence their consumers. Furthermore, this research is expected to contribute to the institutional development and better organizational performance of the organization it focuses on.

## **1.2. Definition of Terms**

The following were the key concepts and terms used in the study:

### **Advertising:**

- Any paid form of non-personal communication about an organization, product, service or idea by an identified sponsor Belch (2012).

### **Advertiser:**

- The manufacturer, service company, retailer or supplier who advertises their product or service Bovee *et al.* (1995).

### **Consumption:**

- The process of purchasing and using a product, then disposing of the remainder Mohamed (2008).

### **Consumer:**

- A person who identifies a need or desire, makes a purchase, and/ or desire, makes a purchase, and/or disposes of the product Solomon *et al.* (2010).

### **Consumer Behavior:**

- The processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires Maria *et al.* (2008).

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

The use of advertising is effective to boost firm performance. This is evidenced by the usage of advertising and the expenditures on advertising which has been increasing year-on-years Dunn *et al.* (1987). In EC's context, according to the company profile (December, 2015) a substantial amount of the annual budget (35%) has been allocated in the expectation that consumers or those who access its ads will react positively towards the products. As discussed in the earlier section EC is highly dependent on advertisement. The company employs comprehensive promotional strategy that is used as a major instrument in creating product awareness in the mind of potential consumers. As a result of this, EC's sales volume is getting a boost. The following table shows the company's sales volume over three successive budget years:



Table 1.3: EC's Sales Volume over three Budget Years

No.	Month	Budget Year and Sales Volume		
		2012/13	2013/14	2014/15
1.	<b>January</b>	9,602,862.00	12,395,250.00	12,862,036.00
2.	<b>February</b>	11,964,249.00	12,123,268.00	11,010,472.00
3.	<b>March</b>	13,181,958.00	12,343,828.00	18,415,546 .00
4.	<b>April</b>	13,989,738.00	9,729,238.00	15,089,520
5.	<b>May</b>	10,378,234.00	9,898,377.00	15,166,268.00
6.	<b>June</b>	8,992,116.00	11,551,946.00	17,852,276.00
7.	<b>July</b>	9,083,942.00	14,090,721.00	12,781,220.00
8.	<b>August</b>	9,569,654.00	13,686,612.00	21,288,166.00
9.	<b>September</b>	8,877,553.00	17,507,104.00	15,266,613.00
10.	<b>October</b>	11,694,525.00	16,127,695.00	22,155,524.00
11.	<b>November</b>	12,284,947.00	13,793,139.00	17,896,590.00
12.	<b>December</b>	15,233,993.00	14,056,767.00	19,374,584.00
<b>TOTAL</b>		134,853,771.00	157,303,945.00	199,158,815.00

Source: ECs' Company Profile (December, 2015)

However, the company's marketing department officials acknowledge that the sales volume has not gone up as expected because the amount of resources poured in advertising was higher than the total expenses. In other words the company's stand is, the sales volume should be at least twice the above figures. To put it in a simpler term, the amount of resources allocated for advertising, does not necessarily translates into bolstering a firm's performance.

According to Beccera and Gupta (1999), advertising is also part of the total cost of a firm, although it is different compare to production cost and selling cost. Nonetheless, advertising cost is taken as part of the selling and distribution expenses, which implies that it increases the cost of production of the firm in modern business. In addition, if advertising escalates production cost why and how are firms still engaging in this practice? These issues will be analyzed and investigated in this research.

EC has conducted a research on how to improve the influence of its advertisement on consumers. In this study consumers filled a questionnaire, which examined the driving

factors for their purchase decision. The study found out that, most consumers did not purchase the products as a result of its advertisement; rather other factors encouraged and influenced the consumers more in their buying decision. These included word-of-mouth recommendations friend and the sales pitches of the company's sales person. The following table bears out this fact:

Table 1.4: Factors that Influence ECs' Consumers in Purchasing Decision

No.	Customer Type	Budget Year								
		(2012/13) Influenced by			(2013/14) Influenced by			(2014/15) Influenced by		
		No. of Customers	Ad	Other	No. of Customers	Ad	Other	No. of Customers	Ad	Other
1.	Construction Companies	192	82	110	201	75	126	210	79	131
2.	Real-estate Developers	42	11	31	47	9	38	50	29	21
3.	House Hold Consumers	1912	749	1163	2215	1014	1201	2500	591	1909
4.	Institutions	814	231	427	919	392	527	1010	398	612
5.	Retailers	3	-	3	5	3	2	10	10	-
Total		2963	1073	1890	3387	1493	1894	3780	1107	2673

Source: ECs' Company Profile (December, 2015)

The above facts demonstrate the need to enquire about the kind and characteristics of advertisement to be executed on the advertisement strategy of EC. The current study investigated this problem. And also the results of the study would help EC to practice and employ effective advertisement strategy that influence and encourage consumers' buying decision. Hence, it described the main criterions which make EC advertisements more effective in order to influence consumers buying behavior.

#### 1.4. Basic Research Questions

The primary research questions to be addressed in this study are as follows:

1. What are the major personal, psychological, cultural and social factors that affect ECs' consumers buying behaviour?

2. Which advertisement media has more influence on ECs' consumers buying behaviour?
3. Do advertisement characteristics (Impressive, Simple to Understand, Attention Grabbing, Memorable, Creative and Honest) have a direct relationship with consumers buying behaviour? and
4. How do advertisement characteristics (Impressive, Simple to Understand, Attention Grabbing, Memorable, Creative and Honest) affect consumers buying behaviour?

### **1.5. Objectives of the Study**

The general objective for the research is to identify different aspects of ECs' advertisement practices that have an influence on consumers buying behaviour in general and be able to determine the relationship between the two variables. Advertisement is considered as one of the most important determinants of consumers buying behaviour. It extensively influences consumer perception, learning & memory, motivation & values, the self, personality & life style and attitude.

Researchers in marketing have studied most areas of consumer behavior including the impact of everything as to how people behave and how they consume products. Since we live in a consumption-driven culture, such kinds of researches are important. Therefore marketers focus on the basic constructs accepted today in the study of buying behavior Etzel *et al.* (1997).

The paper aspired to discuss which measurement of advertisement effectiveness does really stimulate the buying behavior of EC consumers. It also explored empirically the relationship between advertisement styles and consumers buying behavior. This study is hoped contribute duly to the success of employee performance improvement, and organizational development of the examined organization. The objectives of this research can be specifically expressed as follows:

1. To identify the personal, psychological, cultural and social factors that influence ECs' consumers buying behavior:
2. To find out which advertisement media being used by EC has more influence on consumers buying behavior:
3. To ascertain the direct relationship between advertisement characteristics (Impressive, Simple to Understand, Attention Grabbing, Memorable, Creative and Honest) and consumers buying behavior: and

4. To describe how advertisement characteristics (Impressive, Simple to Understand, Attention Grabbing, Memorable, Creative and Honest) affect consumers buying behaviour.

### **1.6. Significance of the Study**

This study describes the effect of advertisement variables that influence the buying decision of EC consumers. Understanding of variables such as whether the advertisement is Impressive/ Simple to Understand/ Attention Grabbing/ Memorable/ Creative/ Honest by the target customers would be able to help further understanding, how these variables affect the decision making of consumers. It could help EC marketing department to better reposition its advertising strategy, to capture the target market and to boost sales over times.

The study is expected to improve the advertising and promotional strategies of the investigated organization by providing practical information about core advertisement issues. The findings of this study contribute and complement the already existing knowledge and literature on the relationship between advertisement and consumers buying behavior. The study also benefit as a training manual or for SWOT analysis and annual marketing plan preparation of the investigated organization.

### **1.7. Delimitation of the Study**

This study was limited to analyzing the effect of advertisement on consumers buying behaviour at EC that covers its Gurd Sholla branch customers, who purchased different house finishing materials. Other types of customer construction companies, real estate developers, institutions and retailers were not considered as subjects for the purpose of this study. Moreover, customers shopping at the Piazza No.1, No.2 and Urael branches were not covered. Since the research was conducted within a short period of time and with a low budget, it was not feasible to consider all types of customers and branches.

### **1.8. Limitations of the Study**

The findings of this study should be viewed with certain limitations in mind. The paper was conducted at one branch of EC being constrained by not having sufficient time and budget to gather enough data from the four branches. Another limitation of the current study relates to the characteristics or demographics of the sample. The study was dominated by mostly male. Results might have been different if percentage of gender were different.

Thus, these findings may not be generalisable to other ceramic provider companies or to other types of organizations. Generalisability of the present findings should therefore be examined in future research in other companies, with mixed gender and wide sample size. Despite these limitations this study has contributed in extending the literature on the variables associated with the influencing consumers buying behaviour.

### **1.9. Organization of the Study**

This study attempted to analyze the advertisement practice being carried out at EC that has an effect on consumers buying behavior. Accordingly, it was organized in five chapters. The first chapter introduces the background for the study, definition of terms, statement of the problem, basic research questions, objectives, significance, delimitation, limitations and organization of chapters. The second chapter addressed the detail review of theoretical and empirical literatures on concept of advertisement and its effect on consumers buying behavior. It explained the theories and concepts available on advertising styles & consumer behavior. The third chapter presented the methodology used in the study. The fourth chapter was dedicated to the detail analysis and discussion of the data collected for the study. The summary of findings, conclusions, recommendations and implications for future research were included in the fifth chapter.

## CHAPTER TWO

### REVIEW OF RELATED LITERATURE

In order to answer the research questions several steps need to be taken. One of these steps is reviewing relevant concepts and theories about advertisement and consumers buying behavior. Hence, this chapter reviewed literatures on this topic. This has been organized under three major themes, general concept on the topic, empirical evidence on the topic and observed research gap. At the end of this chapter the conceptual framework and hypotheses for the study will be presented.

#### 2.1. CONCEPT OF ADVERTISEMENT

##### 2.1.1. Definitions

Advertisement is an effective way to influence the mind of viewers and gives viewers' exposure towards a particular product or service Katke (2007). Advertising play an important role in business demonstration and is a useful instrument to attract and influence customers. Nowadays, advertising has become one of the crucial commercial activities in the competitive globalized business environment. In the present digital world, everything like culture, habits of the people, technology and etc. are on their way to becoming globalized. The fast tempo of globalization is thus minimizing the distance among customers.

Now with the help of advanced technology, it has become possible for advertisers to reach all segments of a target market. Firms are investing to influence the buying behavior of customers and determining the factors that have direct or indirect effects on buying behavior like purchasing power Chandon *et al.* (2000). Advertising is given such prominence because it is considered an effective and efficient tool to motivate customers and influence their buying behavior Gupta (1988).

Advertising is the core idea that is presented in non-personal ways to create purchase intention. Advertisers are trying to spread maximum information about products in target market. Popularity is the aim of effective advertising Laurie *et al.* (2011). Effective advertisement shapes the attitude and finally leads to purchase intention Shimp (2003). Advertisers use different techniques to effectively convey commercial ads to create purchase decision. Advertisers hope that their ads will change the buying behavior of target market and consumers will buy their products. In order to make their advertising campaign even more effective and rewarding, advertisers look at various factors which may influence customers'

buying behavior. Ideally, consumers buying behavior is the reflection and expression of their purchase decision patterns Hollensen (2010).

According to Belch *et al.* (2012) advertising is the best-known and most widely discussed form of promotion, probably because of its pervasiveness. This is particularly true for companies whose products and services are targeted at mass consumer markets. Aside from this, there are several reasons why advertising is such an important issue for many marketers. First, it can be a very cost-effective method for communicating with large audiences. Second, it can be used to create brand images and symbolic appeals for a company or brand.

Effective advertising is a bit like trying to interest a deaf tortoise (unknown). By glossary terms, 'effectiveness' has been described as 'the degree to which a system's features and capabilities meet the users' needs. This is apt for the field of advertising too. Effective advertising can be described as a paid form of communicating a message which is persuasive, informative, creative designed to influence purchasing behavior or thought patterns and meets the goals that it set out to do Colley *et al.* (1984).

### **2.1.2. Historical Background of Advertisement**

The practice of advertisement is as old as mankind. According to Dunn *et al.* (1987), the urge to advertise has been a part of human daily activities, evidenced since ancient human civilization. One of the earliest ways of advertising was the use of signs and pictures. Early craftsmen used signs to advertise their wares and some traders like the Phoenicians embedded commercial messages on prominent rocks. They were among the forerunners of modern day advertising.

A significant event in the development of advertising was the invention of a system of casting moveable type by the German, Johannes Guterberg in 1388 Gerard *et al.* (1998). The outcome inspired communication methods for the entire world. William Catton, an early printer made advertising history in 1478 when he published a handbill, regarded as the first printed English advert. In the handbill there was the advertisement of his book called "Salisbury Pye", handbook of ruler for the guideline of the clergy at Easter Nickels *et al.* (2000).

G. Bakshi *et al.* (2013) say that, in June 1836, French newspaper "La Presse" was the first to include paid advertising in its pages, allowing it to lower its price, extend its readership and increase its profitability. The formula was soon copied by all titles. According to Anderson *et*

*al.* (1989) around 1840, Volney B. Palmer established the origins of the modern day advertising office in Philadelphia. In 1842 Palmer purchased large amounts of space with different size in various newspapers at a discounted rate then resold back the space at higher rates to advertisers. The actual ad, the copy, layout and artwork were still prepared by the company wishing to advertise; as a result, Palmer was a space broker.

In the late 19th century the advertising agency of N.W. Ayer & Son was instituted. Ayer and Son offered to plan, create and carry out full package of advertisement for its customers. By 1900 the advertising agency had become the focal point of creative planning and advertising was firmly established as a profession. Around the same time, in France, Charles-Louis Havas diversified the services of his news agency, to include advertisement brokerage, making it the first French group to organize. At first, agencies were brokers for advertisement space in newspapers. N. W. Ayer & Son was the first full-service agency to assume responsibility for advertising content. N.W. Ayer opened in 1869, and was located in Philadelphia USA Brassington *et al.* (2001).

### **2.1.3. Advertisement in Ethiopia**

#### ***A Brief History of the Media in Ethiopia***

The creation of the media was necessitated by the need to convey one's intended message towards the target audience. Hence the following section will discuss a brief history of the media in Ethiopia.

According to a survey of culture and media Ellene *et al.* (2003), modern mass media was introduced in Ethiopia a century ago, during the reign of Menelik II who ruled from 1889-1913. The first medium to be introduced was a weekly newspaper (La Se-mained'Ethiopie, 1890), published in French by a Franciscan missionary living in Harar. In 1905 the name of the publication changed to Le Semeurd'Ethiopie.

The first Amharic newspaper, a four-page weekly newspaper named Aemero was published in 1902. The first issues were 24 hand written copies. Between 1912 and 1915 weekly newspapers like Melekete Selam, Yetor Wore ("War News") and many others emerged.

For the most part, these print media were controlled by the country's government. In 1965 Berhanena Selam Printing Press, a modern, institution run by the government was established. The printing press played a role in the publication of two national weekly newspapers, Addis Zemen (New Era), in Amharic (1941) and its English counterpart the



Ethiopian Herald, in 1943. These two served as the main official press organs of the state and as the main source of information for literate people. In addition to the printing media, electronics media such as Ethiopian Radio and Ethiopian Television were established in 1935 and 1964 respectively. News agencies, often government-owned, were also introduced to the country during the previous century, including the Ethiopian News Agency (ENA), begun in 1942. Walta Information Service was a more recently established news agency EBA data (2015).

In October 1992 the proclamation of the Press Freedom Bill by the Ethiopian Transitional Government launched. The document states in Paragraph 3 that "1. Freedom of the press is recognized and respected in Ethiopia. 2. Censorship of the press and any restriction of a similar nature are hereby prohibited. Part Three further guaranteed the right of access to information. It stipulated that any press and its agents shall, without prejudice to rights conferred by other laws, have the right to seek, obtain and report news and information from any government source of news and information." After the proclamation of the Press Freedom Bill, new, independent newspapers & magazines developed, especially in Addis Ababa. These offer the minority points of view often left out of government-owned publications MCA data (2015).

### ***A Brief Presentation of the Present Media***

According to the Ethiopian Broadcast Authority Monthly Data (March, 2015), 385 publications were registered between October 1992 and July 1997, of which 265 were newspapers and 120 magazines. At any one time, there were probably about 20 different newspapers for sale in Addis Ababa.

However, more than half of the total numbers of papers were closed down during the same five-year period, often because of limited resources. The "independent papers" are owned by private share companies, business communities, political parties or just individual business entrepreneurs. Because of a very limited middle-class, the income on advertising is also very limited. The government papers are subsidized by government funds, and partly financed by advertisements and subscribers. The following tables show the current number of electronics and printing Medias in Ethiopia:

Table 2.1: Data on Electronics Media in Ethiopia

No.	Owner of The Broad Cast Authority	Category and Quantity				
		National Television	Regional Television	National Radio	Regional Radio	FM Radio
1.	Government Broadcast	1	9	1	2	23
2.	Community Broadcast					21
3.	Commercial Broadcast					20
Total		1	9	1	2	64

Source: (EBA, March 2015)

Table 2.2: Data on Print Media in Ethiopia

No.	Category	Daily	6 Days	Biweekly	Weekly	Every 15 days	Monthly	Every 3 Month	Total	Total Average No. of Copies
1.	Newspapers	2	1	4	37	2	-	-	46	330,573
2.	Magazines	-	-	-	-	1	20	4	25	215,300
Total		2	1	4	37	3	20	4	71	545,873

Source: (EBA, April 2015)

### ***Advertisement Practice in Ethiopia***

According to the data obtained from the Ethiopian Broadcast Authority, currently there are 791 advertising agencies in Ethiopia. These companies are working based on the proclamation of advertisement. The Federal Democratic Republic of Ethiopia launched this proclamation on 2012. A proclamation on advertisement (Proclamation no. 759/2012) was approved on the federal Negarit newspaper by the former president of the federal democratic republic of Ethiopia Girma Woldegiorgis. The proclamation has eight parts and 37 sub parts.

#### **2.1.4. Models of Advertisement**

Though there are several models of advertisements just two models are reviewed in detail for the purpose of this study. According to Colley *et al.* (1984) one of the earliest models was AIDA: (Attention, Interest, Desire and Action). This is a historical model of how advertising works, by first getting the consumer's attention. This model is also called DAGMAR, an

abbreviation for designing goals for measured results. This model was designed under four interrelated stages of communication: awareness, comprehension, conviction and action. Colley *et al.* said that this model describes a learning process by which consumers' progress through a series of predetermined functions to complete the purchasing process. The model assumes that a purchase will only be made when all the steps have been completed. The authors contend that the model is dynamic where each single step in the sequence depends upon the preceding step. However, this model is not immune to criticism. Hansen and Flemming (1972) argue "a major problem with this model is to identify all the single steps in the process, and it is questionable whether the assumption is valid that all consumers pass through all steps."



Figure 2.1: Advertisement Model (AIDA/ DAGMAR)

Source: Colley and Russell H. (1984). **Defining Advertising Goals for Measured Advertising Results**. New York: Association for National Advertisers.

A paper by Richard Vaughn (1980) researched the other advertising model, FCB, an acronym for Foote, Cone and Belding. This model is a strategy matrix, suggesting that advertising works differently depending on the product involved. Vaughn's work allows advertisers to select the communication method based on the type of product or service they are advertising, and the attitudes that consumers are likely to have towards the product. He suggests: "Not all advertising functions in the same way, sometimes communication of key information and salient emotion will be needed to get a sale. At other times, consumers will need one, but not both; and often, a purchase may occur with little or no information and emotion. The purpose of strategy planning is to identify the information, emotion or action leverage for a particular product, build the appropriate advertising model and then execute it."

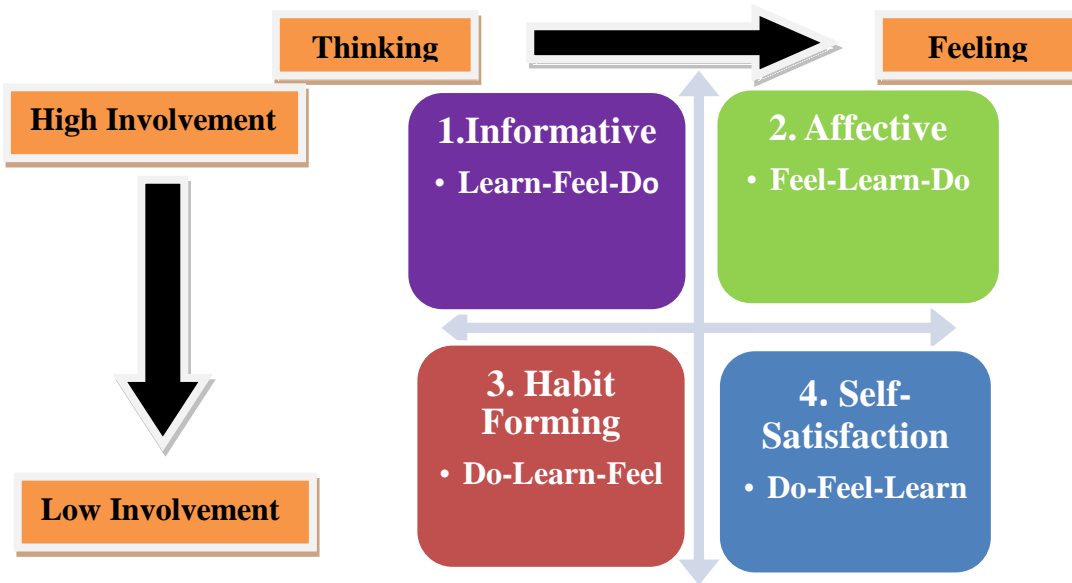


Figure 2.2: Advertisement Model (FCB)

Source: Richard Vaughn (1980). How Advertising Works: A Planning Model. **Journal of Advertising Research**, 20 (5), 27 – 33.

The matrix divides advertising strategy into two attributes based on thinking versus feeling and low involvement versus high involvement. Vaughn points out “this suggests there are purchase decisions where thinking is most involved and others where feeling dominated; there are situations that require more involvement and those that require less.” The FCB model is powerful because it accommodates different versions of the learn-feel-do succession and proposes different advertising strategies for each of the four quadrants. Now let us take the quadrants separately and summarize them as follows:

***Quadrant 1 – High Involvement/ Thinking Informative***

This quadrant implies that a large amount of information is necessary because of the importance of the product. Many major purchases qualify, (cars, homes and electronic equipments), and these are likely to include almost any product which needs to convey what it is, its function, price and availability. The basic strategy model is to adopt the Learn – Feel – Do sequence where information is designed to build attitudinal acceptance and subsequent purchase. Vaughn (1980) says, “consumers may be thought of as thinkers. Creatively, specific information and demonstration are possibilities. Long copy format and reflective, involving media may be necessary to get through with key points of consumer interest.” Accordingly, EC consumers fall in this quadrant, since purchasing ceramic products requires the possession of detailed information and product awareness.

### ***Quadrant 2 – High involvement / Feeling (Affective)***

This product decision has high involvement but requires less specific information, therefore and attitude or feeling towards the product is more important. This is a psychological model, because the importance of the product is connected to the consumers' self esteem. Perfume, expensive watches and sports cars are product examples that might fall into this quadrant. The advertising strategy requires emotional involvement on the part of the consumers so that they become connected with the product being advertised and subsequently become "feelers". Therefore, the proposed model is Feel – Learn – Do. Vaughn (1980) submits "Creatively, executional impact is a possible goal, while media considerations suggest dramatic print exposure or "image" broadcast specials."

### ***Quadrant 3 – Low involvement / Thinking (Doer)***

Products in this category (including many common household items such as razors, insect repellent and household cleaners) involve little thought and a tendency to form buying habits for convenience. The hierarchy model is a Do – Learn – Feel pattern suggesting that simply inducing trial (through coupons or samples) can often generate subsequent purchases more efficiently than "undifferentiating copy points", leading in turn to increased brand loyalty. According to Vaughn (1980), the most effective creative strategy is to stimulate a reminder for the product.

### ***Quadrant 4 – Low involvement / Feeling (Self - Satisfaction)***

This product decision is emotional but requires little involvement, and is reserved for those products that satisfy personal taste (for example, cigarettes, candy, beer or snack food). This is a Do – Feel – Learn model where imagery and quick satisfaction are involved, and the consumer is considered a reactor whose interest will be hard to hold. Vaughn (1980) argues that the creative objective is to get attention with some sort of consistency and suitable methods may include billboards, point-of-sale or newspaper advertising.

#### **2.1.5. Media for Advertisement**

Morden (1991) holds that the medias for advertisement can be classified into the following four categories: namely print; electronic or broadcast; outdoor and others media advertising.

- ***Print Media Advertising:*** The print media consists of Newspapers, Magazines, Journals, Handbills and etc. No newspaper or, journal, today, can survive without advertisement revenue. Print media advertising, even today, is the most popular form; and revenue derived by mass media from advertising has, therefore, been

progressively increasing year after year. Print media appeals only to the sense of sight, i.e. eyes.

- **Electronic or Broadcast Media Advertising:** Electronic or Broadcast Media consists of Radio, Television, Motion Pictures, Video and Internet. The radio is audio in nature, attracting only to the sense of sound (ears). Radio advertising is more effective in rural areas, as compared to urban regions. Television, as an advertising medium, is more attractive and effective because it is an audio-visual medium appealing to both the senses of sight and sound (eyes and ears). Different methods, such as, spot announcements; sponsored programmes and etc. are used for broadcasting advertising messages. However, broadcasting media are very expensive form of advertising. Advertising is also undertaken via movies, video and internet.
- **Outdoor Media:** This includes Posters, Neon Signs, Transit, Point of Purchase (POP) and etc. Outdoor advertising can be a good supporting media to other forms of advertising. It is good forms of reminder advertising, especially, POP advertising.
- **Other Media:** This includes Direct Mail, Handbills, Calendars, Diaries, Cinema Advertising and so on. These miscellaneous media can play an important supporting role to the major media such as television and newspapers.

#### **2.1.6. Measurement of Advertisement Effectiveness**

Advertising effectiveness has been researched by numerous methods, in the past mainly focusing on recognition, recall, opinion, brand-awareness, associations and ratings e.g. Lucas and Britt (1963). However, 'effectiveness' has to ultimately be a measure of sales, and whether the money spent on the advert is returned by the consumer response Wells (1997). These other factors may act as channels or barriers between the advert and purchase but sales have to be the primary criterion Dunn *et al.* (1987).

According to Eherenberg (1974), the measurement of advertisement effectiveness depends on the media of advertisement. This means we cannot measure radio and television advertisement with the same parameters, but we can generalize some of the parameters to all media. For the purpose of this paper, the following advertisement measurements are considered by the researcher: namely advertisement being Impressive, Simple to Understand, Attention Grabbing, Memorable, Creative and Honest. These parameters will be discussed in detail in section 2.3 by providing empirical evidences.

### **2.1.7. Ethical Issues in Advertising**

According to Matin Khan (2006), advertising must follow certain moral principles and should not degrade or adversely comment on the other products and brands. It should highlight the positive points of its own products and be of good standard. It should not be offensive and in bad taste. It should not predict the sex of an unborn child and keep away from the unwanted practices adopted by the advertisers.

Schultz (1990) stated that advertising should not be untruthful, deceptive and misguide consumers. For instance, some car manufacturer companies advertising about their products advertise that they will cover X amount of kms per liter when in practice distance covered is much less. These advertisements deceive customer; sometimes advertisers have made false claims or failed to award prizes promised in sweepstakes or contests. The problem of untruthful advertising and promotion exists at the local level and in specific areas such as mail order, telemarketing and other forms of direct marketing.

Furthermore, Schultz (1990) commented that ethics must be given due place in advertising. Ethics cover various aspects. These range from the truthfulness of validity of claims to the mode of presentation of the advertisement. The advertising of products like cigarettes, alcohol and other injurious materials has to be dealt carefully. The authorities as well as the advertisers and the agencies should make a set of rules and regulations. It should adhere to certain values and give satisfaction to the consumers. Another issue is the advertising directed to children. Children exposed to adult advertisements or advertisements that are not specifically made for them are liable to be harmed by ads showing a lot of indecency and sex.

Hackley (1999) comments: 'advertising presents special difficulties for business ethicists. Advertisements are trivial entertainments, yet advertising culture has been held up as a metaphor for a general moral degradation in the post-modern epoch. Advertisements confuse us since they are a new and unfamiliar form of communicative discourse which we find difficult to place in an ethical category'. Since advertising has traditionally been used to communicate with mass audiences, as far as ethics-related communications are concerned, it would be more logical to employ advertising as a supporting activity to (other) major tools.

Aaker *et al.* (1978) argued that advertising communicates messages some of which may not be acceptable to the society. Immoral and unethical values are controlled by self-censorship, association of consumers and by the government. Some say that some advertisements degrade the ethical values of the society. For instance some advertisers project their medicine

as giving immediate relief like magic. This is not acceptable. They also pointed out that gambling and lotteries should not be promoted. And that the names of celebrities should not be used without their permission.

Regarding ethical issues of advertising the view of Hileman *et al.* (1974) is worth mentioning. According to them, advertisements should respect the traditions and customs of the society. The media should also play an important role and should be able to reject advertisements which are misleading and incorrect. This should be the case with Newspaper, Magazines, Radio and TV Media. Consumers should also boycott the advertisements and products advertised which are not ethical this can be done through consumer groups and opinion leaders. The government can also play a vital role in curbing unethical advertisement by making appropriate rules and regulation.

## **2.2. CONCEPT OF CONSUMERS BUYING BEHAVIOR**

### **2.2.1. Definitions**

In this sub section details of consumers buying behavior are summarized by referring to different literatures. There are large bodies of literatures, which have analyzed and reported about consumers buying behavior. The American Marketing Association has defined consumer behavior as, “the dynamic interaction of affect and cognition, behavior and the environment by which human beings conduct the exchange aspects of their lives.” Peter (1995) expressed consumer behavior as, “.....the actions and decision processes of people who purchase goods and services for personal consumption.”

Studies have shown that a lot of elements can affect consumer behavior, whether to purchase or not to purchase a particular product or service. Most of life’s routine actions are dominated by product buying behavior and practices with places such as shopping centers, malls, entertainment parks, sightseeing centers and so on Blythe and Jim (1997). According to Morris *et al.* (1998), consumer behavior has two aspects: the final purchase activity which is visible to us and the decision process which may involve the interaction of a number of complex variables not visible to us. As a matter of fact, purchase behavior is the end result of a long process of consumer decision-making Duffy *et al.* (2005).

For a variety of reasons, the study of consumer behavior has developed as an important and separate branch in marketing discipline. Scholars of marketing had remarked that consumers did not always behave as suggested by economic theory Engel *et al.* (1986). The size of the consumer market in all the developed and rapidly developing economies of the world is



getting broad Gabbott *et al.* (1998). A huge population of consumers was spending large sums of money on goods and services. Besides these, consumer preferences were shifting and becoming highly diversified. Even in the case of industrial markets, where the need for goods and services is generally more homogenous, buyers' preferences were becoming diversified and they too were exhibiting less predictable purchase behavior Ajzen and Icek (2005).

According to Zaltman (2003), marketing researchers involved in studying the buying behavior of consumers soon appreciated the fact that though there were many similarities, consumers were not all alike. There were those who used products currently in style while many consumers did not like using "me too" types of products and showed a preference for highly differentiated products that they felt met their special needs and reflected their personalities and lifestyles. These findings led to the development of the market segmentation concept, which required dividing the total heterogeneous but potential market into relatively smaller homogenous groups or segments for which they could design a particular marketing mix. They also used positioning techniques and developed promotional programs to vary the image of their products, so that they were perceived as a better way to satisfying the specific needs of certain segments of consumers Bearden (1999).

### **2.2.2. Consumers**

According to Schiffman *et al.* (2010), a consumer is a person who identifies a need or desire, makes a purchase, and/ or desire, makes a purchase, and/or disposes of the product. Traditionally, consumers have been defined very strictly in terms of economic goods and services in which a monetary exchange is involved Hawkins *et al.* (1998). This concept, over a period of time, has been widened. Some scholars also include goods and services where a monetary transaction is not involved. Thus the users of the services of voluntary organizations are also thought of as consumers. This means that organizations such as UNICEF or political groups can view their public as "consumers" Foxall *et al.* (1994).

According to Folkes (1984), the term consumer is used for both personal consumers and organizational consumers and represents two different kinds of consuming entities. The personal consumer purchases goods and services for her or his personal utilization (such as cigarettes or haircut), or for household expenditure (such as sugar, furniture, telephone service and etc.), or for just one member of the family (such as a pair of shoes for the son), or a birthday present for a friend (such as a pen set).

In all these illustrations, the goods are bought for final use by those referred to as “end users” or “ultimate consumers.” The other category of consumer is the organizational consumer, which includes profit-focused or not for profit organizations (NGOs). Government agencies and institutions (such as local or state government, schools, hospitals and etc.) buy products, equipment and services needed for running these organizations. Manufacturing firms buy raw materials to produce and sell their own goods. They buy advertising services to communicate with their customers Webster *et al.* (1992).

### 2.2.3. Roles of Consumers Behavior

Various categories of roles can be thought of in relation to on consumer behavior. William and Ferrell (2000), explains the role of consumer behaviors as follows. Sometimes, the goods are bought by the father and the children use it. The children ultimately become the consumer. A packet of colored crayons bought by the father and used by his children in school. The father buys a refrigerator and the user is the entire family. Therefore, we study certain consumer behavior roles.

- **Initiator:** The individual who determines that certain need or want is not being fulfilled and purchases a product or service to fulfill the need.
- **Influencer:** A person who by some intentional or unintentional word or action influences the purchase decision.
- **Buyer:** The individual who actually makes the purchase transaction mostly is the head of the family.
- **User:** The person or persons who consumes or use the purchased product.

### 2.2.4. Factors that Influence Consumers Buying Behavior

According to Schurr *et al.* (1985), the factors that influence consumer behavior can be grouped into personal, psychological, cultural and social factors. An understanding of these factors helps businesses in order to provide products and services that meet consumers’ needs and wants.

- **Personal:** This category includes, age & life - cycle stage (family life cycle: single, newly married couples and etc.). Occupation (occupation affects consumption patterns). Economic situation. Lifestyle (pattern of living as Activities, Interest and Opinions). Personality (personality is defined in terms of traits; these are psychological characteristics which lead to relatively consistent patterns of behavior towards the environment) & self-concept (self-concept is reflective of identity; how a person perceives himself including attitudes, perceptions, beliefs and etc). Products

and brands also have a personality; consumers are likely to choose such brands whose personalities match their own self.

- **Psychological:** This category consists, motivation (motives; urge to act to fulfill a goal or satisfy a need/want). Perception (ability to sense the environment and give meaning to it through the mechanisms of selection, organization and interpretation). Learning (a relatively permanent change in behavior as a result of one's experience; relates to memory; learning could be experiential based on direct experience or conceptual based on indirect experience; consumer learning could be based on marketing communication/seller provided information, personal word of mouth and/or experiential). Beliefs (thoughts that a person holds about something; these are subjective perceptions about how a person feels towards an object/person/situation) and attitudes (a favorable or unfavorable disposition/feeling towards an object, person or a situation).
- **Cultural:** Culture (a sum total of values, knowledge, beliefs, myths, language, customs, rituals and traditions that govern a society). Culture exerts the broadest and the deepest influence on consumers; For instance, influences on our eating patterns, dressing, day to day living and etc. cultural influences are handed down from one generation to the next and are learned and acquired through time). Sub-culture (subset of culture: smaller groups of people within culture with shared value systems within the group but different from other groups; identifiable through demographics and other variables). Social class: relatively permanent divisions/stratifications in the society in to upper, middle lower classes; members in a class share similar values, interests, lifestyles and behaviors; the division is based on combination, income, education, wealth and other variables.
- **Social:** Family: most important influencer; (there occurs in a family what is referred to as socialization; family of orientation: parents and siblings; family of procreation: spouse and children; further some decisions are husband dominated, some are wife dominated and some are joint; roles played by family members), family life cycle (stages through which a family evolves; People's consumption priorities change and they buy different goods and services over a lifetime). Friends and peers, colleagues. Groups: reference groups; these are people to whom an individual looks as a basis for personal standards; they are formal and informal groups that influence buying

behavior; reference groups could be direct (membership groups) or indirect (aspirational groups); reference groups serve as information sources, influence perceptions, affect an individual's aspiration levels; they could stimulate or constrain a person's behavior. Opinion leaders (they influence the opinion of others based on skills, expertise, status or personality). Roles & Status: the role refers to the expected activities and status is the esteem given to role by society.

### **2.2.5. Process of Consumers Buying Decision**

According to Proctor *et al.* (1982), understanding consumers' purchase decision-making process allows marketers to gain more knowledge and experience about their consumers. Moreover, it can be a foundation for them to create worthier marketing strategies for their target consumers. If marketers understand this process, they will know how their consumers search for information before buying, which criteria can encourage them to buy and what factors influence their purchase decision-making Folkes (1984).

According Swama Bakshi (2010), the classic view of consumer behavior principle is the five stage of decision-making model, which is based on the idea that considers consumers as information-processing machine. The classical five stages of consumer decision-making process are (1) problem recognition, (2) information search, (3) alternatives evaluation, (4) product choice and (5) post-purchase evaluation Alba *et al.* (2000).

- **Problem Recognition:** Problem recognition is the beginning level of consumer decision-making process. It occurs when consumers realize that there are some deviations between their actual state and ideal or desired state Howard *et al.* (2000).
- **Information Search:** Information search is the stage where consumers search for more knowledge in order to solve the recognized problem. To help themselves make a decision, consumers will look for information from their internal and external environment. Information search process can be classified into two types. Firstly, the pre-purchase search process is the process where consumers look for the information to satisfy their needs or solve their problems, which begin after consumers realize their needs or problems. Secondly, an ongoing search is the process where consumers browse the information for their pleasure and to keep them up-to-date with new products or current situations of the products' market Hubert *et al.* (1985).

- **Alternative Evaluation:** In this stage, consumers have to evaluate their available alternatives that they have obtained from the previous stage, information search. According to Hoyer *et al.* (2008), since there are a great number of brands in the market place, consumers will create their own evoke set which consists of brands that are already in their minds. The brands that are included in consumers' evoke sets will have more opportunities to be selected by them.
- **Product Choice:** Consumers have to choose one alternative after evaluating their options from the previous stage. Choosing product can be either a simple and quick or a complex stage. Consumers' product choices can be affected by various sources of information during the process of decision-making Hollensen (2010).
- **Post Purchase Behavior and Disposal:** Even though the buying decision has finished, consumers often still evaluate and assess their decisions because they want to feel more confident about their choices and to ensure that the product can solve their problems or satisfy their needs Jan – Benedict *et al.* (1999). Aaker (1978) stated in his study that the quality of a product/ service is a main determinant in post-purchase evaluation.

#### 2.2.6. Models of Consumers Behavior

In the previous sections, it has already seen that there are many factors which influence the decision-making of consumers. There are also various consumers' models which help us in the understanding of consumer behavior. According to Berkman *et al.* (1986), there are two types of consumers' model.

- **Traditional Models:** Economic, Learning, Psychological and Sociological.
- **Contemporary Models:** Howarth Sheth, Engel-Blackwell-Kollat and Nicosia.

Since the modes are very broad, few of them will be reviewed in this study based on their relevance to the study.

**Economic Model:** According to Matin Khan (2006), consumers want to spend the minimum amount to maximize their gains. The Economic Model is based on the following assumptions:

- ✓ **Price Effect:** The lesser the price of the product, the more will be the quantity purchased.

- ✓ **Substitution Effect:** The lesser the price of the substitute product, the lesser will be the utility of the original product bought.
- ✓ **Income Effect:** When more income is earned, or more money is available, more will be the quantity purchased.

This model, according to behavioral scientists, is not complete as it assumes the homogeneity of the market, similarity of buyer behavior and concentrates only on the product and price. It ignores all other aspects such as perception, motivation, learning, attitudes, personality and socio-cultural factors. It is important to have a multi-disciplinary approach, as human beings are complex entities and are influenced by external and internal factors as discussed in preceding sections. Thus, price is not the only factor influencing decision-making and the economic model, according to the behavioral scientists is not free of shortcomings.

**Psychological Model:** According to G. Vani *et al.* (2010), psychologists have been investigating the causes which lead to purchases and decision-making. This has been answered by A.H. Maslow in his well-known postulation on the hierarchy of needs. The behavior of an individual at a particular time is determined by his strongest need at that time. This also shows that needs have a priority. First they satisfy the basic needs and then go on to secondary needs. The purchasing process and behavior is governed by motivational forces. Motivation stimulates people into action. Motivation starts with the need. It is a driving force and also a mental phenomenon. Need arises when one is deprived of something. A tension is created in the mind of the individual which leads him or her to a goal directed behavior which satisfies the need. Once a need is satisfied, a new need arises. The process is continuous.

**Pavlovian Learning Model:** McDaniel and Gates (1998), named this model after the Russian Physiologist Ivan Pavlov. Pavlov experimented on a dog and observed how it responded to the peeling of a bell after it was given a piece of meat. The responses were measured by the amount of saliva secreted by the dog. Learning is defined as a change in behavior which is shaped by a practice based on previous experience. This is important to marketers as well. The learning process consists of the following factors:

- ✓ **Drive:** This is a strong internal stimulus which impels action. Because of the drive, a person is stimulated into action to fulfill his or her desires.
- ✓ **Drives:** Can be innate (in-born) which stem from physiological needs, such as hunger, thirst, pain, cold, sex and etc. They can also be learned drive, such as striving for status or social approval.

- ✓ **Reinforcement:** When a person has a need to buy, say clothing, and passes by a showroom and is attracted by the display of clothing, their color and style, which acts as a stimulus, he or she makes a purchase. He or she uses it, and if he or she likes it, enforcement takes place and he or she is happy and satisfied with the purchase. He or she recommends it to his or her friends as well, and visits the same shop again and again. Learning thus is an important part of buyer behavior and the marketer tries to create a good image of the product in the mind of the consumer for repeat purchases through learning.

**Howarth Sheth Model:** This model is slightly complicated and holds that consumer behavior is a complex process and is influenced by the concepts of learning, perception and attitudes. This model of decision-making is applicable to individuals. It has four sets of variables which are: Input, Perceptual and Learning Constructs, Outputs and Exogenous or External Variables Grewal *et al.* (2004).

**Nicosia Model:** This model explains the consumer behavior on the basis of four fields. The output of field one becomes the input of field two and so on.

- ✓ Field one consists of sub-fields one and two. Sub-field one is a firm's attributes and the attributes of the product. Sub-field two is the predisposition of the consumer and his own features and attributes, which are affected by his exposure to various information and message, and is responsible for the building of attitude of the consumer.
- ✓ Field two is the preaction field, where the consumer goes on for research and evaluation and gets motivated to purchase the product. It highlights the means and end relationship.
- ✓ Field three is the act of purchase or the decision-making to buy the product. The customer buys the product and uses it.
- ✓ Field four highlights the post-purchase behavior and the use of the product, its storage and consumption. The feedback from field four is fed into a firm attributes or field one, and the feedback from the experience is responsible for changing the pre-disposition of the consumer and later his attitude towards the product.

The Nicosia Model is a comprehensive model of dealing with all aspects of building attitudes, purchase and use of product including the post-purchase behavior of the consumer Gibling and Nelson (2003).

### 2.2.7. Disciplines in the Study of Consumers Behavior

According to Bargh (2002), consumer behavior was a relatively new field of study during the second half of the 1960s without a history or research of its own. It is in fact a subset of human behavior and it is often difficult to draw a distinct line between consumer-related behavior and other aspects of human behavior. The discipline of consumer behavior has borrowed heavily from concepts developed in other disciplines of study such as psychology, sociology, social psychology, cultural anthropology and economics. This section will elaborate these disciplines in detail Falvian *et al* (2006).

**Psychology:** is the study of the individual, which includes motivation, perception, attitudes, personality and learning theories. All these factors are critical to an understanding of consumer behavior and help us to comprehend consumption related needs of individuals, their actions and responses to different promotional messages and products and the way their experiences and personality characteristics influence product choices.

**Sociology:** is the study of groups. When individuals form groups, their actions are sometimes quite different from the actions of those very individuals when they are operating alone. The influences of group memberships, family and social class consumer behavior are important” for the study of consumer behavior.

**Social Psychology:** is a combination of sociology and psychology and studies how an individual operates within a group. It also studies how those whose opinions they respect such as peers, reference groups, their families and opinion leaders influence individuals in their purchase and consumption behavior.

**Cultural Anthropology:** is the study of human beings in society. It explores the development of core beliefs, values and customs that individuals inherit from their parents and grandparents, which influence their purchase and consumption behavior. It also studies sub-cultures and helps compare consumers of different nationalities and cultures.

**Economics:** An important aspect of the study of economics is the study of how consumers spend their funds, how they evaluate alternatives and how they make decisions to get maximum satisfaction from their purchases. Despite the fact that consumer behavior as a field of study is relatively of recent origin, it has grown tremendously, has become a full-blown discipline of its own and is used in the study of most programs of marketing study.



### **2.3. ADVERTISEMENT AND CONSUMERS BUYING BEHAVIOR**

In this sub section the researcher reviewed the relationship between advertisement and consumers buying behavior. As per the above sections of literature, one can understand the strong relationship between advertisement and consumers buying behavior. The advertising has a foremost and vital effect on purchasing behavior of consumers. If an advert is effective enough to impress, the viewer will be more willing to pay attention to it and is less likely to avoid the advert the next time it is shown Biel *et al.* (1990); therefore it will get more exposure, because of the positive first impression. This awarded attention creates an opportunity to facilitate consumer involvement, increasing the ability to motivate and affect behavior Gary (1999). Furthermore, the increased repetition of viewing the ad, due to impression, enhances the salience of the advert in memory Ehrenberg (1974).

Advertising is more than a tool for selling. It has one main task, to create a significant influence in the consumer mind or perceptual space in relation to competitors, so as to produce distinctiveness and preferences. To elaborate the above statement of problem scientifically, and to point out the importance of undertaking this research, moreover to define the variables it is necessary to present a brief review of previous researches undertaken in this relationship. Different scholars argued that the degree of AD effectiveness could determine the buying behavior of consumers. Especially, the issue, regarding the extent to which the advertisement is impressive, understandable, attention grabbing, memorable, creative & honest and their effect on influencing consumers buying intention was recognized by different researchers' literatures. Although the review of these literatures involved a large number of studies only a few studies which have direct and indirect bearing in the present study has been summarized.

#### **2.3.1. Relationship between Impressive AD and Consumers Buying Behavior**

##### ***Empirical Evidence***

According to V. prabakaran (2012), buying begins in the mind. If you don't impress the buyer's mind, you won't capture his or her money. He concluded that the primary task of advertisement is to distinguish the product advertised, attract the customer's attention and impress them to buy the product. Impressive advertisement creates demand. It makes customer aware of the price and attributes of the product leading to greater sales. Such kind of advertisement brings customers and sellers together. Moreover, it also persuades and informs the masses. This information can be about the product features, style, value, price and availability. In addition to this, impressive advertising bring attitudinal changes in the

minds of the consumer. His or her emotions are torched and played with the feelings of likes and dislikes towards the object and this leads to action (i.e. purchase).

P. Clave (2014) associated the satisfaction levels of those newspapers readers who said they give attention to print news content and print advertising with several active purchase decisions taken by them. A discriminant analysis executed with the data collected allows for the conclusion that people who were inspired to purchase after reading local newspapers and paying attention to print ads were motivated mainly by the impressiveness and attractiveness of the deal offered in the ad, the level of influence exerted by the newspaper where the ad is run, and the level of the quality of information provided by the news outlet. Therefore, this study provides robust evidence of the strong relationship between impressive and attractive advertisement and its commercial role towards influencing consumers purchase intent.

Therefore, the following formulated null (0) hypotheses and alternative (a) hypotheses pertain to this study:

H<sub>01</sub>: There is no statistical significant relationship between impressive advertisement and consumers buying behavior.

H<sub>a1</sub>: There is a statistical significant relationship between impressive advertisement and consumers buying behavior.

### **2.3.2. Relationship between Understandable AD and Consumers Buying Behavior**

#### ***Empirical Evidence***

Advertisement should not be complex. The more complex the advertisement is, the more difficult will be the advertisement to understand and remind & vice versa. Adeolu *et al.* (2005) recommend firms should develop more effective advertising campaign that attracts consumer's attention and capture their interest. At this stage the company's advertising messages should be simple to understand and interpret. The simplicity of the advertisement leads to impart the information to the consumers so that they are well informed and can make a good choice. The advertisement should be conveyed in such a way that, knowledge about product specification, features, quality and function should comprise briefly. For this study the researcher followed and analyzed different kinds of advertisement on Medias. For example, the advertisement of Coca - Cola was very creative as well as simple to understand. I hope the readers of this paper could agree with this.

C. Wang *et al.* (2002) brought some implications to various stakeholders in Malaysia. The implications can be divided into two categories: theoretical and managerial implications. In terms of theoretical implication, the research re-affirms the notion that the determinants of consumers' attitude towards advertising can be applied in a highly regulated media environment. In terms of managerial implication, the findings do provide some insights and feedback for administrators of media industry in drafting various advertising strategies on how to increase the favorable consumers' attitude towards advertising. As part of the efforts to create favorable consumers' attitude, some strategies proposed which includes: First of all checking the sources of advertisement are credible, trustworthy and believable; Second keeping the advertising message informative, customer oriented, simple to understand and up to date; Third integrating the elements of fun, excitement, surprises, creativity and pleasure in the advertisement messages and lastly emphasizing the concept of 'made in Malaysia' to evoke the feeling of partnership in helping the nation grow economically building positive image. In my opinion the last strategy should be scale up in our country especially to those import and export business firms. Since our attitude to "Made in Ethiopia" is very poor.

Therefore, the following formulated null (0) hypotheses and alternative (a) hypotheses pertain to this study:

H<sub>02</sub>: There is no statistical significant relationship between understandable advertisement and consumers buying behavior.

H<sub>a2</sub>: There is a statistical significant relationship between understandable advertisement and consumers buying behavior.

### **2.3.3. Relationship between A. Grabbing AD and Consumers Buying Behavior**

#### ***Empirical Evidence***

According to Gary (1999) "humans are visual animals." He also further stated that our vision is the sense we rely on most. This kind of biological scenario is not accident, rather it has developed over tens of thousands of generations. Our eyes are attracted to pictures far more than to words. Let us elaborate this more with example: currently I am working at Reporter newspaper, different experience shows that the more the headline is stimulant, the more the ad grabs the readers' attention. Although people pay more initial attention to pictures than words, the headline is the most important part of the advertisement. Since, almost no one will read an ad without first looking at the headline of the advertisement.

V. prabakaran (2012) stated that people like advertisement of the products and believe that the quality of the product is as good as expected from the advertisement. This study suggests that the promotional strategy through television advertisement is made a significant and positive impact on consumers buying behavior. TV advertisement has enhanced their involvement in purchase and experiment with different or new products.

According Adeolu *et al.* (2005) many consumers did not buy whatever is available or affordable. If a product is good value for its price, it will command brand loyalty. However, advertising helps in projecting product quality, affordability and value before the consumers. Moreover, the authors recommend the following important points. First, research continuously into quality improvement that will make consumers enjoy good value for money paid to purchase the brand. Second, develop more effective advertising campaign that attracts consumer's attention and capture their interest. At this stage the company's advertising messages should be simple to understand and memorable. The messages must be strong and creative enough to attract and build brand preferences, encourage switching to the company's brand by changing the perception of the consumers of rival brands the product.

Therefore, the following formulated null (0) hypotheses and alternative (a) hypotheses pertain to this study:

H<sub>03</sub>: There is no statistical significant relationship between attention grabbing advertisement and consumers buying behavior.

H<sub>a3</sub>: There is a statistical significant relationship between attention grabbing advertisement and consumers buying behavior.

#### **2.3.4. Relationship between Memorable AD and Consumers Buying Behavior**

##### ***Empirical Evidence***

Dholakia *et al.* (2001) suggested that, in order to be effective, an advertisement has to be memorable for the viewer. If the viewer does not remember the ad after viewing it, the company sponsoring the ad is simply wasting time and money. With an effective advertisement, the viewer should be able to clearly recall what happened during the course of the ad, and more importantly, which product is being advertised. That recall is the trademark of an effective advertisement. Advertisements need to stick in the brains of customers. Brassington and Pettitt (2001) recommend to firms about how ad should be memorable: "you want customers to remember your ads so they remember your business. Strive to create extraordinary pieces for your marketing so you stand out from other, similar companies".

Memory phenomena have long occupied a central place in thinking about the process and effects of advertising. The various hierarchies of effects models that have been proposed to represent the mental stages consumers pass through in response to advertising all acknowledge the role of memory Ray (1973).

Furthermore D. Byzalov *et al.* (2004) revealed that consumer gets enough information about product when he or she is more exposed to a product's advertisement and this consequence in decreasing the risk involved with product and this factor is called as advertising role of risk minimization. Adelaar *et al.* (2003) also indicated that advertisement containing detail and memorable product information influences prospect's opinion about product, while advertisement with prestige or image effects influences both prospect's and product users opinion about product. This detail information of a product or service via advertisement leads to increase in sales volume of an organization. According to R. Kahn *et al.* (2011), when the sales volume of any product increases, it is because the consumer is aware and believes about the product's value and this point is accomplished through efficient advertisement about product. Metha (2000) also indicated when a company participates in generic advertising programs; it has a significant impact on firm's market performance.

Therefore, the following formulated null (0) hypotheses and alternative (a) hypotheses pertain to this study:

H<sub>04</sub>: There is no statistical significant relationship between memorable advertisement and consumers buying behavior.

H<sub>a4</sub>: There is a statistical significant relationship between memorable advertisement and consumers buying behavior.

### **2.3.5. Relationship between Creative AD and Consumers Buying Behavior**

#### ***Empirical Evidence***

According to Pooja Sharma (2012), there should be an element of creativity in an advertisement. This creativity is to create something new, unique, extremely attractive and appealing to the consumers. In fact, advertising itself is a creative process. Creative advertisement leads to innovation. It encourages innovation and new product development and reduces the risk of the product becoming obsolete. With more innovation there are more sales which offset the cost of innovation. Innovation leads to more sales and business expands. More employment is generated and the people become more prosperous and their standards of living improve. An effective ad will inform the consumer about the product or service you have to offer, but that

advertisement also need to be creative so that it can capture attention. Capturing the attention of the consumer is essential for an effective ad, and the more creative your can make that ad the more effective it can be. For instance Coca-Cola advertisement is a good example, it gives over 200 hundred names for each bottle. So that people can drink by choosing their names.

Rashmi Khatri (2013) at the University of Delhi, India he wrote a journal on the topic called “Impact of Newspaper Advertisements on Consumer Purchase Behavior”. The aim of this research was first, to interpret whether consumers pay attention to newspaper advertising or not. Second to check impacts of different advertising Medias and effects of newspaper advertisement on consumer purchase behavior. To study this, a random sample of the population was made up of 98 respondents who were mostly young people. The result of this study showed that consumers did not ignore newspaper advertisement rather they read the advertisement and influenced to buy new brand or product. Moreover, the study further showed that other media like TV and internet are more influencing and motivating than newspaper advertisements. In addition, this research demonstrated that ad placement in newspaper played a major role in influencing consumers’ purchase intent. Front-page advertisements have highest influence. The author indicated that purchase intention and ad placement is directly related. That is purchase intention increases with ad position in newspaper from inside pages to back page and from back page to front page. Also creative newspaper advertisement proofed, in such a way that it influences more consumers. This study tried to prove that newspaper ads are associated with more trust than other media but did not get ample empirical evidence to reason out.

Therefore, the following formulated null (0) hypotheses and alternative (a) hypotheses pertain to this study:

H<sub>0s</sub>: There is no statistical significant relationship between creative advertisement and consumers buying behavior.

H<sub>a5</sub>: There is a statistical significant relationship between creative advertisement and consumers buying behavior.

### **2.3.6. Relationship between Honest AD and Consumers Buying Behavior**

#### ***Empirical Evidence***

Trust is the subjective evaluation of another entity's characteristics based on limited information Beccera and Gupta (1999). In the context of marketing, limited information

about products' attributes and the intent of the marketer to provide a fair transaction can give rise to the need for consumers either trust the marketer, rely on third parties for additional information, or take other action to reduce risk. Consumers' trust towards a marketer can be defined as the subjective probability with which consumers believe that the marketer will perform a particular transaction in a manner consistent with their expectations.

This definition captures two important attributes of trust: first, the subjective probability embraces the fact that trust is not objective but a personal anticipation; such subjective probabilities may be especially useful measures of advertising effectiveness, especially if such measures are obtained over time. Second, expectations represent a measure of what consumers have come to believe based on prior experience. In the marketing literature, there is a general consensus that trust has at least two components, both of which can be measured Geyskens *et al.* (1998). First, credibility deals with predictability and fulfillment of implicit and explicit requirements of an agreement. This is generally considered to be a weak type of trust that rests on reputation and calculativeness (economic rationale). On the other hand, goodwill or benevolence deals with expectations that a party will not act opportunistically, even given the chance. This is the higher form of relational trust that is built on familiarity and experience, and is usually based on personal experience rather than reputation, calculation, or economic rationale.

Thus, following Gaurav Bakshi *et al.* (2013), trust may be measured in terms of two distinct components: (1) credibility, which is based on the extent to which the consumer believes that the marketer has the expertise and honesty to perform the transaction effectively and reliably, and (2) benevolence, which is based on the extent to which the consumer believes that the marketer has intentions beneficial to the consumer when need arise. In traditional advertising, the marketer has limited potential to raise the level of consumers' trust since one-way communication is unlikely to produce trust Mayer *et al.* (1996). Reciprocal communication, however, facilitates trust building & commitment Anderson & Weitz (1989).

While it is generally agreed that trust has an economic value Hill (1990) and can be a source of competitive advantage Barney and Hansen (1994), traditional advertising has not necessarily been focused on building trust, despite the fact that trust has an important influence on the behavior of consumers Schurr and Ozanne (1985). On the other hand, interactive advertising has the potential to promote consumers' trust towards the advertiser and product through reciprocal information exchange, customer support and technical

assistance, reciprocal communication, operational linkages, and other specific adaptations by the marketer to the needs of the consumer. Thus, trust is likely to be an especially important and useful measure of advertising effectiveness. The complexity of the construct of trust makes it an especially interesting and rich area for future research on the effectiveness of advertising.

According to Schulz (1990), trust is a state of certainty, “a middle state between knowing and not-knowing”. M. Bansal and S. Gupta (2014) in their *Global Journal of Finance and Management* focused on the impact of informational content within the newspaper on consumer behavior. The impact of newspaper advertisement was assessed from the fact that advertisements with more trusted (honest) content were found to influence more customers than advertisements with biased informational content. The impact of logical informational content and its probability of being liked by a consumer were greatest especially for electronics and durable goods. The amount of information present was found to be independent of the size of the advertisement. Moreover, the authors found that advertisements related to electronic items were more influential than advertisements related to apparels that were mainly transformational. Thus, it can be understood that commercials of different products employ different advertisement strategy to motivate their customers and such a data can be helpful in obtaining its impact on the customers not only for newspaper advertisement but for all other forms of advertisements.

Therefore, the following formulated null (0) hypotheses and alternative (a) hypotheses pertain to this study:

H<sub>06</sub>: There is no statistical significant relationship between honest advertisement and consumers buying behavior.

H<sub>a6</sub>: There is a statistical significant relationship between honest advertisement and consumers buying behavior.

## **2.4. RESEARCH GAP**

After observing such relevant studies, it can be concluded that many researchers examined and studied different aspects of advertising and its effect on consumer's buying behavior. However, there are some considerable contradictions among the previous works and theories of science. Many researchers have studied their work in their own contextual scenarios. This study emphasizes on the consumer's behavior of growing cities like Addis Ababa by considering EC.



Most of the previous works agree advertisement is a must and should be a continuous activity. It boost market share in addition to the profit maximization. Some of the scholars indicate the effect of advertisement on its implications to managerial activities and they tried also to propose strategies that create favorable consumers attitude.

Now based on the above literature review, the following research gap is observed. Based on the category of consumers, there are two types of consumers, namely individual and organizational consumers. But most of the studies consider only individual consumers. As it is mentioned earlier there are different types of media for delivering advertisement messages, however most of the papers focus on TV and newspaper channel. They also failed to mention the main features of advertisement that have more effect on consumers buying behavior. Moreover, the other drawback is being conducted with few independent variables. Unlike these studies, the current study used the previous studies as a bench mark. Since the studies were not free of flaws, the researcher of this study attempted to include facts and theories which eliminate the above mentioned flaws.

## 2.5. CONCEPTUAL FRAME WORK

Based on the examined literature, the following conceptual framework was developed for this study. The conceptual framework was developed consistent with research questions objectives and hypotheses. The conceptual framework shown in Figure 2.3 is a graphical representation of the conceptual model on which this study is based. It outlined advertisement as the independent variable and consumers buying behavior as dependent variable.

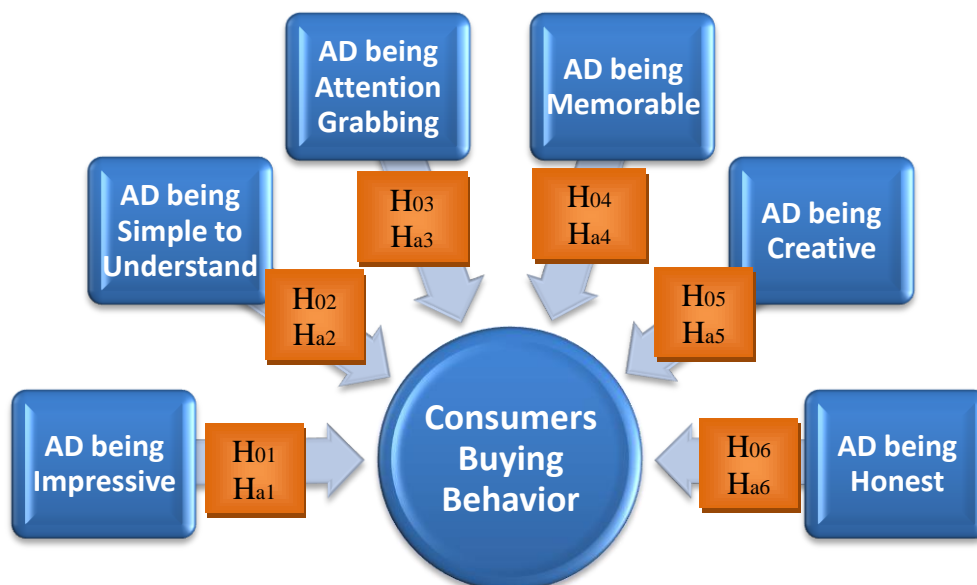


Figure 2.3: Conceptual Framework Specifying the Research Variables and Hypotheses

Source: Adopted from the Literature

## **2.6. HYPOTHESES**

The hypotheses were concerned with the effective advertisement measurements being practiced within the organization and its influence on the consumers buying behavior. As they are mentioned in the above literature review chapter, the hypotheses for this research were summarized as follows:

H<sub>01</sub>: There is no statistical significant relationship between impressive advertisement and consumers buying behavior.

H<sub>a1</sub>: There is a statistical significant relationship between impressive advertisement and consumers buying behavior.

H<sub>02</sub>: There is no statistical significant relationship between understandable advertisement and consumers buying behavior.

H<sub>a2</sub>: There is a statistical significant relationship between understandable advertisement and consumers buying behavior.

H<sub>03</sub>: There is no statistical significant relationship between attention grabbing advertisement and consumers buying behavior.

H<sub>a3</sub>: There is a statistical significant relationship between attention grabbing advertisement and consumers buying behavior.

H<sub>04</sub>: There is no statistical significant relationship between memorable advertisement and consumers buying behavior.

H<sub>a4</sub>: There is a statistical significant relationship between memorable advertisement and consumers buying behavior.

H<sub>05</sub>: There is no statistical significant relationship between creative advertisement and consumers buying behavior.

H<sub>a5</sub>: There is a statistical significant relationship between creative advertisement and consumers buying behavior.

H<sub>06</sub>: There is no statistical significant relationship between honest advertisement and consumers buying behavior.

H<sub>a6</sub>: There is a statistical significant relationship between honest advertisement and consumers buying behavior.

The next chapter will focus the research methodology.

## **CHAPTER THREE**

### **RESEARCH METHODOLOGY**

The literature related to advertisement and consumers buying behavior has been reviewed in the previous chapter. This chapter addresses the research methodology used in this study to test the hypotheses and the rationale behind it. The population, sample and sampling approach is described. Furthermore, the instrument that was used in the research is described. Finally, a brief description of the relevant statistical techniques used in the study is also provided.

#### **3.1. RESEARCH DESIGN**

According to John W. Creswell (2009) research designs are plans and the procedures for research that span from broad assumptions to detailed methods of data collection and analysis. Research design usually refers to the blue print of the research.

The nature of this study was descriptive research, describing the effect of advertisement practice within EC on consumers buying behaviour. Descriptive research enables to gather data on a one-shot basis and hence is economical and efficient. It also provides descriptive, inferential and explanatory information. In order to effectively accomplish this study quantitative research design was employed. The quantitative technique involves a survey of ECs' consumers. The survey method using questionnaire was used for this study primarily because it reduces cost and time associated with census and they are capable of generating quantitative data.

A descriptive and quantitative research approach was deemed appropriate to gather the primary data and attend to the research questions. Descriptive research determines and reports the way things are. This choice was made because this research involves investigating advertisement effect on consumers buying behavior and collecting data to test hypotheses. The variables were measured once through a survey where the opinions of the respondents were illustrated.

#### **3.2. RESEARCH VARIABLES**

As the research was a descriptive research, there were two variables dependent and independent variables. Advertisement was considered as independent variable and consumers buying behaviour as dependent variable. The independent variable had six sub variables,

namely: advertisement being impressive, advertisement being simple to understand, advertisement being attention grabbing, advertisement being memorable, advertisement being creative and advertisement being honest.

### **3.3. POPULATION**

John W. Creswell (2009) point out that, “Population is the group of interest to the researcher, the group to whom the researcher would like to generalize the results of the study.” Jankowicz (1995) points out that in order to draw a sample; you have to know how many people are in the population, and how this total is made up from people falling into various subgroups in which you might be interested. Based on EC’s company profile, the company segments its consumers into five categories (See Table 1.1). Thus, from the segmentation of consumers, consumers who were categorized as house hold at Gurd Sholla branch was taken as the population of this study.

### **3.4. SAMPLE SIZE**

Sampling is the process of using a small or parts of a larger population to make conclusions about the whole population. Sampling is one of the components of research design. Jankowicz (1995) defines sampling as the deliberate choice of a number of people; the sample provides data from which to draw conclusions about some larger group, the population, whom these people represent. This enables the research to be conducted economically feasible to use part of the population and also within the limited time frame.

In light of this, the sampling technique used to select samples from the given population was convenient sampling. In this technique the sample selection process is continued until the required sample size has been reached. It involved selecting randomly those cases that were easiest to obtain the required sample Zikmund (2003).

As of December 2015 data at EC there were about a total of 336 house hold customer type at Gurd Sholla branch purchasing different kinds of products frequently (EC, Annual marketing report, December 2015). The researcher determined the required sample size by applying a formula from Kothari (2004).

$$n = \frac{z^2 * p * q * N}{e^2(N-1) + z^2 * p * q}$$

Where,

N = size of population,

n = size of sample,

e = acceptable error,

p = sample proportion,

q = 1-p and

z = the value of the standard variance at a given confidence level.

The size of the total population was 336, where p is 0.5 because at this p value n will be the maximum and the sample will yield at least the desired precision. The z value at 95% of confidence level is 1.96.

$$n = \frac{1.96^2(0.5)(0.5)(336)}{0.05^2(336-1) + 1.96^2(0.5)(0.5)} \cong \underline{\underline{180}}$$

Thus, sample size of this study was 180 consumers of EC. Here it can be interpreted that the sample sizes of 180 consumers representing 53.6% of the population. The respondent of the study were requested to complete the structured questionnaire on voluntary basis. The following table shows population, sample sizes and response rates.

Table 3.1: Population, Sample Sizes and Response Rates

No.	Item	Consumer Type
		House Hold Consumers at Gurd Sholla
1.	Population	336
2.	Sample size	180
3.	Responses	180

Source: Calculated by the Researcher

### 3.7. DATA COLLECTION INSTRUMENT

Questionnaire consisting four sections was developed to collect the primary data for the study and it was prepared both in Amharic and English version. Questionnaire method was

appropriate in this study because all sample individuals were expected to be literate. Part one and second sections were used to gather profile of EC customers' and to collect information regarding consumers' knowledge towards the research title respectively. The third section contains 24 statements and used to identify and measure the key aspects of advertisement parameters. Each statements corresponds to one of the six sub variables of advertisement, that was advertisement perceived to be impressive, simple to understand, attention grabbing, memorable, creative and honest. The last section contains 12 statements that were used to identify consumers buying behavior due to advertisement influence.

The questionnaire comprises a 5 point Likert scale of 1 - 5 where, 1 shows high level of disagreement and 5 shows high level of agreement. The respondents were instructed during the administration of the questions by the researcher to mark the most suitable answer. Respondents were also required to answer intelligently and expeditiously as possible.

### **3.8. PROCEDURES OF DATA COLLECTION**

First the researcher was collected an introductory letter from SMU, School of Graduate to the examined organization. This assisted to increase the willingness and participation of the staffs for data collection. The researcher hired and oriented part time field workers to deliver and collect the questionnaires. The orientation was carried out in two sessions; first the researcher tested the questionnaires with a small sample of 30 respondents as a pilot test. Secondly after the pilot test the questionnaires were corrected and refined for the final data collection stage.

To accomplish this effectively the researcher was critically supervised the pilot testing, delivery and collection process; this ensured the quality of data obtained. Being a cross sectional survey, the data were collected at just a point in time. Secondary sources of data supported the primary data. Thus sales volume report, different kinds of profile and databases of the investigated organization were looked during the research process.

### **3.9. MEASUREMENT OF RELIABILITY AND VALIDITY**

#### **3.9.1. Cronbach's Alpha**

Cronbach's Alpha coefficient is typically equated with internal consistency De Vellis (1991). The Cronbach's Alpha is interpreted as a coefficient Alpha and its value ranges from 0 to 1. Sekaran (2000) explained that when calculating Cronbach's reliability coefficient, reliabilities less than 0.6 are considered poor, reliabilities within 0.7 ranges are considered acceptable and those coefficients over 0.8 are considered good.

Based on this criterion, Cronbach's Alpha reliability coefficient was calculated to estimate the reliability of the data collection instrument and results are given Table 3.2 and 3.3 below. The average Cronbach's Alpha reliability coefficient for all variables was 0.848 as indicated in Table 3.2, which is good. The results in Table 3.3 indicate average Cronbach's Alpha reliability coefficient for each independent and dependent variables, which were reasonably good Alphas. Moreover, APPENDIX C displayed the entire reliability test of the questionnaire. Therefore, for this research, the data collection instrument was a reliable measure of the effect of advertisement on consumers buying behavior.

Table 3.2: Average Cronbach's Alpha Reliability Coefficient for all Variables

Cronbach's Alpha	Number of Items
0.848	45

Source: Calculated From the Researcher Survey Data

Table 3.3: Cronbach's Alpha Reliability Coefficients for Independent and Dependent Variables

Variables	Number of items	Cronbach's Alpha	Status
Attention Grabbing Advertisement	4	0.780	Acceptable
Creative Advertisement	4	0.938	Good
Honest Advertisement	4	0.780	Acceptable
Impressive Advertisement	4	0.980	Good
Memorable Advertisement	4	0.750	Acceptable
Understandable Advertisement	4	0.910	Good
Consumers Buying Behavior	12	0.838	Acceptable

Source: Calculated From the Researcher Survey Data

### 3.9.2. Predictive Validity

Predictive validity is the extent to which a score on a scale or test predicts scores on some criterion measure Cronbach & Meehl; as cited in Gleam & Rosemart (2003). According to Sekaran (2000), using one – tailed Pearson Correlation it is possible to assess predictive validity of the variables. Hence, the current research variables were also assessed by one – tailed Pearson Correlation to test their predictive validity. APPENDIX F displayed the result of one – tailed Pearson correlation. All independent variables were found to be significantly

correlated with the dependent variable (i.e. consumers buying behavior), proofing the accomplishment of predictive validity. Therefore, the data collection instrument that was used to analyze the study was reliable as well as valid.

### **3.10. DATA CAPTURING**

The entire filled questionnaires were collected from each respondent according to the time line provided for data collection and ready for analysis. Once the questionnaires had been completed, the researcher then coded and analyzed.

### **3.11. DATA ANALYSIS METHODS**

The purpose of analysis is to build up a sort of empirical model where relationships are carefully brought out so that some meaningful inferences can be drawn Zikmund (2003). It was necessary to employ statistical techniques to analyze the information, as this study was quantitative in nature; the following statistical techniques were used to analyze the gathered data.

#### **3.11.1. Descriptive Statistics**

To provide descriptive information for the consumer profile and characteristics, frequencies were used. Moreover, research question one and two were addressed by employing descriptive statistics. According to Andy Field (2006), frequencies refer to the number of times various subcategories of ascertain phenomenon occurs, from which the percentage and the cumulative percentage of their occurrence can be easily obtained.

#### **3.11.2. Correlation**

In a research project that includes several variables, it is important to know how one variable is related to another. This will help to see the nature, direction and significance of the bivariate relationships of the variables used in the study Field (2006). Moreover he stated that a person correlation matrix will provide this information that is it will indicate the direction, strength and significance of the bivariate relationships of all the variables in the study. Thus correlation analysis was employed to attain the relationships, to test the hypotheses and consequently to answer research question three.

#### **3.11.3. Multiple Regression**

According to Sekaran (2000), the square of multiple R, R-square or  $R^2$  as it is commonly known, is the amount of variance explained in the dependent variable by the predictors. Such analysis, where more than one predictor is jointly regressed against the criterion variable, is



known as multiple regression analysis. When the R-square value, the F statistic, and its significant level are known, we can interpret the results. Multiple regression analysis was also used to examine the predictive power of each of the independent variables for the overall consumers buying behaviors (dependent variable), thereby enabled the researcher to determine the priority of each AD effectiveness factor for motivation of consumers buying decision and to address research question four.

The overall model of this study was the multiple linear regressions model which is presented below:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5 + \beta_6 X_6 + \epsilon$$

Source: Adopted from the Literature

Where:

Y = the dependent variable to be predicted

$\alpha$  = Y axis intercept (the constant)

$\beta$  = slope of the independent variables ( $X_1, X_2, X_3, X_4, X_5$  and  $X_6$ )

$X_1, X_2, X_3, X_4, X_5$  and  $X_6$  = independent variables used to predict the  
dependent variable

$\epsilon$  = the error number

### 3.12. ETHICAL CONSIDERATIONS

Ethical considerations of confidentiality and privacy were addressed. A concerted and conscious effort was made at all times to uphold this promise. A guarantee was given to the ECs' respondents that their names were not revealed in the research report. In order to ensure the success of the research, finally, the organization was given a copy of the final research study.

## **CHAPTER FOUR**

### **RESULTS AND DISCUSSION**

The previous chapter discussed the methodology followed within this research study. The chapter included research design, variables, population, sample size, the instrument used and its reliability and validity; the process of data collection, capturing and analysis, the calculation of Cronbach's Alpha coefficient and ethical considerations. This chapter presented and discussed the demographic characteristics and general knowledge of the respondents, correlation and multiple regressions.

#### **4.1. RESPONSE RATE**

As indicated in Table 3.1 of the 180 house hold consumers of EC surveyed in the sample, all of them successfully completed and returned the questionnaires. This was a result of three stakeholders; first the respondents were cooperative and responsible during responding the questions. Second strong support of management and staffs of EC increased the willingness of the respondents. The third one was off course the advisor and researcher dedication should be mentioned.

#### **4.2. DEMOGRAPHIC CHARACTERISTICS OF THE RESPONDENTS**

The table below illustrated the gender distribution of 80.6% male. It shows majority of the respondents were male. The age division of the sample population shows that 76.1% of the respondents were below 46 years. This shows that majority of the respondents are relatively young. Among the respondents 83.9% of them were Diploma and above. According to the sales persons of EC most of the clients were construction professionals (residential engineers, sanitary professionals and etc). 62.8% of the respondents were married. Regarding the occupation status, 28.9% of the respondents were self employed. Some of them they were private engineers, which build houses and sell. And others were ceramic installation professionals. In the salary division, as it can be seen in the table below 82.3% of the sample population, earned Br. 10,000.00 and above.

Table 4.1: The Demographic Response in % of the Sample Population

<b>Gender</b>				
	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
<b>Male</b>	145	80.6	80.6	80.6
<b>Female</b>	35	19.4	19.4	100.0
<b>Total</b>	180	100.0	100.0	
<b>Age</b>				
	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
<b>18 – 30 Years</b>	63	35.0	35.0	35.0
<b>31 – 45 Years</b>	74	41.1	41.1	76.1
<b>46 Years and above</b>	43	23.9	23.9	100.0
<b>Total</b>	180	100.0	100.0	
<b>Marital Status</b>				
	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
<b>Single</b>	24	13.3	13.3	13.3
<b>Married</b>	113	62.8	62.8	76.1
<b>Divorced</b>	43	23.9	23.9	100.0
<b>Total</b>	180	100.0	100.0	
<b>Education</b>				
	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative Percent</b>
<b>12 and below</b>	10	5.6	5.6	5.6
<b>TVET</b>	19	10.6	10.6	16.1
<b>Diploma</b>	49	27.2	27.2	43.3
<b>Degree</b>	56	31.1	31.1	74.4
<b>Masters</b>	32	17.8	17.8	92.2
<b>PhD and above</b>	14	7.8	7.8	100.0
<b>Total</b>	180	100.0	100.0	
<b>Occupation</b>				
	<b>Frequency</b>	<b>Percent</b>	<b>Valid Percent</b>	<b>Cumulative percent</b>
<b>Gov't Org. employee</b>	34	18.9	18.9	18.9
<b>Private Org. employee</b>	50	27.8	27.8	46.7
<b>NGO employee</b>	44	24.4	24.4	71.1
<b>Self employee</b>	52	28.9	28.9	100.0
<b>Total</b>	180	100.0	100.0	

Monthly Income				
	Frequency	Percent	Valid Percent	Cumulative Percent
Br. 5,000 and below	14	7.8	7.8	7.8
Br. 5,001 - 10,000	18	10.0	10.0	17.8
Br. 10,001 - 25,000	41	22.8	22.8	58.3
Br. 25,001 - 35,000	57	31.7	31.7	72.2
Br. 35,001 and above	50	27.8	27.8	100.0
<b>Total</b>	180	100.0	100.0	

Source: Calculated From the Researcher Survey Data

### 4.3. RESULT AND DISCUSSION

#### 4.3.1. Result of the Descriptive Statistics

As it is mentioned earlier in chapter three, descriptive statistics enables to obtain frequencies. The researcher addressed research question one and two by employing this statistical technique. Hence, the following graphical representation summarized the results and addressed the first two research questions.

**RESEARCH QUESTION ONE:** What are the major personal, psychological, cultural and social factors that affect ECs’ consumers buying behaviour?

**RESEARCH OBJECTIVE ONE:** To identify the personal, psychological, cultural and social factors that influences ECs’ consumers buying behavior.

#### 4.3.1.1. Factors that motivate Consumers Buying Behavior

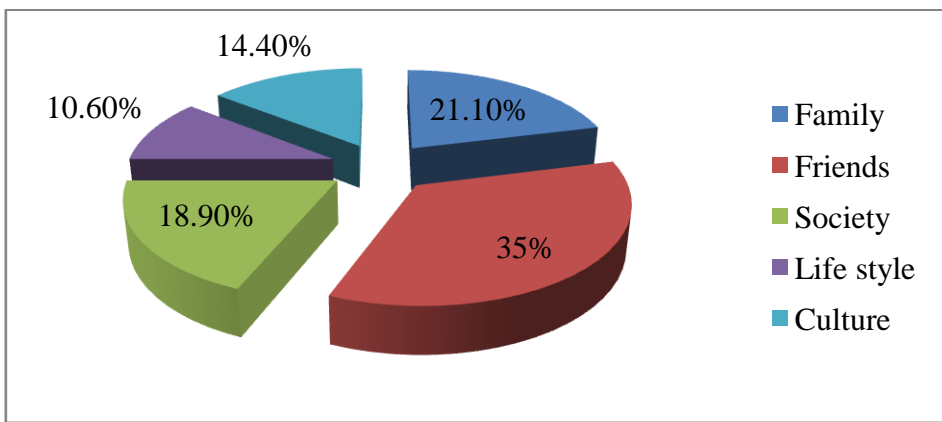


Figure 4.1: Factors that motivate Consumers Buying Behaviour

Source: Calculated From the Researcher Survey Data

From Figure 4.1 it is clear that 35% of the respondents were motivated by friends to purchase the products. And 21.1%, 18.9%, 14.4% and 10.6% of the respondents were motivated by family, society, culture and life style respectively. Among the factors life style had least contribution. Due to this fact, most of the respondents were influenced by friends of the consumers the reason behind this will discuss later (See section 4.3.4). Consequently, research question and objective one have been addressed.

**RESERCH QUESTION TWO:** Which advertisement media has more influence on ECs’ consumers buying behaviour?

**RESERCH OBJECTIVE TWO:** To find out which advertisement media being used by EC has more influence on consumers buying behavior.

**4.3.1.2. Media of Advertisement, which influence Consumers Buying Behaviour**

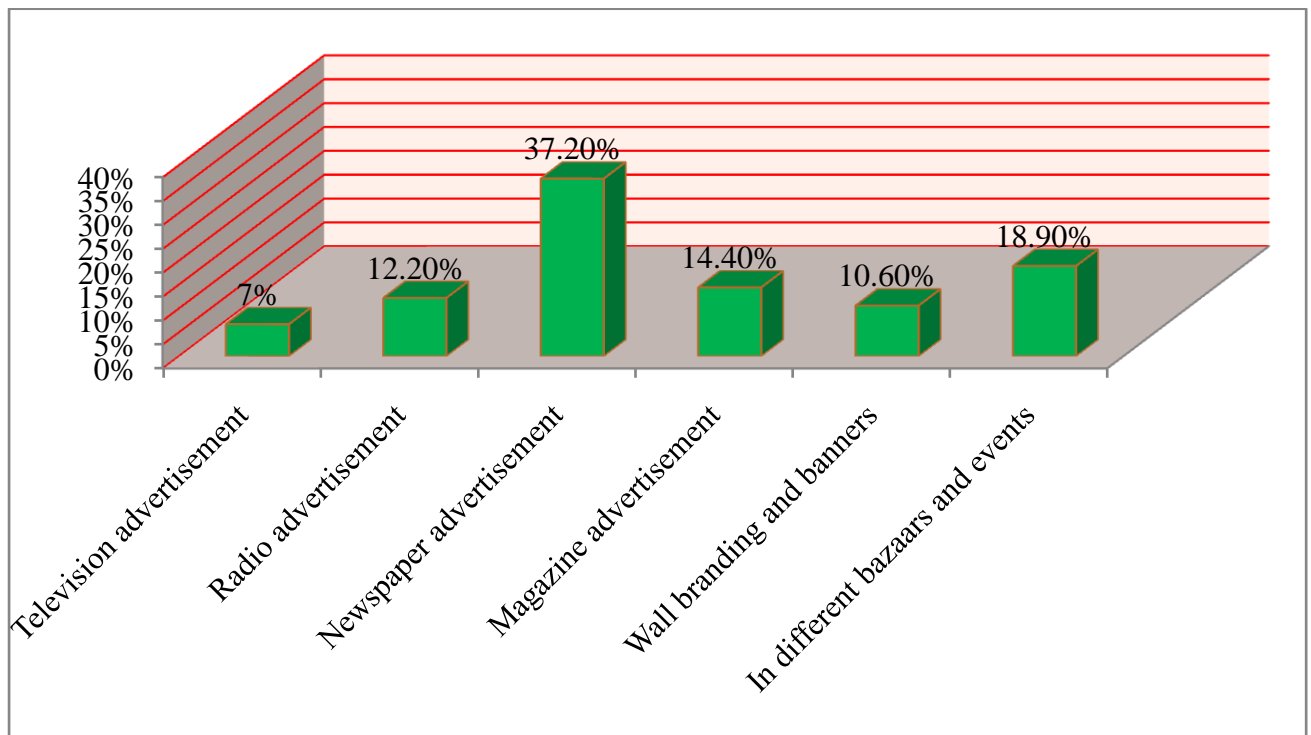


Figure 4.2: Media of Advertisement, which influence ECs’ Consumers Buying Behaviour

Source: Calculated From the Researcher Survey Data

From Figure 4.2, it is clear that 37.2% of the respondents got ECs’ products information from newspaper advertisement. The remaining, 12.2%, 10.6%, 14.4%, 18.9% and 7% of the respondents got information from radio, wall branding & banners, magazine, different bazaars & events and television advertisement respectively. There were some reasons for this

scenario, which will be discussed in section 4.3.4. Consequently, research question and objective two have been addressed.

#### 4.3.1.3.Characteristics of AD, which influence ECs’ Consumers Buying Behavior

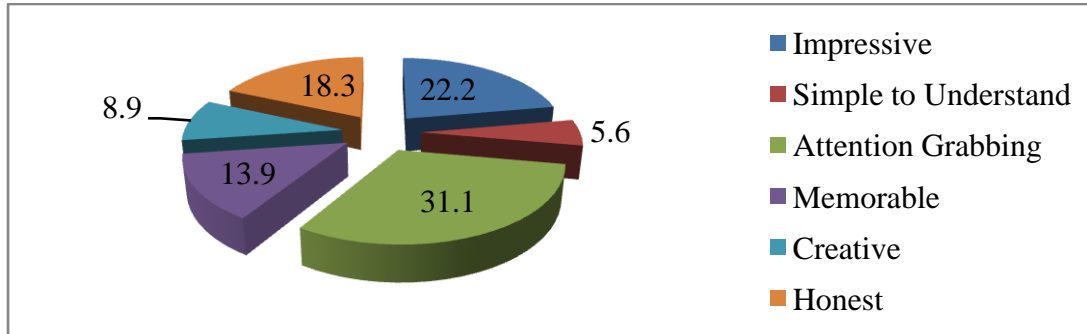


Figure 4.3: Characteristics of AD, which influence ECs’ Consumers Buying Behaviour

Source: Calculated From the Researcher Survey Data

From Figure 4.3 it is clear that majority of the respondents (31.1%) believed advertisement being attention grabbing is very important to motivate consumers buying decision. The remaining, 13.9%, 22.2%, 5.6%, 18.3% and 8.9 % of the respondents answered the advertisement should be memorable, impressive, simple to understand, honest and creative respectively in order to motivate consumers buying behavior.

#### 4.3.1.4. Reason of the Respondents to Switch to other Ceramic Provider Company

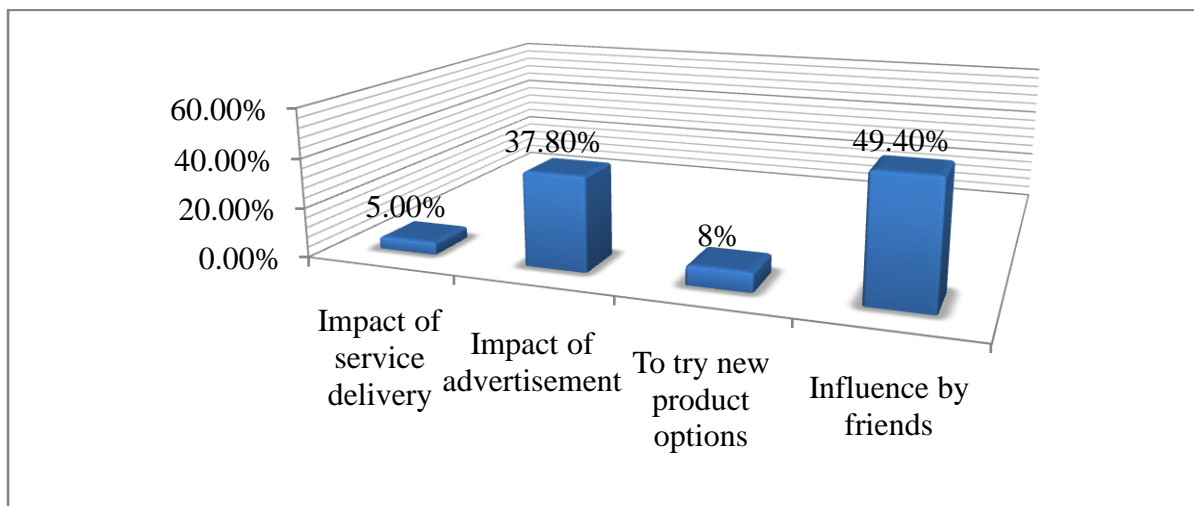


Figure 4.4: Reason of the Respondents to Switch to other Ceramic Provider Company

Source: Calculated From the Researcher Survey Data

From Figure 4.4 it is clear that most of the participants could switch their preference to other Ceramics provider companies because of inadequate source of information and ineffectiveness through advertisement (37.8%) and influence of friends (49.4%). The remaining, 5% and 8% of the respondents could switch their preference to other Ceramics provider companies because of poor service delivery and initiation to try new product option respectively. This indicates that, EC should design detail and effective advertisement strategy by taking in to consideration the aforementioned six effective advertisement characteristics.

#### 4.3.1.5. Preferences of the Consumers to go to EC

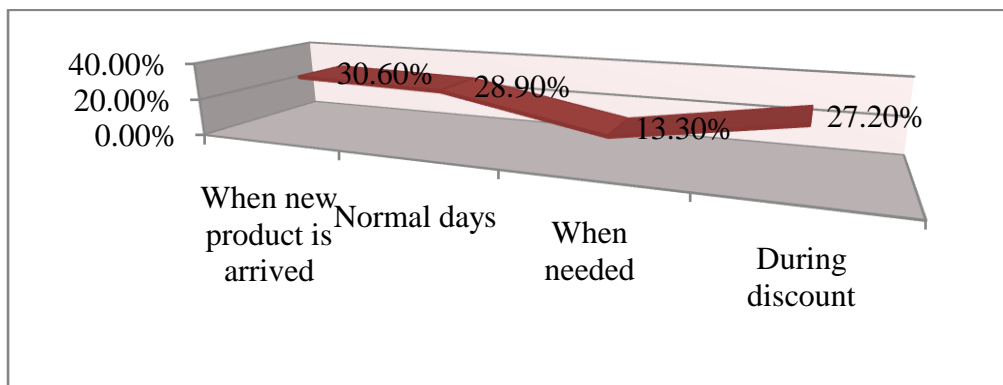


Figure 4.5: Preferences of the Consumers to go to EC

Source: Calculated From the Researcher Survey Data

From Figure 4.5: it is clear that 30.6% of the respondents preferred to go to Ethio – Ceramics when new product is arrived or launched. The remaining, 28.9%, 27.2% and 13.3% of the respondents preferred to go to EC at normal days, during discount and when needed respectively.

#### 4.3.1.6. Trend of Consumers purchasing after Advertisement

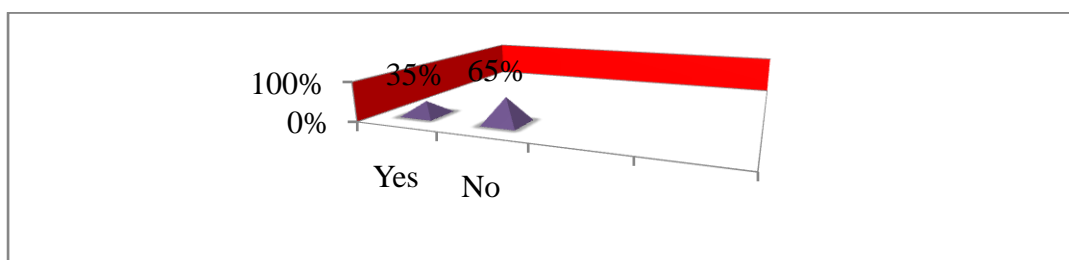


Figure 4.6: Trend of Consumers purchasing after Advertisement

Source: Calculated From the Researcher Survey Data

From Figure 4.6 it is clear that 65% of the respondents didn't try to buy products after coming across any EC advertisement. However, the remaining 35% of the respondents did try

to buy products after coming across advertisement. This result was again a very good predictor to prove that EC's advertisements were not effective enough to motivate consumers for purchasing decision. It proved the need to conduct this research. That means, the research is mainly conducted to explain how consumers buying behavior could be motivated through effective advertisement.

#### 4.3.1.7. Trend of recommending EC Products by Consumers

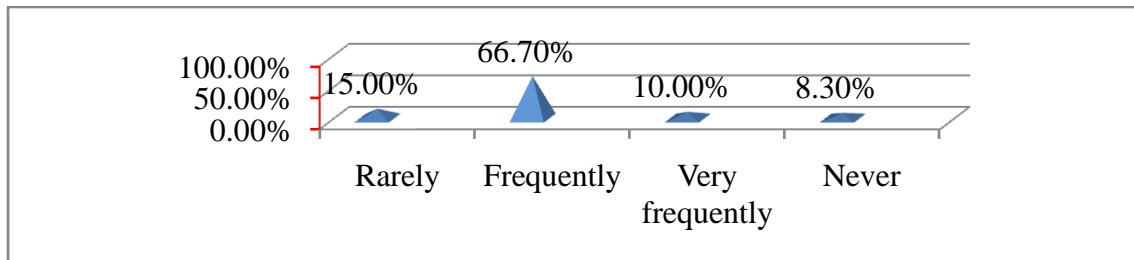


Figure 4.7: Trend of recommending EC Products by Consumers

Source: Calculated From the Researcher Survey Data

From Table 4.7 it is clear that 66.7% of the respondents did recommend EC after purchasing and consuming the products. The remaining, 15% and 10% and 8.3% of the respondents did recommend EC rarely and very rarely. Only 8.3% of the respondents failed to recommend. According to the researcher point of view, the high percentage of recommendation trend indicates two things; first the construction industry is mainly performed by communicating each other and second ECs' high product quality.

#### 4.3.1.8. Level of Satisfaction regarding the Services and Products.

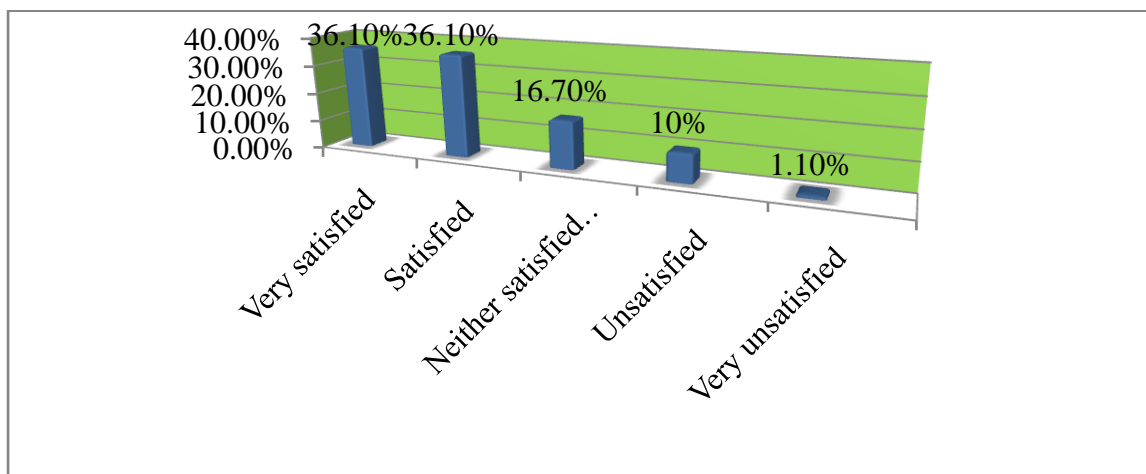


Figure 4.8: Level of Satisfaction regarding the Services and Products of EC

Source: Calculated From the Researcher Survey Data



From Figure 4.8 it is clear that 73.2% of the respondents were satisfied regarding the services and products of EC. The remaining 10% and 1.1% of the respondents expressed their view regarding the services and products of EC, neither satisfied nor unsatisfied, unsatisfied and very unsatisfied respectively.

#### 4.3.2. Results of the Correlation Analysis

As mentioned previously, the hypotheses of the study were concerned with establishing a relationship between advertisement effect and consumers buying behavior. The relationship between these two variables was investigated using two-tailed Pearson analysis. This provided correlation coefficients which indicated the strength and direction of linear relationship. The p-value indicated the probability of this relationship's significance.

According to MacEachron (1982), a correlation coefficient expresses quantitatively the magnitude and direction of the relationship between two variables. Correlation coefficients vary from +1.0 to -1.0. The sign of the coefficient tells us whether the relationship is positive or negative. The numerical portion of the coefficient describes the magnitude of the relationship. The larger the number, the stronger the correlation is. A coefficient of +/- 1.0 indicates that a perfect relationship exists b/n the two variables. Coefficient of 0.0 means no relationship exists between the variables. The following table shows the magnitude and direction of the correlation coefficient.

Table 4.2: Magnitude and Direction of the Correlation Coefficient

Measure of Association	Descriptive Adjective
> 0.00 to 0.20 ; < -0.00 to -0.20	Very weak or very low
> 0.20 to 0.40; < -0.20 to -0.40	Weak or low
> 0.40 to 0.60; < -0.40 to -0.60	Moderate
> 0.60 to 0.80; < -0.60 to -0.80	Strong or high
> 0.80 to 1.0; < -0.80 to -1.0	Very high or very strong

Source: MacEachron (1982), Basic Statistics in the Human Services: an Applied Approach

Now based on Table 4.2 the individual research hypotheses, research question and objective three documented earlier in the previous chapters were tested. The results of these hypotheses, research question and objective three are given below.

**RESEARCH QUESTION THREE:** Do advertisement characteristics (Impressive, Simple to Understand, Attention Grabbing, Memorable, Creative and Honest) have direct relationship with consumers buying behaviour?

**RESEARCH OBJECTIVE THREE:** To ascertain the direct relationship between advertisement characteristics (Impressive, Simple to Understand, Attention Grabbing, Memorable, Creative and Honest) and consumers buying behavior.

#### 4.3.2.1. Hypothesis One

H<sub>01</sub>: There is no statistical significant relationship between impressive advertisement and consumers buying behavior.

H<sub>a1</sub>: There is a statistical significant relationship between impressive advertisement and consumers buying behavior.

Table 4.3: Summary of Hypothesis One Results

		Consumers Buying Behavior	Impressive Advertisement
Consumers Buying Behavior	Pearson Correlation	1	0.587**
	Sig. (2-tailed)		0.000
	N	180	180
Impressive Advertisement	Pearson Correlation	0.587**	1
	Sig. (2-tailed)	0.000	
	N	180	180

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

Source: Calculated From the Researcher Survey Data

From Table 4.3 it is clear that there is a moderate and positive relationship between impressive advertisement and consumers buying behavior ( $r = 0.587$  and  $p < 0.01$ ). The researcher rejects the null hypothesis (H<sub>01</sub>) and concludes that there is sufficient evidence, that there is a moderate and positive relationship between impressive advertisement and consumers buying behavior.

#### 4.3.2.2. Hypothesis Two

H<sub>02</sub>: There is no statistical significant relationship between understandable advertisement and consumers buying behavior.

H<sub>a2</sub>: There is a statistical significant relationship between understandable advertisement and consumers buying behavior.

Table 4.4: Summary of Hypothesis Two Results

		Consumers Buying Behavior	Understandable Advertisement
Consumers Buying Behavior	Pearson Correlation	1	0.673**
	Sig. (2-tailed)		0.000
	N	180	180
Understandable Advertisement	Pearson Correlation	0.673**	1
	Sig. (2-tailed)	0.000	
	N	180	180

\*\*.

Source: Calculated From the Researcher Survey Data

From Table 4.4 it is clear that there is a strong and positive relationship between understandable advertisement and consumers buying behavior ( $r = 0.673$  and  $p < 0.01$ ). The researcher rejects the null hypothesis ( $H_{02}$ ) and concludes that there is sufficient evidence, that there is a strong and positive relationship between understandable advertisement and consumers buying behavior.

#### 4.3.2.3. Hypothesis Three

$H_{03}$ : There is no statistical significant relationship between attention grabbing advertisement and consumers buying behavior.

$H_{a3}$ : There is a statistical significant relationship between attention grabbing advertisement and consumers buying behavior.

Table 4.5: Summary of Hypothesis Three Results

		Consumers Buying Behavior	Attention Grabbing Advertisement
Consumers Buying Behavior	Pearson Correlation	1	0.681**
	Sig. (2-tailed)		0.000
	N	180	180
Attention Grabbing Advertisement	Pearson Correlation	0.681**	1
	Sig. (2-tailed)	0.000	
	N	180	180

\*\*.

Source: Calculated From the Researcher Survey Data

From Table 4.5 it is clear that there is a strong and positive relationship between attention grabbing advertisement and consumers buying behavior ( $r = 0.681$  and  $p < 0.01$ ). The researcher rejects the null hypothesis ( $H_{03}$ ) and concludes that there is sufficient evidence,

that there is a strong and positive relationship between attention grabbing advertisement and consumers buying behavior.

#### 4.3.2.4. Hypothesis Four

H<sub>04</sub>: There is no statistical significant relationship between memorable advertisement and consumers buying behavior.

H<sub>a4</sub>: There is a statistical significant relationship between memorable advertisement and consumers buying behavior.

Table 4.6: Summery of Hypothesis Four Results

		Consumers Buying Behavior	Memorable Advertisement
<b>Consumers Buying Behavior</b>	Pearson Correlation	1	0.566**
	Sig. (2-tailed)		0.000
	N	180	180
<b>Memorable Advertisement</b>	Pearson Correlation	0.566**	1
	Sig. (2-tailed)	0.000	
	N	180	180
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: Calculated From the Researcher Survey Data

From Table 4.6 it is clear that there is a moderate and positive relationship between memorable advertisement and consumers buying behavior ( $r = 0.566$  and  $p < 0.01$ ). The researcher rejects the null hypothesis (H<sub>04</sub>) and concludes that there is sufficient evidence, that there is a moderate and positive relationship between memorable advertisement and consumers buying behavior.

#### 4.3.2.5. Hypothesis Five

H<sub>05</sub>: There is no statistical significant relationship between creative advertisement and consumers buying behavior.

H<sub>a5</sub>: There is a statistical significant relationship between creative advertisement and consumers buying behavior.

Table 4.7 Summary of Hypothesis Five Results

		Consumers Buying Behavior	Creative Advertisement
Consumers Buying Behavior	Pearson Correlation	1	0.550**
	Sig. (2-tailed)		0.000
	N	180	180
Creative Advertisement	Pearson Correlation	0.550**	1
	Sig. (2-tailed)	0.000	
	N	180	180
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: Calculated From the Researcher Survey Data

From Table 4.7 it is clear that there is a moderate and positive relationship between creative advertisement and consumers buying behavior ( $r = 0.550$  and  $p < 0.01$ ). The researcher rejects the null hypothesis ( $H_05$ ) and concludes that there is sufficient evidence, that there is a moderate and positive relationship between creative advertisement and consumers buying behavior.

#### 4.3.2.6. Hypothesis Six

$H_{06}$ : There is no statistical significant relationship between honest advertisement and consumers buying behavior.

$H_{a6}$ : There is a statistical significant relationship between honest advertisement and consumer buying behavior.

Table 4.8: Summary of Hypothesis Six Results

		Consumers Buying Behavior	Honest Advertisement
Consumers Buying Behavior	Pearson Correlation	1	0.617**
	Sig. (2-tailed)		0.000
	N	180	180
Honest Advertisement	Pearson Correlation	0.617**	1
	Sig. (2-tailed)	0.000	
	N	180	180
**. Correlation is significant at the 0.01 level (2-tailed).			

Source: Calculated From the Researcher Survey Data

From Table 4.8 it is clear that there is a strong and positive relationship between honest advertisement and consumers buying behavior ( $r = 0.617$  and  $p < 0.01$ ). The researcher

rejects the null hypothesis ( $H_{06}$ ) and concludes that there is sufficient evidence, that there is a strong and positive relationship between honest advertisement and consumers buying behavior.

Thus, looking the correlation analysis, it becomes clear that the six independent variables have a positive effect on consumers buying behavior. Consequently, research question and objective three have been addressed.

#### **4.3.3. Result of the Regression Analysis**

Since the purpose of this research was to investigate the effect of advertisement on consumers buying behavior evidenced by consumers of EC, it was very important to evaluate the degree of advertisement effect on consumers buying behavior. To evaluate the effect of advertisement, this research looked at 6 predictive variables that include advertisement being impressive, advertisement being simple to understand, advertisement being attention grabbing, advertisement being memorable, advertisement being creative and advertisement being honest. The outcome variable for this study was consumers buying behavior.

According to Andy Field (2006), multiple linear regression uses to estimate the effect of more than one independent variables over dependent variable or it estimates the coefficient of determination on the predicted one explained by the predictors. Multiple linear regressions also use to compare which independent variable has more effect than other independent variables. Moreover he stated that to have valid multiple regressions analysis, the important assumptions are; normality of the distribution, linearity, homoscedasticity, independent of residuals and multicollinearity, which should be satisfied. For the current paper, before treating the regression model these assumptions were tested. The results of these assumptions are presented both as brief discussions and in table form.

##### **4.3.3.1. Assumptions**

###### ***Assumption One: Normality***

Multiple regressions require that the independent variables in the analysis be normally distributed. Hence the skewness and kurtosis statistics for all variables should be within the acceptable range (-1 to +1).

Table 4.9: Descriptive Statistics of Normality

	N	Skewness		Kurtosis	
	Statistic	Statistic	Std. Error	Statistic	Std. Error
Consumers Buying Behavior	180	-0.426	0.181	-1.199	0.360
Honest AD	180	0.289	0.181	0.038	0.360
Attention Grabbing AD	180	0.277	0.181	-0.401	0.360
Impressive AD	180	-0.049	0.181	-0.229	0.360
Memorable AD	180	-0.071	0.181	-0.176	0.360
Understandable AD	180	0.082	0.181	-0.163	0.360
Creative AD	180	0.355	0.181	0.096	0.360
Valid N (listwise)	180				

Source: Calculated From the Researcher Survey Data

Table 4.9 displays the normality of the variables using Skewness and Kurtosis. All the variables are between the range -1 and +1 except the Kurtosis of consumers buying behavior (-1.199) is outside the range. However, since the sample size for each of the groups in the comparison is greater than 30, central limit theorem can be applied. The theorem states the sampling distribution of statistics will follow a normal distribution, and the use of the statistical test with this variable is appropriate Zachary and Craig (2006). Hence all the variables fulfilled the assumption of normality.

***Assumption Two: Linearity***

Multiple regressions assume a linear relationship between the independent and dependent variables. The points should be symmetrically distributed around a diagonal line, with a roughly constant variance. Hence using visual inspection of the scatter plot, it can be suggested about the linearity.

***Assumption Three: Homoscedasticity***

Homoscedasticity refers to the assumption that that the dependent variable exhibits similar amounts of variance across the range of values for an independent variable.

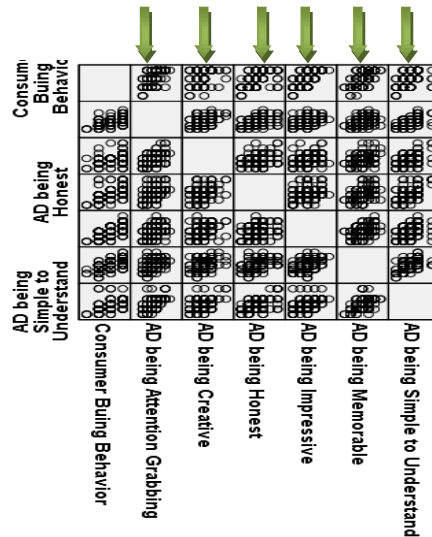


Figure 4.9: Scatter Plot for Linearity and Homoscedasticity

Source: Calculated From the Researcher Survey Data

Based on Figure 4.9 it is possible to suggest whether linearity and homoscedasticity assumptions are fulfilled or not. The six plots in the top row of the matrix show the scatter plot for the dependent variable with each of the independent variables. A visual inspection suggests that the relationship of the dependent variable with each of the independent variables is linear. Hence, the variables met the linearity assumption. Moreover, the inspection of the plots shows good variability in the plots and hence, the variables satisfied the homoscedasticity assumption as well.

**Assumption Four: Independent of Residuals**

The Durbin-Watson statistic is used to test for independent of residuals. The value of the Durbin-Watson statistic ranges from 0 to 4. As a general rule, the residuals are independent (not correlated) if the Durbin-Watson statistic is approximately 2, and an acceptable range is from 1.50 to 2.50.

Table 4.10: Independent of Residuals Assumption

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.837 <sup>a</sup>	0.700	0.689	0.24422	1.851
a. Predictors: (Constant), Advertisement Being Simple to Understand, Being Impressive, Being Memorable, Being Creative, Being Honest and Being Attention Grabbing					
b. Dependent Variable: Consumers Buying Behavior					

Source: Calculated from the researcher survey data



Table 4.10: displays the independent of residuals assumption. Durbin-Watson statistics is 1.851, close to 2 and it is within the acceptable range. Hence, the researcher assumed independence of residuals assumption is satisfied.

**Assumption Five: Multicollinearity**

Multicollinearity is a statistical phenomenon in which two or more independent variables in a multiple regression model are highly correlated. There are basically two ways to detect multicollinearity. One way is by computing tolerance values and Variance Inflation Factor (VIF) for each independent variable. Multicollinearity exists when Tolerance is below 0.10; and the average variance inflation factor (VIF) is greater than 2.5. The other method is to assess multicollinearity by examining correlations among the independent variables. If a correlation matrix demonstrates correlations of 0.90 or higher among the independent variables, there may be a problem with multicollinearity.

Table 4.11: Multicollinearity Test by Computing Tolerance Values and Variance Inflation Factor (VIF)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	0.610	0.209		2.926	0.004		
	Attention Grabbing	0.352	0.078	0.267	4.526	0.000	0.498	2.009
	Creative	0.264	0.087	0.152	3.031	0.003	0.686	1.458
	Honest	0.294	0.079	0.198	3.703	0.000	0.608	1.645
	Impressive	0.369	0.079	0.231	4.696	0.000	0.720	1.389
	Memorable	0.267	0.076	0.180	3.534	0.001	0.667	1.499
	Understandable	0.181	0.105	0.111	1.731	0.085	0.420	2.381
a. Dependent Variable: Consumers Buying Behavior								

Source: Calculated From the Researcher Survey Data

Table 4.11: displays the Multicollinearity test by computing tolerance values and Variance Inflation Factor (VIF) for each independent variables. In this case all the tolerance values are greater than 0.10 and VIF is less than 2.5. Hence, the researcher assumed Multicollinearity was not a problem.

Table 4.12: Multicollinearity Test Using Correlations

		Buying Behavior	Attention Grabbing	Creative	Honest	Impressive	Memorable	Understandable
Buying Behavior	Pearson Correlation	1	0.681**	0.550**	0.617**	0.587**	0.566**	0.673**
	Sig. (2-tailed)		0.000	0.000	0.000	0.000	0.000	0.000
	N	180	180	180	180	180	180	180
Attention Grabbing	Pearson Correlation	0.681**	1	0.504**	0.527**	0.407**	0.367**	0.654**
	Sig. (2-tailed)	0.000		0.000	0.000	0.000	0.000	0.000
	N	180	180	180	180	180	180	180
Creative	Pearson Correlation	0.550**	0.504**	1	0.378**	0.320**	0.325**	0.500**
	Sig. (2-tailed)	0.000	0.000		0.000	0.000	0.000	0.000
	N	180	180	180	180	180	180	180
Honest	Pearson Correlation	0.617**	0.527**	0.378**	1	0.360**	0.406**	0.581**
	Sig. (2-tailed)	0.000	0.000	0.000		0.000	0.000	0.000
	N	180	180	180	180	180	180	180
Impressive	Pearson Correlation	0.587**	0.407**	0.320**	0.360**	1	0.433**	0.443**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000		0.000	0.000
	N	180	180	180	180	180	180	180
Memorable	Pearson Correlation	0.566**	0.367**	0.325**	0.406**	0.433**	1	0.519**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000		0.000
	N	180	180	180	180	180	180	180
Understandable	Pearson Correlation	0.673**	0.654**	0.500**	0.581**	0.443**	0.519**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
	N	180	180	180	180	180	180	180

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

Source: Calculated From the Researcher Survey Data

Table 4.12: displays the Multicollinearity test using correlations among the independent variables. None of the coefficients (i.e. the shaded region) are equal to or greater than 0.90 so it can be assumed that Multicollinearity was not a problem for the current study.

In conclusion, the independent and dependent variables met all the assumptions which indicate that the model that the researcher got for a sample can be accurately applied to the population of interest. That means the coefficients and parameters of regression said to be unbiased Field (2005).

#### 4.3.3.2. Model Summary

**RESEARCH QUESTIONS FOUR:** How do advertisement characteristics (Impressive, Simple to Understand, Attention Grabbing, Memorable, Creative and Honest) affect consumers buying behaviour?

**RESEARCH OBJECTIVE FOUR:** To describe how advertisement characteristics (Impressive, Simple to Understand, Attention Grabbing, Memorable, Creative and Honest) affect consumers buying behaviour.

For the purpose of addressing the research question four and determining the extent to which impressive, understandable, attention grabbing, memorable, creative and honest advertisements affect consumers buying behavior, multiple regressions was performed. ANOVA and model summary of the results of the multiple regression analysis is presented in the following two tables. See Table 4.13 and Table 4.14

Table 4.13: (ANOVA) Overall Model Fit of the Regression Model

ANOVA <sup>a</sup>						
Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	24.063	6	4.011	67.240	0.000 <sup>b</sup>
	Residual	10.319	173	0.060		
	Total	34.382	179			
a. Dependent Variable: Consumers Buying Behavior						
b. Predictors: (Constant), Understandable, Impressive, Memorable, Creative, Honest and Attention Grabbing Advertisement						

Source: Calculated From the Researcher Survey Data

The ANOVA table in table 4.13 shows that the ANOVA is significant (F = 67.240, df (regression) = 6, df (residuals) = 173, Sig<0.05) which means the six predictors collectively account for a statistically significant proportion of the variance in the criterion variable.

Table 4.14: Result of Multiple Regressions (Model Summary)

Model Summary <sup>b</sup>					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	0.837 <sup>a</sup>	0.700	0.689	0.24422	1.851
a. Predictors: (Constant), Understandable, Impressive, Memorable, Creative, Honest and Attention Grabbing Advertisement					
b. Dependent Variable: Consumers Buying Behavior					

Source: Calculated with the researcher survey data

Table 4.14 indicates R, R square, Adjusted R square and Standard error of the estimate. Further, it lists the independent variables that are entered into the regression model. R (0.837) is the correlation of the independent variables with the dependent variable after all the inter correlations are taken into account. The model summary, above shows the Adjusted R Square is 0.689 which means about 68.9% of the variance in the dependent variable i.e. consumers buying behavior was explained by the independent variables i.e. impressive, understandable, attention grabbing, memorable, creative and honest advertisement.

#### 4.3.3.3. Beta Coefficient

Table 4.15 shows regression coefficient ( $\beta$ ) of impressive, understandable, attention grabbing, memorable, creative and honest advertisement. ' $\beta$ ' (beta) coefficient help to see the direction and strength of the relationship between independent and dependent variables. Accordingly, since the sign of the ' $\beta$ ' coefficient for the independent variables is positive, there is a positive relationship between the independent variables (impressive, understandable, attention grabbing, memorable, creative and honest advertisement) and dependent variable (consumers buying behavior).

Table 4.15: Regression Coefficient of Independent Variables

Coefficients <sup>a</sup>								
Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	0.610	0.209		2.926	0.004		
	Attention Grabbing	0.352	0.078	0.267	4.526	0.000	0.498	2.009
	Creative	0.264	0.087	0.152	3.031	0.003	0.686	1.458
	Honest	0.294	0.079	0.198	3.703	0.000	0.608	1.645
	Impressive	0.369	0.079	0.231	4.696	0.000	0.720	1.389
	Memorable	0.267	0.076	0.180	3.534	0.001	0.667	1.499
	Understandable	0.181	0.105	0.111	1.731	0.085	0.420	2.381
a. Dependent Variable: Consumers Buying Behavior								

Source: Calculated From the Researcher Survey Data

The above table 4.15 shows, which among the independent variables influence most the buying behavior of consumers. Looking at the Beta under Standardized Coefficients, the effect of attention grabbing advertisement on consumers buying behavior (0.267) is greater than the other independent variables. Moreover, among the independent variables understandable advertisement was not statically significant to influence the dependent variable, since Sig. (0.085 > 0.05). According to Andy Field (2005), when a statistic is significant, it simply means that you are very sure that the statistic is reliable. It doesn't mean the finding is important or that it has any decision-making utility. On the other hand, when a statistic is insignificant, it only means the probability is high that the difference or relationship happened by chance and p is greater than the critical alpha level. In other words, an understandable advertisement is not significant contributing predictor.

By referring to this analysis, the regression equation for the consumers buying behavior of the investigated company can be algebraically formulated as:

$$CB = 0.610 + 0.352*AGAD + 0.264*CAD + 0.294*HAD + 0.369*IAD + 0.267*MAD + 0.181*UAD$$

Source: Generated From the Regression Result

Where, 0.610 is constant which, cross the consumer buying behavior axis

- CB is Consumers Buying Behavior      AGAD is Attention Grabbing Advertisement
- CAD is Creative Advertisement      HAD is Honest Advertisement
- IAD is Impressive Advertisement      MAD is Memorable Advertisement and
- UAD is Understandable Advertisement

The above regression equation indicates that when attention grabbing, creative, honest, impressive, memorable and understandable advertisement increase each of them by 1, consumers buying behavior also likely increases by 0.352, 0.264, 0.294, 0.369, 0.267 and 0.181 respectively. Notice that understandable advertisement is included in the regression equation, even though it is not a significant predictor. Thus, form the above analysis, the researcher addressed research question and objective four. The following figure shows the hypothesized model based on the regression analysis.

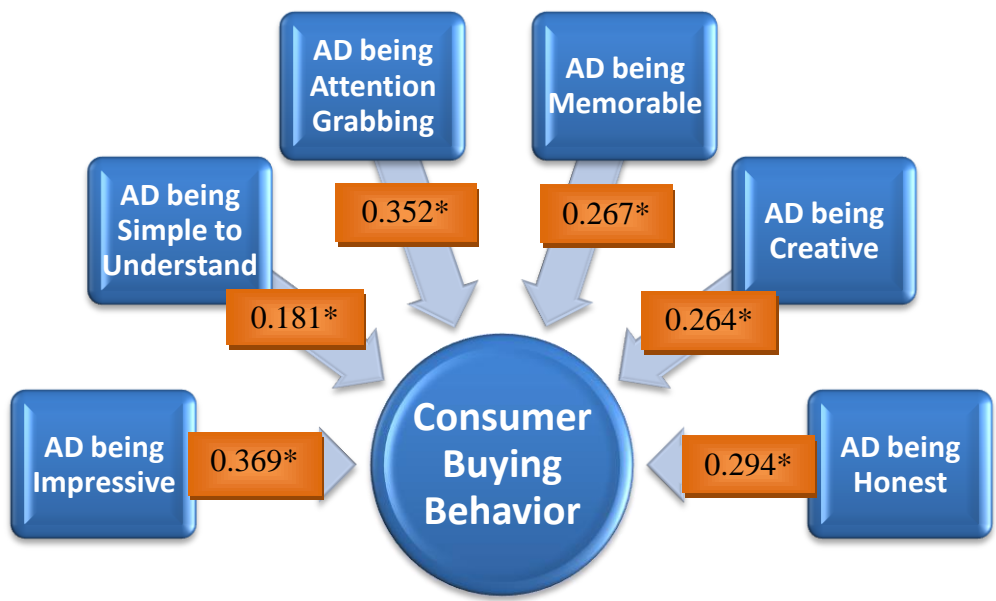


Figure 4.10: Model Based on Regression Analysis

Source: Adapted From the Regression Result

#### **4.3.4. Discussion of General Characteristics of the Respondents**

According to the respondents, most of EC consumers were motivated by friends. The reason behind this was high communication trend among the construction industry stakeholders. Due to this scenario, the existing consumers of EC recommend other new customers to purchase the products. Newspaper advertisement was the most preferred advertisement channel by the most of the respondents; this was because construction related companies (including ceramics suppliers) advertised their products and tenders on newspaper (For example on reporter newspaper). Thus, this reality created additional room for product comparison and to participate on the tenders.

As it is mentioned earlier in the statement of the problem, the exiting advertisements of the company lack basic standards that make them attractive enough for consumers. Amazingly this scenario is proved by most of the respondents. Based on the survey, majority of the respondents didn't try to buy products after coming across an EC advertisement. On the other hand, the company has quality customer handling practice, this evidenced by high satisfaction and recommendation rate of the respondents.

#### **4.3.5. Discussion of Correlation Analysis Results**

The results of correlation analysis suggested that the relationship of the six independent variables with consumers buying behavior were strong (moderate) and positive. There was a positive and strong (moderate) relationship between impressive, understandable, attention grabbing, memorable, creative & honest advertisement and consumers buying behavior. This suggested that effective advertisement characteristics which involve impressiveness, simplicity, eye catching, easy to recall, creative and trusted is positively related to consumers buying decision. As per the hypotheses tests, among the predictors impressive ( $r = 0.587$ ,  $p < 0.01$ ) memorable ( $r = 0.566$ ,  $p < 0.01$ ) and creative ( $r = 0.550$ ,  $p < 0.01$ ) advertisement have a moderate relationship with consumers buying behavior. The other three predictors attention grabbing ( $r = 0.681$ ,  $p < 0.01$ ), honest ( $r = 0.617$ ,  $p < 0.01$ ) and understandable ( $r = 0.673$ ,  $p < 0.01$ ) advertisement have strong relationship with consumers buying behavior as it is depicted on table 4.16. Other researchers have also found similar results and hence the researcher compared the above results by providing empirical evidences to each relationship.

Table 4.16: Summary Result of the Correlation Analysis

Relationship	r value	P value	Status	Result of the Hypothesis
Relationship between impressive advertisement and consumers buying behavior.	0.587	0.000	Moderate	Accept Ha1 Reject H01
Relationship between understandable advertisement and consumers buying behavior.	0.673	0.000	Strong	Accept Ha2 Reject H02
Relationship between attention grabbing advertisement and consumers buying behavior.	0.681	0.000	Strong	Accept Ha3 Reject H03
Relationship between memorable advertisement and consumers buying behavior.	0.566	0.000	Moderate	Accept Ha4 Reject H04
Relationship between creative advertisement and consumers buying behavior.	0.550	0.000	Moderate	Accept Ha5 Reject H05
Relationship between honest advertisement and consumers buying behavior.	0.617	0.000	Strong	Accept Ha6 Reject H06

Source: Calculated By the Researcher

#### 4.3.5.1. Moderate Relationship between Impressive AD and Consumers Buying Behavior

##### *Empirical Evidence*

H. M. Arshad *et al.* (2014) found a strong relationship between (sensory) impressive advertisement and consumers buying behavior ( $r = 0.690$  and  $p < 0.05$ ). In a study undertaken by V. Prabakaran (2012), under the title “Impact of Advertisement on Consumers Behavior” it was found positive relationship between impressive advertisement (calculated value  $46 >$  table value  $36.4$ ) and consumers buying behavior. Z. U. Abideen and S. Saleem (2009) conduct a study under the title “Effective Advertising and its influence on Consumers Buying Behavior” and they found strong association between impressive advertisement and consumers buying behavior ( $p < 0.05$  but the “r” value was not stated).



#### **4.3.5.2. Strong Relationship between Understandable AD and Consumers Buying Behavior**

##### ***Empirical Evidence***

D. Prasanna Kumar and K. Venkateswara Raju (2013) found a significant relationship between ability of the AD in conveying the intended message (i.e. simple to understand) and its ability to change the opinion and prejudice of the respondent about a product or service. V. Prabakaran (2012) reported advertisement being understandable (calculated value 50 > table value 36.4) have positive relationship with consumers buying behavior.

#### **4.3.5.3. Strong Relationship between Attention Grabbing AD and Consumers Buying Behavior**

##### ***Empirical Evidence***

Also Long – Yi Lin (2011) reported attention grabbing advertising has a significantly positive correlation with consumers buying intentions ( $p = 0.029 < 0.05$ ). Moreover, he also reported another perspective of relationship, he found advertising spokespersons have a positive effect on advertising attitudes ( $p = 0.037 < 0.05$ ). Huang *et al.* (2011) reported moderate relationship with ( $r = 0.567$  and  $p < 0.01$ ). V. Prabakaran (2012) reported similar result with synonym variable. That was advertisement being eye catching (calculated value 47 > table value 36.4) have positive relationship with consumers buying behavior. H. M. Arshad *et al.* (2014) also found a strong relationship between (arousal) attention grabbing advertisement and consumers buying behavior ( $r = 0.689$  and  $p < 0.05$ ). Furthermore, their study has been observed effective advertising is the major source to generate sensations in consumers which motivate them for purchasing. Benjamin *et al.* (2011) found positive but weak relationship ( $r = 0.257$  and  $p < 0.05$ ). G. Halkias *et al.* (2013) reported similar result using ANOVA ( $F = 19.06$  and  $p < 0.001$ ).

#### **4.3.5.4. Moderate Relationship between Memorable AD and Consumers Buying Behavior**

##### ***Empirical Evidence***

Halkias *et al.* (2013) analyzed the relationship between ability to recall (memorable) the advertisement and consumers purchasing behavior using ANOVA and reported significant relationship ( $F = 24.13$  and  $p < 0.001$ ). Moreover they indicated developing effective advertising communication has been traditionally regarded as an important function to

increase consumers' purchasing motivation. Huang *et al.* (2011) reported strong relationship with ( $r = 0.520$  and  $p < 0.01$ ). Anand (2000) analyzed effective recalling (memorize) of advertisement has significant effect on sparking buying intentions ( $F = 22.26$  and  $p < 0.001$ ).

#### **4.3.5.5. Moderate Relationship between Creative AD and Consumers Buying behavior**

##### ***Empirical Evidence***

Empirical literature on relationship between creative advertisement and consumer buying behavior is very limited and practitioners should emphasis on this issue. However, V. Prabakaran (2012) found positive relationship between advertisement being creative (calculated value  $66 >$  table value  $36.4$ ) and consumers buying behavior.

#### **4.3.5.6. Strong Relationship between Honest AD and Consumers Buying Behavior**

##### ***Empirical Evidence***

Huang *et al.* (2011) reported strong relationship with ( $r = 0.715$  and  $p < 0.01$ ). V. Prabakaran (2012) found positive relationship between advertisement being honest (calculated value  $44 >$  table value  $36.4$ ) and consumers buying behavior. K. P. Saemundsson (2012) reported moderate relationship ( $r = 0.513$  and  $p < 0.001$ ).

As per the correlation analysis, it has been discussed that the results of this study were similar with the previous literatures. Thus, due to the positive relationship between the six predictor variables and consumers buying behavior, any advertisement campaign of EC shall consider these relationships. Having now discussed the results of the research and commented on the relation with respect to empirical evidence, it is necessary to discuss the result of multiple regression analysis to get further insight.

#### **4.3.6. Discussion of Regression Analysis Results**

As it was mentioned earlier, multiple regression analysis was carried out to explain which predictor variable most affects the dependent variable and to formulate the research model. Among the six independent variables, attention grabbing advertisement affects consumers buying behavior more than the other independent variables, due to  $\beta = 0.267$ . The least and insignificant contributor variable was understandable advertisement with  $\beta = 0.111$ . And on the model summary of the regression result, it was stated that ( $R = 0.837$ ) is the correlation of the independent variables with the dependent variable after all the inter correlations were

taken into account. Adjusted R Square was 0.689 which means about 68.9% of the variance in the dependent variable i.e. consumers buying behavior was explained by the independent variables. The following table is a representation of the degree of influence towards consumers buying behavior.

Table 4.17: Summary Result of the Regression Analysis

Independent Variables	Standardized $\beta$ (Beta) Coefficient	Statistical Significance	Rank of Influence
Impressive Advertisement	0.231	0.000 < 0.05	Second
Understandable Advertisement	0.111	0.085 > 0.05 (insignificant)	Sixth
Attention grabbing Advertisement	0.267	0.000 < 0.05	First
Memorable Advertisement	0.180	0.000 < 0.05	Fourth
Creative Advertisement	0.152	0.003 < 0.05	Fifth
Honest Advertisement	0.198	0.000 < 0.05	Third

Source: Calculated By the Researcher

### ***Empirical Evidence***

To evaluate how much the current regression result was practical, detail literature review has been executed. M. E. Malik *et al.* (2014) indicated that as successful strategy to motivate people to buy a product, effective advertisement always remind the first choice that pops up in a marketer's mind. They found that advertisement being attention grabbing ( $\beta = 0.282$ ) has more influence than advertisement being impressive ( $\beta = 0.235$ ) on behavior of youth. This was quite similar with the current multiple regression result.

Z. U. Abideen and S. Saleem (2009) on their research "Effective Advertising and its influence on Consumers Buying Behavior" reported positive significant impact of independent variables on the dependent variable ( $F = 30.144$  and  $p < 0.05$ ). They also found ( $R = 0.511$  and  $R\text{ Square} = 0.261$ ), which predicts a moderate relationship between the set of independent variables and dependent variable with the reduced error of prediction by 26.1%.

Arshad *et al.* (2014) reported attention grabbing (arousal) advertisement ( $\beta = 0.206$ ) has more effect than impressive (sensory) advertisement ( $\beta = 0.185$ ). And on their model summery they indicated that ( $R = 0.793$  and  $R\text{ Square} = 0.629$ ) that means 62.9% change in

consumers buying behavior is because of independent dimensions. Niazi *et al.* (2012) considered impressive and attention grabbing advertisement as independent variable and reported ( $\beta = 0.063$  and  $\beta = 0.491$ ) respectively. The R Square value (0.610) and R (0.511) shows that these variables contribute 61% in this analysis. Lastly it can be said that the current regression analysis results are similar to the aforementioned empirical evidences.

## **CHAPTER FIVE**

### **SUMMARY, CONCLUSIONS, RECOMMENDATIONS & IMPLICATIONS FOR FUTURE RESEARCH**

After presenting the results and discussion of the research in the previous chapter, the summary of findings are now discussed in the light of the previous chapter. Summary of the findings, conclusions and recommendations are presented. Implication for future is also discussed in this chapter.

#### **5.1. SUMMARY OF THE FINDINGS**

From the analysis and discussion, the researcher presented the following major findings. Based on the descriptive analysis of the study, the company has potential consumers since most of them (around 60%) earn above 25,000.00 Birr per month. The level of satisfaction indicates that EC has quality customer service policy and majority of the respondents recommend other consumers after consuming the products. However, majority of the respondents (65%) didn't try to buy products after coming across any ECs' advertisement. On the other hand friends contribute (35%) in the motivation of consumers buying intentions. This result is quite similar with the aforementioned statement of the problem of this research (i.e. consumers of EC did not attracted by the AD carried out by the company). Furthermore, among the respondents (35%) which were influenced by the advertisement of EC, 31.1.% of the respondents witnessed attention grabbing advertisement motivated them to purchase EC products, again this finding is similar to the regression result, since attention grabbing advertisement (Beta = 0.267) contributed the largest effect on consumers buying behavior.

As far as the research hypotheses testing are concerned, the results indicate that: the relationship between dependent and independent as well as among the independent variables was positive and statistically significant. The strength of the relationship of impressive AD, understandable AD, attention grabbing AD, memorable AD, creative AD and honest AD with consumers buying behavior were 0.587, 0.673, 0.681, 0.566, 0.550 and 0.617 respectively.

The above hypotheses test analysis was also supported by the result of regression analysis. In the regression analysis model, the dependent variable consumers buying behavior was explained 68.9% by the independent variables (Adjusted R Square = 0.689) and the model as a whole is statically significant (with  $F = 67.240$ ,  $df$  (regression) = 6,  $df$  (residuals) = 173 and  $Sig. < 0.05$ ). Among the predictors attention grabbing AD makes the largest and

understandable makes the least and insignificant contribution with  $\beta = 0.267$  and  $\beta = 0.111$  respectively. Based on the aforementioned analysis, the equation for consumers buying behavior in EC is:

$$Y = 0.610 + 0.352 * \text{Attention Grabbing} + 0.264 * \text{Creative} + 0.294 * \text{Honest} \\ + 0.369 * \text{Impressive} + 0.267 * \text{Memorable} + 0.181 * \text{Understandable}$$

Source: Generated From the Regression Result

Where, Y is the estimated value of consumers buying behavior.

The above equation shows that five of the independent variables significantly predict the dependent variable. However, understandable AD's contribution is statistically insignificant.

## 5.2. CONCLUSIONS

The perceived problem that instigated the idea of this study was the notation of ineffective advertisement practice at EC. Even though EC employed advertng strategy in its marketing department, customers did not influenced by the exiting EC advertisements. The advertisements lack basic characteristics of effective advertisement criteria. Based on the results and findings presented in chapter four, it is evident that the research objectives and questions have been achieved completely.

In regard to the first objective of this study it can be concluded that the friends of the consumers contributed the largest percentage on motivating and influencing consumers for buying decision. The related research question was: *“What are the major personal, psychological, cultural and social factors that affect ECs’ consumers buying behaviour?”* The evidence presents due to high communication among construction industry stakeholders, individuals and organizations recommend each other for efficient and effective utilization of resources.

In regard to the second objective of this study it can be concluded that newspaper advertisement was the first choice by most of the respondents. The related research question was: *“which advertisement media has more influence on ECs’ consumer buying behaviour?”* The evidence of analysis shows since most of the respondents were literate and hence their first choice was newspaper advertisement. Besides, other ceramic provider companies also

advertise their products on newspaper; hence this creates additional room for product comparison.

In regard to the third objective it can be concluded that the investigation has yielded significant evidence that is in line with the theoretical assumptions on which the study is based. The posed research question related to the first objective was: “*Do advertisement characteristics (Impressive, Simple to Understand, Attention Grabbing, Memorable, Creative and Honest) have direct relationship with consumers buying behaviour?*” The evidence shows that there exists a moderate relationship of impressive, memorable and creative AD with consumers buying behavior. And strong relationships of understandable, attention grabbing and honest AD with consumers buying behavior. The answer to the third research question is proven by the acceptance of the six alternative hypotheses (H<sub>1a</sub> – H<sub>6a</sub>).

In regard to the last objective of the research of this study it can be concluded that attention grabbing AD has contribute the largest effect on consumers buying intentions. This finding was also compared with empirical evidences to get additional insight. The related research question was: “*How do advertisement characteristics (Impressive, Simple to Understand, Attention Grabbing, Memorable, Creative, and Honest) affect consumers buying behaviour?*” The evidence presents except understandable AD, the other five predictors contribute significant effect on the creation of motivation and purchase intentions. Moreover, from the regression model, one can understand that there are other factors that can influence consumers buying behavior in the company that means 31.1% of those factors are out of the scope of this research.

Based on the above subsection description it is clear that the research objectives of this study have been achieved and research questions have been answered. The evidence is mostly in line with the theoretical framework underpinning this study. Key factors of advertisement which have strong relationship with consumers buying behavior need to be well recognized. These key factors contributing to motivating consumers buying behavior in EC were advertisement being impressive, simple to understand, attention grabbing, memorable, creative and honest. However, it should be noted that these findings might only be applicable to the contest wherein the research was conducted.

### 5.3. RECOMMENDATIONS

Having analyzed, discussed and interpreted the data collected in this study, the researcher forwarded the following recommendations. The company could be more productive, effective and competitive if the following recommendations are employed.

- ☞ Due to the competitive nature of the construction industry the marketing department of EC shall develop and formulate marketing strategies that will satisfy the needs of the consumers. Since most of the consumers did not get attached with existing advertisements, it is recommended that for a more distinguished and effective response from the customer, the aforementioned advert features (that is; impressive, understandable, attention grabbing, memorable, creative and honest advertisement) shall be used.
- ☞ To consider and give due attention to all the six predictors of advertisement when taking action to influence more consumers but more attention should be given to attention grabbing and impressive advertisements. As the multiple regression result of this study indicated, effect of those factors motivating consumers' buying behaviour is more than the remaining four advertisement features. Thus by campaigning attention grabbing and impressive advertisements, EC can attract more consumers in addition to the exiting consumers.
- ☞ As per the results of the study, most of the consumers got attached by newspaper advertisement. Radio and television advertisements of EC didn't get enough attention by consumers. This may be a result of lack of enough information and ineffectiveness of the advertisements messages through these Medias regarding the products. Advertisement effectiveness is the joint responsibility of the advertiser and the advertising agency. Regular and consistent up-to-date training on the product information should be given to the advertising agencies, which work with EC, so that they will have the current knowledge and skills to handle the adverts and to make the adverts more attention grabbing, impressive, honest, memorable and creative.
- ☞ Based on the results, the researcher observed two golden opportunities regarding the investigated company. First, majority of the respondents earned relatively high monthly income. Second, most of the respondents were satisfied by the company customer handling and service delivery. Thus EC shall realize these opportunities for the implementation of effective advertisement practice.



- ☞ To make the advertisement further effective the EC people should concentrate on the construction industry “network.” The findings presented in section 4.3.1.7 shows that there were a strong trend to recommend ECs’ products by the exiting consumers. According to the branch manager of EC, currently in Addis Ababa there is informal “construction network” due to the construction boom in the city. This network includes professionals, business people and elites of the construction industry. The communication of these individuals is so strong. Hence, EC shall be aware of this fact and scale it up for tremendous profit and building company image.
- ☞ Market research and other related studies shall be conducted to enable EC to identify those areas where advertising activities with effective AD features is lacking. EC should also regularly examine the segments of the market that have been attracting so as to hold strongly on to them and to look for ways of attracting more consumers.

#### **5.4. IMPLICATIONS FOR FURTHER RESEARCH**

Finally, other researchers have to do more studies on these advertisement features which increase AD effectiveness in order to see how these features look like in different organizations in the country and to understand more on the contribution of these factors towards motivating consumers buying behavior.

As far as the samples are concerned, possible enlargement of the sample of the study in other braches would be highly desirable. In this regard, similar studies at other companies that used advertisements widely would seem appropriate. Based on the regression analysis, understandable advertisement was not statically significant predictor on affecting consumers buying behavior, thus other researchers could work on this statistical phenomenon with different research techniques and approaches.

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# APPENDICES

## APPENDIX A: THE QUESTIONNAIRE (ENGLISH VERSION)



**ST.MARY'S UNIVERSITY  
SCHOOL OF GRADUATE STUDIES  
DEPARTMENT OF GENERAL BUSINESS  
ADMINISTRATION**

## **QUESTIONNAIRE**

Dear Respondent,

I am Mewael Negash, a student at SMU (St. Mary's University) pursuing MBA (Masters of Business Administration in General Management). I am currently doing a survey regarding **“The Effect of Advertisement on Consumers Buying Behavior: A Case of Ethio – Ceramics Private Limited Company”**. Please spend your precious time by filled up this questionnaire. Your feedback will be kept confidential your answers are valuable to my research.

**INSTRUCTIONS:** Please describe your personal views of the following statements as objectively as you can, by entering in the block a tick “√” that best reflects your views. The information requested from you is being collected for research purposes. This questionnaire is not a test, and all information collected will be anonymous, so please respond honestly.

THANK YOU.

*Mewael Negash* ([mewaelnegash@yahoo.com](mailto:mewaelnegash@yahoo.com))

## I. Section One: Consumers Profile

### 1. Age (Years)

- a. 18 – 30
- b. 31 – 45
- c. 46 and above

### 2. Gender

- a. Male
- b. Female

### 3. Educational Qualification

- a. 12 and below
- b. TVET
- c. Diploma
- d. Bachelor
- e. Masters
- f. PhD and above

### 4. Occupation

- a. Government employee
- b. Private employee
- c. NGO employee
- d. Self employee

### 5. Monthly **Income**

- a. Br. 5,000.00 and below
- b. Br. 5,001.00 - 10,000.00
- c. Br. 10,001.00 – 25,000.00
- d. Br. 25,001.00 – 35,000.00
- e. Br. 35,001.00 and above

### 6. **Marital** status

- a. Single
- b. Married
- c. Divorced

## II. Section Two: General Knowledge of Consumers

1. Which **factors** make you to use Ethio - Ceramics products?

- a. Family
- b. Friends
- c. Society
- d. Life style
- e. Culture

2. By which **mode** of advertisement are you gets attached?

- a. Television Advertisement
- b. Radio Advertisement
- c. Newspaper Advertisement
- d. Magazine advertisement
- e. Wall branding and banners
- f. In different bazaars and events

3. Which **characteristics** of advertisement are more important for you?

- a. Advertisement being impressive
- b. Advertisement being simple to understand
- c. Advertisement being attention grabbing
- d. Advertisement being memorable
- e. Advertisement being creative
- f. Advertisement being honest

4. For which reason you **switch** to other Ceramic provider company?

- a. Impact of service delivery
- b. Impact of advertisement
- c. To try new option
- d. Influence by friends

5. When do you **prefer** to go to Ethio – Ceramics?

- a. When new product is launched
- b. Normal days
- c. When needed
- d. During discount

6. Have you try to buy products **recently** after coming across any advertisement?

- a. Yes
- b. No

7. How often you **recommend** Ethio – Ceramics after watching its advertisement?

- a. Rarely
- b. Frequently
- c. Very Frequently
- d. Never

8. Level of **satisfaction** regarding the services and products Ethio – Ceramics.

- a. Very satisfied
- b. Satisfied
- c. Neither satisfied nor unsatisfied
- d. Unsatisfied
- e. Very unsatisfied

### III. Section Three: Advertisement Impact Assessment

Use the following rating scale:	1	2	3	4	5
	Strongly Disagree	Disagree	Neither Disagree Nor Agree	Agree	Strongly Agree

Advertisement of Ethio – Ceramics Being Impressive						
No.	Statements	1	2	3	4	5
1.	The advertisement message is impressive as a result it helps me to decide to buy the product.					
2.	An impressive ad doesn't motivate the consumer for purchasing products.					
3.	New impressive advertisement of a product or service is not a signal of new offers.					
4.	I believe there is always misinformation behind impressive advertisement.					

<b>Advertisement of Ethio – Ceramics Being Simple to Understand</b>						
<b>No.</b>	<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1.	The advertisement message is simple to understand as a result it helps me to decide to buy the product.					
2.	The advertisement is complex, confusing and inaccurate.					
3.	The facts in the ad don't convince me to different features of the products.					
4.	Since the ad is very confusing, I cannot understand what the ad is all about.					

<b>Advertisement of Ethio – Ceramics Being Attention Grabbing</b>						
<b>No.</b>	<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1.	The advertisement message is attention grabbing as a result it influences me to decide to buy the product.					
2.	This ad is not better than other ads that have the same message.					
3.	I believe the ad has a low degree of visual magnetism.					
4.	Every time I look this ad it makes me discomfort.					

<b>Advertisement of Ethio – Ceramics Being Memorable</b>						
<b>No.</b>	<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1.	The advertisement message is memorable as a result it influences me to decide to buy the product.					
2.	The ad always reminds me how to have better and healthy life style.					
3.	Since the ads are so weak, they don't sticks in my brain for long time.					
4.	Mostly I discuss the ad message with my friends after viewing it.					

<b>Advertisement of Ethio – Ceramics Being Creative</b>						
<b>No.</b>	<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1.	The advertisement message is creative as a result it influences me to decide to buy the product.					
2.	Creative advertisement is the only tool in increasing consumers buying appetite.					
3.	Great advertising is the creative expression of understanding the market needs, such as advertisement of Coca Cola company.					
4.	The ad doesn't have any new information and features.					

<b>Advertisement of Ethio – Ceramics Being Honest</b>						
<b>No.</b>	<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1.	The advertisement message is honest as a result it influences me to decide to buy the product. .					
2.	The ad creates wrong, irrelevant or totally different picture of the product that it is in reality.					
3.	Reliable ad doesn't give room for product and market comparison.					
4.	Since ads are always unrealistic, I cannot consider them as honest information source.					

#### **IV. Section Four: Consumer Buying Behavior Assessment.**

<b>Buying Behavior of Ethio – Ceramic Consumers</b>						
<b>No.</b>	<b>Statements</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
1.	I am happy being the customer of Ethio – Ceramics.					
2.	I believe in advertisement because it helps to get information and facts.					
3.	The ads of Ethio – Ceramics played a key role on the buying of quality Ceramics products.					



4.	Regular and consistent ads of Ethio – Ceramics enables it in staying and winning the market competition.					
5.	Since the ads of Ethio – Ceramics are impressive and creative, I do purchase the products.					
6.	I searched extra information beside the messages in the ad, when I decide to buy the product.					
7.	There is not a big difference between the message in the ad and the reality.					
8.	New ad of a service is a signal of new offers or incentives.					
9.	Knowing the service’s latest information may depend on advertising.					
10	Most of the current advertisements are misleading and false.					
11	There is positive and significant relationship between advertising and consumers buying behavior of the products.					
12	Consumer's loyalty may be guaranteed through consistent advertising.					

If you have additional suggestion

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**Thank you for your cooperation**

## APPENDIX B: THE QUESTIONNAIRE (AMHARIC VERSION)



### የቅድስተ ማርያም ዩኒቨርሲቲ የድህረ ምረቃ ትምህርት ቤት MBA ፕሮግራም

ይህ መጠይቅ የተዘጋጀው በንግድ አመራር የማስተርስ ድግሪ መመሪያ ቤቱ ለማዘጋጀት ነው። የጥናቱ ርዕስ “The Effect of Advertisement on Consumers Buying Behavior: A Case Study of Ethio – Ceramics Private Limited Company” የሚል ነው። ይህ ማለት የኢትዮ- ሴራሚክስ ደንበኞች የድርጅቱን ምርቶች ሲገዙ ማስታወቂያ ሊኖረው የሚችለውን ሚና እንዲሁም ደንበኞቹ በማስታወቂያው ሁኔታ የሚያሳዩትን የመግዛት ባህሪ ለመዳሰስ ነው። የዚህ ጥናት ውጤት በዋናነት የሚውለው ከላይ ለተገለፀው ዓላማ ብቻ ሲሆን በማንኛውም መንገድ ለሌላ ለምንም ዓይነት አገልግሎት እንደማይውል ላረጋግጥሎት እወዳለሁ። የሚሰጡት ትክክለኛ ምላሽ ለጥናቱ ከፍተኛ አስተዋፅኦ ስለሚኖረው በጥንቃቄ ይሞሉት ዘንድ በታላቅ ትህትና እጠይቃለሁ።

#### **አጠቃላይ መመሪያዎች**

- ስም መጻፍ አያስፈልግም።
- ለክፍል አንድ እና ሁለት አማራጭ ምላሾች ለቀረቡላቸው ጥያቄዎች ለእርስዎ ተስማሚ በሆነው ምላሽ ትይዩ በሚገኘው ሳጥን ውስጥ የ “√” ምልክት ያስቀምጡ።
- ለክፍል ሶስት እና አራት መመሪያዎቹን ከጥያቄዎቹ በፊት ያገኙዋቸዋል።

**ለሚደረግልኝ ትብብር በቅድሚያ የላቀ ምስጋናየን አቀርባለሁ!!**

**መዋዕል ነጋሽ([mewealnegash@yahoo.com](mailto:mewealnegash@yahoo.com))**

**I. ክፍል አንድ: የግል መረጃዎች**

1. የዕድሜ ክልል 18— 30  31 — 45  46 እና ከዚያ በላይ
2. የታሪክ ስነ-ምግባር  ወንድ
3. የትምህርት ደረጃ  
 አስራ ሁለተኛ ክፍል እና ከዚያ በታች  ቴክኒክና ሞያ  ዲፕሎማ   
 የመጀመሪያ ዲግሪ  ሁለተኛ ዲግሪ  ፒኤቺዲ እና ከዚያ በላይ
4. የስራ ሁኔታ  
 የመንግስት ሰራተኛ  የግል ድርጅት ሰራተኛ   
 የNGO ሰራተኛ  በግል ስራ
5. ወርሃዊ ገቢ  
 ብር 5,000.00 እና ከዚያ በታች  ከብር 5,001.00 - 10,000.00   
 ከብር 10,001.00 — 25,000.00  ከብር 25,001.00 — 35,000.00   
 ብር 35,001.00 እና ከዚያ በላይ
6. የትዳር ሁኔታ  
 ያላገባ/ች  ያገባ/ች  የፈታ/ች

**II. ክፍል ሁለት: ጠቅላላ የደንበኛው ዕውቀት**

1. ከሚከተሉት ውስጥ የኢትዮ- ሴራሚክስ ደንበኛ እንዲሆኑ ያስቻልዎት ምክንያት የትኛው ነው?  
 ቤተሰብ  ጓደኛ  ማህበረሰብ  የኑሮ ዘይቤ  ባህል
2. በየትኛው የማስታወቂያ ዓይነት ነው የኢትዮ- ሴራሚክስን መረጃ ያገኙት?  
 በቲቪ ማስታወቂያ  በራዲዮ ማስታወቂያ  በጋዜጣ ማስታወቂያ   
 በመፅሔት ማስታወቂያ  በድርጅቱ የተለያዩ ፖስተሮችና ባህሮች   
 በተለያዩ ኤግዚቢሽኖች
3. የትኛው የኢትዮ- ሴራሚክስ ማስታወቂያ ባህሪ ነው ይበልጥ እርስዎን የማረክዎት?  
 ማስታወቂያው አስደናቂ ስለሆነ  ማስታወቂያው ለመረዳት ቀላል ስለሆነ   
 ማስታወቂያው ትኩረትን የሚይዝ ስለሆነ  ማስታወቂያው ሊረሳ የማይቻል ስለሆነ   
 ማስታወቂያው በፈጠራ ክህሎት የታጀበ ስለሆነ  ማስታወቂያው ታማኝ ስለሆነ
4. በየትኛው ምክንያት ነው ወደ ሌላ የሴራሚክ አቅራቢ ድርጅት ሊሄዱ የሚችሉት?  
 በአገልግሎት አሰጣት ምክንያት  በማስታወቂያ ተፅዕኖ

አዲስ የዕቃ አማራጭ ለመሞከር  በሌሎች ሰዎች ተፅዕኖ

5. ወደ ኢትዮ- ሴራሚክስ ለመሄድ የትኛውን ጊዜ ይመርጣሉ?

አዲስ ዕቃ ሲገባ  በየትኛውም ጊዜ  አስፈላጊ በሆነ ጊዜ  ቅናሽ ሲኖር

6. ማስታወቂያ ከተመለከቱ/ካደመጡ ወይም ካነበቡ በኋላ እቃ ለመግዛት ሞክረው ያውቃሉ?

ገዝቻለሁ  አልገዛሁም

7. የኢትዮ- ሴራሚክስ ማስታወቂያን ከተመለከቱ/ካደመጡ ወይም ካነበቡ በኋላ ለምን ያህል ጊዜ ለሌሎች ሰዎች ነግረው ያውቃሉ?

አንዳንድ ጊዜ  በተደጋጋሚ  በጣም በተደጋጋሚ  ነግራ አላውቅም

8. በኢትዮ- ሴራሚክስ የዕቃ አቅርቦትና የአገልግሎት አሰጣጥ ያገኙት የእርካታ ደረጃ ምን ይመስላል።

በጣም ደስተኛ  ደስተኛ  ገለልተኛ  አልተደሰትኩም

በጣም አልተደሰትኩም

**III. ክፍል ሶስት: የማስታወቂያ ተፅእኖ ዳሰሳ**

የሚከተሉት ጥያቄዎች የኢትዮ- ሴራሚክስ ማስታወቂያዎች በደንበኞች የሴራሚክስ እና የተለያዩ የቤት እቃ ምርቶች መግዛት ባህሪ ላይ የሚያሳድሩትን ተፅዕኖ ለመዳሰስ ነው። ስለሆነም የማስታወቂያው አስደናቂ መሆን፣ ለመረዳት ቀላል መሆን፣ ትኩረትን የሚይዝ መሆን፣ ሊረሳ የማይቻል መሆን፣ በፈጠራ ክህሎት የታጀበ መሆን እንዲሁም ታማኝ መሆን ቀጥሎ በተቀመጠው የነጥብ አሰጣጥ መሰረት የርስዎን የግል ምልክታት ይዩ በሚገኘው ሳጥን ውስጥ የ “√” ምልክት ያስቀምጡ።

<b>ይህንን የነጥብ አሰጣጥ ይጠቀሙ።</b>	<b>1</b> በጣም አልሰማም	<b>2</b> አልሰማም	<b>3</b> ገለልተኛ	<b>4</b> እስማማለሁ	<b>5</b> በጣም እስማማለሁ
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ተ.ቁ.	መግለጫዎች					
		1	2	3	4	5
1.	የማስታወቂያው መልዕክት አስደናቂ መሆን ግዢውን እንድፈፅም ተፅዕኖ አሳድሮብኛል።					
2.	አስደናቂ ማስታወቂያዎች ደንበኞችን ለግዢ አያነሳሱም።					
3.	አስደናቂ ማስታወቂያዎችን ስመለከት አዲስ ነገር አለ ብዬ አላምንም።					

4.	ከአስደናቂ ማስታወቂያዎች ጀርባ ሁልገዜ የተሳሳተ መረጃ ይኖራል የሚል እምነት አለኝ።				
5.	የማስታወቂያውን መልዕክት በቀላሉ መረዳት ስለቻልኩ ግዢውን እንድፈፅም ተፅዕኖ አሳድሮብኛል።				
6.	ማስታወቂያው ውስብስብ የሆነ እንዲሁም የሚያደናግር ነው።				
7.	ማስታወቂያው ላይ ያሉት መረጃዎች አላሳመኑኝም።				
8.	ማስታወቂያው የተዘበራረቀ ከመሆኑ የተነሳ ምን ማለት እንደተፈለገ ሊገባኝ አልቻለም።				
9.	የማስታወቂያው መልዕክት ትኩረትን የሚይዝ መሆን ግዢውን እንድወስን ረድቶኛል።				
10.	ይህ ማስታወቂያ ከሌሎች ተመሳሳይ መልዕክት ካላቸው ማስታወቂያዎች በጣም የወረደ ነው።				
11.	በኔ አመለካከት ይህ ማስታወቂያ ቀልብን የቆጣጠር አቅም የለውም።				
12.	ይህን ማስታወቂያ ስመለከት መንፈሴ ይረበሻል።				
13.	የማስታወቂያው መልዕክት ሊረሳ የማይችል መሆን ግዢውን እንድፈፅም ተፅዕኖ አሳድሮብኛል።				
14.	ይህን ማስታወቂያ ስመለከት እንዴት አድርጌ የተሻለ የህይወት ዘይቤ መከተል እንዳለብኝ ያስታውሰኛል።				
15.	የማስታወቂያው መልዕክት ደካማ ስለሆነ ረጅም ጊዜ አእምሮዬ ውስጥ ሊቆይ አልቻለም።				
16.	ብዙ ጊዜ ማስታወቂያውን ከተመለከትኩ በኋላ ከጓደኞቼ ጋር በጉዳዩ ላይ እወያያለሁ።				
17.	የማስታወቂያው መልዕክት በፈጠራ ክህሎት የታጀበ መሆን ግዢውን እንድፈፅም ተፅዕኖ አሳድሮብኛል።				
18.	በፈጠራ ክህሎት የታጀቡ ማስታወቂያዎች የተጠቃሚዎችን የመግዛት ፍላጎት ለመጨመር ብቸኛ መሳሪያዎች ናቸው ብዬ አምናለሁ።				
19.	ፈጠራ የታከለበት ማስታወቂያ የገበያውን ነባራዊ ሁኔታ ያገናዘበና ታሳቢ ያደረገ ነው።				
20.	ይህ ማስታወቂያ ምንም አዲስ ነገር የለበትም።				
21.	የማስታወቂያው መልዕክት ታማኝ መሆን ግዢውን እንድፈፅም ተፅዕኖ አሳድሮብኛል።				
22.	ማስታወቂያው የተጋነነ እና የተሳሳተ መረጃ የሚያስተላልፍ ነው።				
23.	ማስታወቂያዎች ለተጠቃሚው በቂ መረጃ ስለማይሰጡ ገበያውን ለማነፃፀር አያስችሉም።				
24.	ማስታወቂያ ሁልገዜ የተጋነነ ስለሆነ ታማኝ ነው ብዬ አላምንም።				

**IV. ክፍል አራት፡ የደንበኞች የሴራሚክስ እና የቤት እቃ ምርቶች መግዛት ባህሪ ዳሰሳ**

የሚከተሉት ጥያቄዎች የኢትዮ- ሴራሚክስ ደንበኞች መግዛት ባህሪ ለመዳሰስ ነው። ስለሆነም ቀጥሎ በተቀመጠው የነጥብ አሰጣጥ መሰረት የርስዎን የግል ምልክታ ትይዩ በሚገኘው ሳጥን ውስጥ የ “√” ምልክት ያስቀምጡ።

ይህንን የነጥብ አሰጣጥ ይጠቀሙ።	1 በጣም አልስማም	2 አልስማም	3 ገለልተኛ	4 እስማማለሁ	5 በጣም እስማማለሁ
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ተ.ቁ.	መግለጫዎች	1	2	3	4	5
1.	የኢትዮ- ሴራሚክስ ደንበኞ በመሆኔ ደስተኛ ነኝ።					
2.	በማስታወቂያ አምናለሁ ምክንያቱም መረጃ እና እውነታን ማግኘት ስለሚቻል።					
3.	የኢትዮ- ሴራሚክስ ማስታወቂያ ጥራት ያላቸው የሴራሚክስ ምርቶች እንደገዛ ቁልፍ ሚና ተጫውቷል።					
4.	በተከታታይ እና በመደበኛነት የሚቀርቡ የኢትዮ- ሴራሚክስ ማስታወቂያዎች በገበያው ውስጥ ተፎካካሪ እንዲሆን አስችሎታል።					
5.	የኢትዮ- ሴራሚክስ ማስታወቂያዎች በጣም የተለዩ እና አስደማሚ ስለሆኑ ምርቶቹን እንደገዛ ከፍተኛ ተፅዕኖ ፈጥሮብኛል።					
6.	ምርቶቹን ለመግዛት ስወስን በማስታወቂያ ከተላለፈው መልዕክት በተጨማሪ ሌሎች መረጃዎችን አጣርቼ ነው።					
7.	የተመለከትኩት ማስታወቂያ እና በተጨማሪም ካለው እውነታ ጋር ልዩነት የለውም።					
8.	“ አዲስ ማስታወቂያ ካለ አዲስ ነገር አለ ማለት ነው። ” የሚለውን ሃሳብ እቀበለዋለሁ።					
9.	የአንድን ድርጅት የቅርብ መረጃ ለማግኘት የሚረዳው ማስታወቂያ ነው።					
10.	በአሁኑ ወቅት ያሉት አብዛኛዎቹ ማስታወቂያዎች የተጋነኑ እና የተዛቡ ናቸው።					
11.	በማስታወቂያ እና በደንበኞች መግዛት ባህሪ መካከል ጠንካራ ትስስር አለ።					
12.	ታማኝ ደንበኛ ለማግኘት ተከታታይ ማስታወቂያ ማቅረብ ተቃሚ ነው።					

**ላደረጉልኝ ቀና ትብብር እና ለሰጡኝ መረጃ ከልብ አመሰግናለሁ!**

## APPENDIX C: RELIABILITY TESTS RESULTS

### Reliability Statistics

Cronbach's Alpha	N of Items
0.848	45

### Item-Total Statistics

SPSS Code	Scale Mean if Item Deleted	Scale Variance if Item Deleted	Corrected Item-Total Correlation	Cronbach's Alpha if Item Deleted
Income	128.33	99.747	-0.150	0.857
Factor	129.23	99.840	-0.168	0.856
Mode	129.23	92.185	0.138	0.860
Characteristics	130.10	101.817	-0.244	0.864
Switch	129.17	99.316	-0.156	0.853
Prefer	128.27	98.064	-0.037	0.853
Recently	130.37	96.171	0.162	0.847
Recommend	130.60	97.834	0.003	0.849
Satisfaction	130.33	101.678	-0.382	0.857
AD Impressive Q1	127.50	100.603	-0.267	0.855
AD Impressive Q2	129.87	88.878	0.577	0.837
AD Impressive Q3	130.30	94.769	0.263	0.846
AD Impressive Q4	130.30	94.217	0.360	0.844
AD Simple To Understand Q1	127.53	98.395	-0.064	0.851
AD Simple To Understand Q2	130.30	93.390	0.348	0.844
AD Simple To Understand Q3	130.27	92.133	0.508	0.841
AD Simple To Understand Q4	130.30	91.597	0.634	0.839
AD Attention Grabbing Q1	127.27	99.995	-0.219	0.854
AD Attention Grabbing Q2	129.87	89.154	0.643	0.836
AD Attention Grabbing Q3	130.13	91.844	0.562	0.840
AD Attention Grabbing Q4	130.47	94.671	0.335	0.844
AD Memorable Q1	127.63	92.861	0.422	0.842
AD Memorable Q2	129.87	89.154	0.643	0.836
AD Memorable Q3	130.13	91.844	0.562	0.840
AD Memorable Q4	130.27	95.444	0.178	0.848

AD Creative Q1	127.57	102.323	-0.402	0.859
AD Creative Q2	130.10	90.231	0.508	0.839
AD Creative Q3	130.13	91.844	0.562	0.840
AD Creative Q4	130.47	96.051	0.186	0.847
AD Honest Q1	127.53	99.361	-0.131	0.855
AD Honest Q2	129.93	90.961	0.409	0.842
AD Honest Q3	130.23	94.047	0.267	0.846
AD Honest Q4	130.20	94.510	0.337	0.844
Consumer Buying Behavior Q1	127.17	89.799	0.860	0.835
Consumer Buying Behavior Q2	127.17	90.282	0.806	0.836
Consumer Buying Behavior Q3	127.13	90.533	0.796	0.836
Consumer Buying Behavior Q4	127.03	91.275	0.799	0.837
Consumer Buying Behavior Q5	127.10	90.714	0.799	0.836
Consumer Buying Behavior Q6	127.07	91.099	0.783	0.837
Consumer Buying Behavior Q7	127.13	89.982	0.859	0.835
Consumer Buying Behavior Q8	127.07	90.754	0.825	0.836
Consumer Buying Behavior Q9	127.23	89.495	0.868	0.834
Consumer Buying Behavior Q10	127.13	90.740	0.773	0.837
Consumer Buying Behavior Q11	127.10	90.990	0.767	0.837
Consumer Buying Behavior Q12	127.07	91.375	0.750	0.838



## APPENDIX D: PREDICTIVE VALIDITY

### Correlations

		Buying Behavior	Attention Grabbing	Creative	Honest	Impressive	Memorable	Understandable
Buying Behavior	Pearson Correlation	1	0.681**	0.550**	0.617**	0.587**	0.566**	0.673**
	Sig. (1-tailed)		0.000	0.000	0.000	0.000	0.000	0.000
	N	180	180	180	180	180	180	180
Attention Grabbing	Pearson Correlation	0.681**	1	0.504**	0.527**	0.407**	0.367**	0.654**
	Sig. (1-tailed)	0.000		0.000	0.000	0.000	0.000	0.000
	N	180	180	180	180	180	180	180
Creative	Pearson Correlation	0.550**	0.504**	1	0.378**	0.320**	0.325**	0.500**
	Sig. (1-tailed)	.000	.000		.000	.000	.000	.000
	N	180	180	180	180	180	180	180
Honest	Pearson Correlation	0.617**	0.527**	0.378**	1	0.360**	0.406**	0.581**
	Sig. (1-tailed)	0.000	0.000	0.000		0.000	0.000	0.000
	N	180	180	180	180	180	180	180
Impressive	Pearson Correlation	0.587**	0.407**	0.320**	0.360**	1	0.433**	0.443**
	Sig. (1-tailed)	0.000	0.000	0.000	0.000		0.000	0.000
	N	180	180	180	180	180	180	180
Memorable	Pearson Correlation	0.566**	0.367**	0.325**	0.406**	0.433**	1	0.519**
	Sig. (1-tailed)	0.000	0.000	0.000	0.000	0.000		0.000
	N	180	180	180	180	180	180	180
Understandable	Pearson Correlation	0.673**	0.654**	0.500**	0.581**	0.443**	0.519**	1
	Sig. (1-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
	N	180	180	180	180	180	180	180

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

## APPENDIX E: CORRELATION RESULT

**Correlations**

		Buying Behavior	Attention Grabbing	Creative	Honest	Impressive	Memorable	Understandable
Buying Behavior	Pearson Correlation	1	0.681**	0.550**	0.617**	0.587**	0.566**	0.673**
	Sig. (2-tailed)		0.000	0.000	0.000	0.000	0.000	0.000
	N	180	180	180	180	180	180	180
Attention Grabbing	Pearson Correlation	0.681**	1	0.504**	0.527**	0.407**	0.367**	0.654**
	Sig. (2-tailed)	0.000		0.000	0.000	0.000	0.000	0.000
	N	180	180	180	180	180	180	180
Creative	Pearson Correlation	0.550**	0.504**	1	0.378**	0.320**	0.325**	0.500**
	Sig. (2-tailed)	0.000	0.000		0.000	0.000	0.000	0.000
	N	180	180	180	180	180	180	180
Honest	Pearson Correlation	0.617**	0.527**	0.378**	1	0.360**	0.406**	0.581**
	Sig. (2-tailed)	.000	.000	.000		.000	.000	.000
	N	180	180	180	180	180	180	180
Impressive	Pearson Correlation	0.587**	0.407**	0.320**	0.360**	1	0.433**	0.443**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000		0.000	0.000
	N	180	180	180	180	180	180	180
Memorable	Pearson Correlation	0.566**	0.367**	0.325**	0.406**	0.433**	1	0.519**
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000		0.000
	N	180	180	180	180	180	180	180
Understandable	Pearson Correlation	0.673**	0.654**	0.500**	0.581**	0.443**	0.519**	1
	Sig. (2-tailed)	0.000	0.000	0.000	0.000	0.000	0.000	
	N	180	180	180	180	180	180	180

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

## APPENDIX F: REGRESSION RESULT

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

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics					Durbin - Watson
					R Square Change	F Change	df 1	df 2	Sig. F Change	
1	0.837 <sup>a</sup>	0.700	0.689	0.24422	0.700	67.240	6	173	0.000	1.851

a. Predictors: (Constant), Understandable, Impressive, Creative, Memorable, Honest, Attention Grabbing Advertisement

b. Dependent Variable: Consumers Buying Behavior

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

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	24.063	6	4.011	67.240	0.000 <sup>b</sup>
	Residual	10.319	173	0.060		
	Total	34.382	179			

a. Dependent Variable: Consumers Buying Behavior

b. Predictors: (Constant), Understandable, Impressive, Creative, Memorable, Honest, Attention Grabbing Advertisement

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

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	0.610	0.209		2.926	0.004		
	Attention Grabbing	0.352	0.078	0.267	4.526	0.000	0.498	2.009
	Creative	0.264	0.087	0.152	3.031	0.003	0.686	1.458
	Honest	0.294	0.079	0.198	3.703	0.000	0.608	1.645
	Impressive	0.369	0.079	0.231	4.696	0.000	0.720	1.389
	Memorable	0.267	0.076	0.180	3.534	0.001	0.667	1.499
	Understandable	0.181	0.105	0.111	1.731	0.085	0.420	2.381

a. Dependent Variable: Consumers Buying Behavior

## DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Tesfaye Wolde (PhD). All sources of materials used for the thesis have been duly acknowledged, I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree. It is offered for the partial fulfillment of the degree of MA in Business Administration (MBA).

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Name  
St Mary's University, Addis Ababa

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Signature  
July, 2015

## ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval as a university advisor.

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Advisor

St Mary's University, Addis Ababa

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Signature

July, 2015