ST. MARY'S UNIVERSITY COLLAGE
SCHOOL OF GRADUATE STUDIES

THE EFFECT OF ADVERTISEMENT ON BRAND PREFERENCE OF BEER PRODUCTS WITH REFERENCE OF CUSTOMERS IN ADDIS ABABA

By: DEREJE MULAT BELETE

JUNE, 2019

ADDIS ABABA, ETHIOPIA

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APPROVED BY BOARD OF EXAMINERS

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DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of Dr.Getie Andualem Imiru (**Associate Professor in Marketing Management**). All sources of materials used for the thesis has 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 earning any degree.

Dereje Mulat Belete   _____

St. Mary's University, Addis Ababa, Ethiopia   **May 2019**

ENDORSEMENT

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

Dr.Getie Andualem Imiru   _____

St.Mary's University College, Addis Ababa, Ethiopia   **May 2019**

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ABSTRACT

It is very important to be aware of the impact of advertisement in consumers' brand preference in the market. This study mainly focused on exploring the impact of advertisement on consumers' beer brand preference in Addis Ababa city. Structured questionnaires were used to collect data from 400 respondents of which 373 were valid questionnaires collected and analyzed. Descriptive statistics, which includes percentage and frequency in addition to inferential statistics (Correlation and multiple regression), were computed in order to analyze. The result of this study showed that there are positive and significant relationship between Characteristics of Advertising Message, Advertising Media, Source of Advertisement and Consumers' Brand Preference of beer products in Addis Ababa city. Though all the other Medias have a significant impact on influencing brand preference of consumers, Television advertisement influences consumers' beer brand preference. This study recommends appropriate strategies and actions should be formulated by beer companies in order to win the market share in this the highly competitive market that we are living in. In addition, future researches can be made on "why the internet and newsletter are not effective tools for advertising as that of TV advertisements" as well as which TV shows are mostly viewed by the youth and adults ranging from the age of 18 to 40, in order for the beer companies to choose their target population.

Keywords: *Advertising, Characteristics of Advertising Message, Sources of Advertising, Advertising Media, and Brand Preference.*

CHAPTER ONE

INTRODUCTION

1.1.   Background of the Study

Advertising is a type of marketing communication tool intended to inform and persuade potential audience to take some action in buying a product or service. The purpose of advertising is to create awareness of the product or service being advertised and provide information that will persuade the consumer to take action and make buying decision, not only to purchase but to repurchase and ultimately creating brand-loyal customers (Aynawale 2005).

In today's highly competitive market, marketers are facing challenges in developing effective advertisement and thus they have to think beyond informing, educating and facilitating the customers. As competition is decreasing, the need for effective marketing strategy has become the priority for many marketers.

According to Macrae (1994), `Brand benchmarking applied to global branding processes" consumer buyers usually approach the marketplace with a well-established set of tastes and preferences. While direct competitors strive to outdo one another to winning greater brand preference and loyalty, there is also rivalry between producers and marketers in very different industries, promoting very different kinds of goods and services (Knox, 1997). Almost every one grows up in the world, which is flooded with the mass media (Latif and Abideen, 2011). Consumer tastes and preferences for a product or brand is built through one or more of the following distinct modes.

Need association: the product or brand is linked to one need through repeated association. Mood association: the mood is attached to the product or brand through repeated association. Subconscious motivation: suggestive symbols are used to excite consumers' subconscious motives. Behavior modification: consumers are conditioned to buy the brand by manipulating cues and rewards.

Cognitive processing: perceptual and cognitive barriers are penetrated to create favorable attitudes, and finally model emulation: idealized social lifestyle models are presented for consumers to emulate (Katke, 2007).

Brand image and advertisement play a crucial role to boost up any business performance as brand image is an implied tool which can positively change people's buying behaviors and advertisement is behaving as a driving force for any business as it's an effective source to convey message and stay in customer's mind Iqbal (2013).

As Iqbal (2013) mentions it, advertising is a part of our everyday life. It is all around us. We cannot escape looking at it or listening to it. Even if we are not consciously looking at it or listening to it, the message of advertising reaches and influences us. It is often recorded somewhere at the back of our minds and it recalled when we are buying something or looking for a particular service. This research will mainly investigate the impact of advertising on brand preference of consumers'. Different factors such as advertising media, source of advertisement, characteristics of advertising messages and others which influence brand preference of consumers' are considered in this study to examine their impact on beer brand preference.

1.2.   Statements of the Problem

According to Vivekananthan *(*2010), marketers' main objectives are getting new consumers and retaining the existing ones to increase their market share and sales volume. The cost of getting new customers is five times greater than the cost of retaining the current customer (Reicheld & Sasser, 1990).   To do so, marketers are spending huge amount of money, energy, and time for advertising their products, services and ideas.

Marketers do advertisement in order to inform the availability of the product, to persuade that their product is of high quality, fair price, durable etc. and to remind about existing product. Advertising plays an important role in today's competitive world by which organizations communicate with their customers. If advertisement does not create any

positive change in consumers' brand preference, all the resources such as money, time and efforts spent on advertisement will go in vain. The importance of sales on business survival and the connection between customers and sales is expedient for organizations to engage in programs that can influence consumers' decision to purchase its products. This is where advertising and brand management are relevant. Advertising is a subset of promotion mix which is one of the Four 'P's in the marketing mix i.e.; product, price, place and promotion. As a promotional strategy, advertising serves as a major tool in creating product awareness and condition the mind of a potential consumer to take eventual purchase decision (Kotler,P., Keller,K.L, & Koshy,A.,2009).

Companies' survival depends on consumer satisfaction and consumer satisfaction depends on their perception and brand preference of the particular brand. In brand preference, advertising plays a major role. Nearly everyone in the world is influenced to some degree by advertising. Organizations in both public and private sectors have learned that the ability to communicate effectively and efficiently with their target audiences is important to their success. Consumer do have different alternatives to choose one brand over the other. For these reasons, knowing which advertising methods can really catch consumers, preference and influence their buying decision is important to business advertisers' marketers, manufacturers, and suppliers. When competition is vital and the consumers are faced with brand choice in the market, it becomes imperative for the manufacturers and marketers to understand the major factors that can attract the attention of buyers to their own brand, these then form the basis for marketing planning and action (Adeolu e t al., 2005).

In Addis Ababa, there are a number of beer products in the market such as: BGI products (St. George Beer, Amber Beer, Panash, Raya and Castle Beer), Harar Beer, Bedele Beer, Heineken, Guinness Beer, Dashen Beer, Meta Beer, Anbesa and other foreign brands (own survey). The producers of these brands have been working hard to increase their market share through varying marketing strategies. They do use sales promotion, advertisement, personal selling, and also provision of point -of -sale materials like, T-shirts, cups, posters and others, to their target consumers and tables, chairs, and

umbrellas in which their trade mark is labeled on it to sellers of their products in order to attract and retain the existing consumers towards their product. This research study will mainly focus on assessing the impact of advertising on brand preference of consumers and different factors, which do have influence in brand preference of consumers that directly or indirectly contributes to the increase of market share and sales volume in the industry. In other words, the study will make hard effort to see whether the advertising can bring about any improvement on sales volume or market share of beer brands.

1.3. Research Questions

1.3.1. Main Research Question

Do advertisements have impact on brand preference of beer products?

1.3.2. Sub-research questions

1. How significant is the advertisement on consumers' brand preference of beer?
2. Which media is more influential among the types of advertisement on consumers' beer preference?
3. Do celebrities have impact on consumers' brand preference?
4. Does the impact of advertisement differ for different age groups?

1.4. Objective of the Study

According to Alvin C. Burns and Ronald F. Bush (2016), stating the research objective is crucial in defining what information will be collected from whom and in what format. The key assessment to be made of the research objective is: If this information, as stated in the research objective, is provided, can a decision alternative be Exactly what information is needed to close the information gap? Now, we are ready to create our research objectives! Hypotheses are statements that are taken for true for the purposes of argument or investigation. In making assumptions about the consequences of decision alternatives, managers are making hypotheses. Since hypotheses are essentially statements of the

assumed consequences of a decision alternative, they can be helpful in determining the research objective.

The researcher and manager agree that they can make the choice in the decision alternatives if they know if students have a greater likelihood of signing a lease with an apartment with free satellite TV with premium channels than an apartment with free basic cable TV. They also agree they want this information to come from a sample of students who are currently enrolled at the university and will be returning next academic year and who intend to rent an off-campus apartment.

Criteria for writing research objectives: A research objective should (1) specify from *whom* information is to be gathered, (2) specify *what* information (construct) is needed, (3) specify the unit of measurement used to gather the information, and (4) word questions used to gather the information using the respondents' frame of reference. Let us consider the criteria we should consider in defining research objectives to answer this question.

1.4.1. General Objective of the Study

The general objective of the study is to explore the impact of advertisement on consumers' beer brand preference.

1.4.2. Specific Objectives

- ➢ To examine the relationships between advertising and consumers' brand preference of beer.
- ➢ To figure out the consumer perception regarding the most effective media for advertisements.
- ➢ To examine the impact of celebrities on consumers' brand preference.
- ➢ To explore the impact of each independent variable (sources of advertising, advertising medial and characteristics of advertising message) that significantly influence consumers' brand preference of beer.
- ➢ To examine the age difference of consumers in brand preference of beer through advertising.

1.5. Research Hypothesis

H1- *Components of advertisement have no positive impact on consumers' brand preference.*

H2- *There is no relationship between advertisement and consumers' brand preference.*

H3- *Each advertising media has no positive impact on consumers' brand preference.*

H4- *Characteristics of advertising messages have no positive impact on consumers' brand preference.*

H5- *Celebrities have no positive impact on consumers' brand preference.*

H6- *The impact of advertising on brand preference of beer is not varied by age.*

1.6. Definition of Terms

1.6.1. Conceptual Definition

Advertising: - is a marketing communication that employs an openly sponsored, non-personal message to promote or sell a product, service or idea (Khan, 2006).

Customer buying behavior: -is the result of the attitudes, preferences, intentions and decisions made by the consumers in a market place before buying a product (Neti, 2011).

1.6.2. Operational Definition

The word "*Advertisement*" has different meanings. In this research context, advertisement represents a paid notice that tells people about a product or service.

Brand preference: is a desire to use a particular company's product or services, even when there are equal priced and equally-available alternatives.

1.7. Significance of the Study

There are number of beer manufacturing companies and distributors in Addis Ababa in which all are advertising their products in order to increase their sales volume and market share by attracting more users of their brands. This study, therefore, were conducted   in order to   see whether advertising strategy can bring and help these manufacturers to increase the desired sales volume and market share.

The finding of the study benefits the marketers, manufacturers and suppliers by positively influencing consumers to make purchase decision. It can also help in developing the integrated   marketing communications program, through setting new advertising program by developing message and media strategy (determining which communication channels used to deliver the advertising message to the target audience). Besides, the research will help them to understand the types of media, which are more relevant for advertisement.

It will help them in realizing the importance of advertising endorsers like: celebrities and experts.

In addition, this research benefits companies to target their audiences by income level and age. Moreover, the result of this research helps companies in creating awareness about their products and ways of getting more market share in order to increase sales volume on top of assisting them to earn more revenue and profit. In other words, it helps them in evaluating the return on investment (ROI) of advertising campaign.

This research also benefits consumers in providing information about the brand's availability, product modality, quality, etc. This research can also be used as a source of reference and benchmark for new researchers who have intention to make further study in this area.

In conclusion, this study provides recommendations about advertising in attracting consumers to the brand choice.

1.8. Scope and Limitation of the Study

1.8.1. Scope of the Study

This study was conducted in order to assess the impacts of advertising on consumers' beer brand preference in Addis Ababa. The study primarily focused on how the advertisement influence beer consumers' brand preference. It focused on the factors of advertisement such as types of media, source of advertising, and characteristics of advertising messages. It was conducted by taking beer products as only reference to the study and the data f r o m March 2019 to April 2019. In this study, quantitative method were employed.

1.8.2. Limitations of the Study

There are manly limitations in order to conduct this research, of which the first challenge/limitation is to investigate this broad topic that requires deep investigation and associated with large number of factors within the budgeted time and allocated cost. The second is, the research is limited to the viewpoints of consumers and possibly *managers* and *salesmen* only. It will not include the viewpoints of manufacturers, whole sellers and distributors. Thirdly, this research will rely mainly on the primary data. It is also difficult to find the exact number of beer consumers in Addis Ababa due to various natures and behavior of people. The result is also limited as the target group is restricted to people who were located in Addis Ababa and will take beer products in the selected area.

The other limitation was, the absence of some of the variables not being included in the questionnaire, which minimized the value of R.

These aforementioned factors may cause certain degree of bias. Moreover, the result obtained in this research may not represent the whole country (Ethiopia), since it is restricted only in Addis Ababa City. Other cities of the country are required to conduct the same investigation in order to know the beer brand preference by the users of beer product.

1.9. Organization of the Study

This thesis is categorized into five chapters. The first chapter will concentrate on introductory parts of the paper, which mainly pinpoints the statement of the problems and objective of the study. The second chapter provides related literature review with specific emphasis to theoretical, methodological and empirical aspects. The third chapter deals with research methodology and design. The fourth chapter discusses the data presentation and analysis results. The fifth chapter mainly focused on the conclusion and recommendations on the basis of the research outcomes.

CHAPTER TWO

2. REVIEW OF RELATED LITERATURE

2.1. Introduction

According to Frank, Arlene, (2014), a literature review surveys books, scholarly articles, and any other source relevant to a particular issue, area of research, or theory, and by so doing, provides a description, summary, and critical evaluation of these works in relation to the research problem being investigated. Literature reviews are designed to provide an overview of sources one has explored while researching a particular topic and to demonstrate to the readers how the research fits within a larger field of study.

Hence, *argumentative review* is selected after reading different journals, books and other materials as it's very crucial for the validity of the researcher's work and some of the findings while reading these materials will be presented in the sub-topics that follow.

2.2. Theoretical Literature

According to Tolani (2012), the first advertisement may have been a sign painted on a wall of a building. The early outdoor-advertising competitors were town criers employed by merchants to praise their goods. Gutenberg's invention of the moveable-type printing press in 1450 resulted in the mass production of posters and circulars. According to Pope (2013) over a century ago, Harper's Weekly commented that advertisements were "a true mirror of life, a sort of fossil history from which the future chronicler, if all other historical monuments were to be lost, might fully and graphically rewrite the history of our time." Few if any historians today would claim that they could compose a complete history of an era from its advertisements, but in recent year's scholars have creatively probed advertisements for clues

about the society and the business environment that produced them. The presences of many excellent online collections of advertisements provide learners as well as established scholars the opportunity to examine these sources in new ways. The experience can be tantalizing and frustrating, since advertisements don't readily proclaim their intent or display the social and cultural context of their creation. Yet studying advertisements as historical sources can also be fascinating and revealing.

According to Bee Hive Digital, the origins of advertising lie thousands of years in the past. One of the first known methods of advertising was an outdoor display, usually an eye-catching sign painted on the wall of a building. Archaeologists have uncovered many such signs, notably in the ruins of ancient Rome and Pompeii. An outdoor advertisement excavated in Rome offers property for rent, and one found painted on a wall in Pompeii calls the attention of travelers to a tavern situated in another town. As much as some three thousand years ago, Papyrus sheets were used in Thebes in Egypt for announcing the reward for return of runaway slave. The first advertisement was somewhat in the form of stenciled inscriptions, which were found on earthen bricks prepared by the Babylonians about three thousand years before Christ. The bricks carry the name of the temple in which they were used and the name of the king who built it, just as a modern public building which contains a corner stone or stone tablet with the names of officials in office when the structure was erected. The method was to cut a stencil in hand stone and with it each brick was stamped while the clay had been in its stage.

A. **Repetition**

According to (R. Batra and M. L. Ray, 1986), research about the impact of advertisement repetition on attitude based on condition such as motivation, ability, and opportunity, the result showed that there is a significant impact of motivation/ability on repetition. When the repetition of advertisement increases, the brand attitude and purchase intention increases as well. Moreover, (L. W. Turley and J. R. Shannon, 2000) conducted a research on the advertising's impact on purchase intention, message recall in sports arena. The result indicated a positive association between the frequency of advertisement and purchase

intention and brand name recall. Specifically, the more advertising increase, the more the purchase intention and brand recall increase. In the study of (M. Sohail and R. Sana, 2011) investigated about the impact of TV advertisement repetition, celebrity endorsement and perceived quality on consumer purchase decision. The result showed that only advertisement repetition, and perceived quality has a positive significant impact on purchase decision. After watching television commercial many time, the positive image about the product advertised will influenced customer to buy this product. In the recent study of (P. Kofi and K. A. Mark, 2014) about the influence that advertisements have on customer loyalty, the researchers discovered that the more customers are frequently exposed to their service provider's advertisement, the more they will become loyal to that particular service.

B. **Humor**

Several authors have extensively researched about the use of humor in advertising. According to (M. G. Weinberger and C. S. Gulas, 1992), the study have found that humorous advertisement messages is not only attract and hold consumers' attention but also increase liking for both the advertisement and the advertised brand. It means that the customers, who were attracted by humorous advertisements, become like the advertisements. Then, audiences will focus more on the advertised brand and product. Finally, customers will think positively, being convincing easily by any information in the television advertise, though for the most fastidious customers.

In the study of (C. Hwiman and X. S. Zhao, 2003), researchers examined the moderating effects of product involvement on the effects of humor on memory and attitude towards the advertisement. The result showed that there is a strong connection between humor and memory of advertised product and brand name.

The research of (P. Kofi and K. A. Mark, 2014) investigated the influence of advertisement on customer loyalty in the telecommunications industry in Ghana. The search argued that the Message content of the service provider's advertisements was the most factor influence customer patronage; this was followed by the humorous nature of the advertisements. Personalities within the advertisement and the background music in case of broadcast advertising were found to be least most significant factor in the advertisements respectively.

C. **Television Commercials**

A commercial television advertisement is a short television program, being widely produced and paid for by a company. Those companies use TVCs as a tool to deliver a message to the community to market and publicize their product(s) and service(s). Apparently, the main commercials' objective of TVCs is show and state what the product is, what its main features are and what advantages it have (N. Hoeberichts, 2012). Moreover, TV ads can generate demand for products, services in a limited amount of time, encouraging customers to buy things and gain more awareness (T. H. A. Bijmolt, W. Claassen, and B. Brus, 1998). The results of Schellenberg's study showed that five different types of television commercials were existed: political advertising, promotional advertising, infomercials, television commercial donut as well as sponsorship advertising (F. Schellenberg, 2011). Additionally, television commercial is an essential tool for companies to win in the mass-market advertisement. As long as the companies want to gain attention and interest of the customers, television ads may as well continue to be a hot topic for the researchers.

D. **Advertising Message**

Various researches have been conducted to examine how advertising message influences our consumption behavior.

According to (B. Mueller, 1987), advertising message was an outstanding point that allows customers to remember the advertisement and induces purchase advertised product within a customer. Important message usually gain customers' attention easily, rather than a disfavor or irrelevant message. Only by meaningful and related message can the advertisement gain customer attention. It is good advertising message that make profound contribution to the relationship with effective television commercial and customers' purchase intention. Message content of the advertising not only earn customers' trust but also motivate audiences to concentrate on its content, can also create logical buying intention of a customer (D. Maheswaran and J. Meyers-Levy, 1990). Moreover, the study of (P. Kofi and K. A. Mark, 2014) stated that advertisement has influence on customer loyalty. The message

content, humor, personalities and to some degree background music were all found to persuade some level of interest amongst participants. Among four factors within an advertisement, message content of the service provider's advertising has been found as the most factor influence customers' loyalty.

E. **Trust**

Advertisers believe that trust towards the TVCs has a positive impact on enhancing customers' loyalty. According to (D. H. McKnight and N. L. Chervany, 2001-2002), trust can be divided into four trust constructs. First, trusting belief-competence, describe customers believes that the company has the capacity to deliver the product easily. Then, trusting belief-benevolence, which indicates the customers believes that the company care about them and is inspired to perform in customers' interest. Next, trusting belief-integrity define the situation when buyers totally believes that the sellers makes good faith agreements, tells the truth, acts ethically, and fulfills promises. Finally, trusting belief-predictability, which means customers trusts the company's actions (good or bad) are consistent sufficient compare with what they forecasted. Reference (H. Soh, L. N. Reid, and K. W. King, 2009) has studies on trust in relation to advertising. In this research, trust has been conceptualized as "confidence that advertising is a reliable source of product/service information and willingness to act on the basis information conveyed by advertising". Moreover, the researchers have developed a tool specifically for measure "trust value": the ADTRUST scale. This scale incorporated "the seven factors of trust most often identified by scholars: integrity, reliability, benevolence, competence, confidence, likability and willingness to rely on".

A study by (J. K. Dan, L. F. Donald, and H. R. Rao, 2009), also referred that trust directly and indirectly affects a consumer's purchase decision in combination with perceived risk and perceived benefit. Besides, trust has been found to have longer term influence on the relationship in the future (i.e., e-loyalty) through satisfaction, an important outcome of the buying process. This mean that, trust affect customer's direct purchase decision as well as the longer-term relationship.

F. **Interest**

A number of researchers have found that interest commercials induce more positive affective reactions to customers than non-interest commercials. In the research by (Z. H. Nasim, 2011), the researcher noted that "Interest involves having some personal feelings about the products and brands being displayed. Whether or not buying is the final outcome, interest simple measure a person's liking for being around the auto show." In details, when audiences interested in an advertisings, they will want to watch that advertisings over and over again, then it will positively impact the feeling of customers toward brands and products have been advertised.

As (Y. Ercan and D. Kelly, 2012) has generally defined a person's interests as: the books they like, the political figures they follows, the activities they participate in, the goods they consume and enjoy, etc. The researcher found out the direct and causal relationship between consumers' interests and their consumption behaviors. Consumers, who usually have a limited budget, have to make consumption choices based on a daily basis. Additionally, consumption choices are determined by preferences, and preferences are coming from consumer's interest. Base on this reason, the link between consumer interest and consumption choices was clearly demonstrated. More recently, (N. Karthikeyan, 2012) investigated about the influence of mobile marketing as a communication tools on generating consumers' purchase intention. The result stated that five factors of mobile advertising (Interest, Individual attention, Impact, Problem faced and Disturbance at work) have significantly impact on purchase decision of the consumers.

G. **Brand Awareness**

Brand awareness is associated to the strength of the brand node or trace in memory, which we can measure as the consumers' ability to identify the brand under different condition (J. H. Mary and S. Majken, 2008). Creating and maintaining brand awareness is considered as one of the most main goals of marketing (E. K. MacDonald and B. M. Sharp, 2000). Brand

awareness strengthens the present of brand in consumer's mind (D. Aaker, 2010) and it is a component of the quantity of brand-related exposures and encounters collected by the customer. Excellent book of (K. L. Keller, 2013), also defined brand awareness as "The extent and ease with which customers recall and recognize the brand and can identify the products and services with which it is associated." Brand recall associated with consumer's ability to recover the brand when set of products were given. A cue was set by satisfied the need with the category product, or other type of test. As such, brand was correctly created from customers' memory by brand recall (K. L. Keller, 1993). Brand recognition related to "consumers' ability to confirm prior exposure of a given cue." This implies that, after saw or heard the brand, the customer can accurately distinguish it with other brand. When customers decide which brand to buy, brand recognition plays the role of particular essential key in buying-decision (K. L. Keller, 1993).

Advertising is any paid form of non-personal communication about an organization, product or service, or idea by an identified sponsor. The paid aspect of this definition reflects the fact that the space or time for an advertising message generally must be bought. An occasional exception to this is the public service announcement (PSA), who's advertising space or time is donated by the media. The non-personal component means that the advertising involves mass media (e.g., TV, radio, magazines, newspaper and others) that can transmit a message to large groups of individuals, often at the same time. The non-personal nature of advertising means that there is generally no opportunity for immediate feedback from the message recipient (except in direct-response advertising). Therefore, before the message is sent, the advertiser must consider how the audience will interpret and respond to it (Belch, et al., 2007; Niazi et al. 2012).

Belch and Belch (2003) stated that in the modern world nearly everyone is influenced to some degree by advertising and other forms of promotion. Organizations in both the private and public sectors have learned that the ability to communicate effectively and efficiently with their target audiences is critical to their success. Advertising and other types of promotional messages are used to sell products and services as well as to promote causes, market political candidates, and deal with societal problems such as alcohol and drug

abuse. Consumers are finding it increasingly difficult to avoid the efforts of marketers, who are constantly searching for new ways to communicate with them. As the new millennium begins, we are experiencing perhaps the most dynamic and revolutionary changes of any era in the history of marketing, as well as advertising and promotion. These changes are being driven by advances in technology and developments that have led to the rapid growth of communications through the interactive media particularly the internet.

Kotler, Keller, and Koshy (2009) stated that, advertising is the best known and most widely used form of promotion because of its persuasiveness; it can create brand images and instill preferences among consumers. Advertising can result in creating strong positioning of brands thereby creating loyal consumers. Morden (1991) also corroborates the views given by Kotler et.al., (2009) stating that advertising is used to establish a basic awareness of the product or service in the minds of the potential customers and to build up knowledge about the brand.

Like Belch, et al., (2007) and Niazi et al. (2012), Terence (2007) defined advertising as a paid, mediated form of communication from an identifiable source, designed to persuade the receiver to take some action, now or in the future. The word paid in this definition distinguishes advertising from related public relations that secure unpaid space or time in media due to the news value of the public relations content. The expression mediated communication is designed to distinguish advertising, which typically is conveyed (mediated) via print and electronic media, from person-to-person forms of communication, including personal selling and word of mouth. Finally, the definition emphasizes that advertising's purpose is to influence action, either presently or in the future

Source of advertising are used in order to evaluate and determine the nature of a given individual or other group's characteristics and sociological attributes. It is the group to which the individual relates or aspires to relate him or herself psychologically. It becomes the individual's frame of reference and source for ordering his or her experiences, perceptions, cognition, and ideas of self. It is important for determining a person's self-identity, attitudes, and social ties. It becomes the basis of reference in making comparisons or contrasts and in evaluating one's appearance and performance. As a consumer, ones' decision to purchase

and use certain products and services, is influenced not only by psychological factors, ones' personality and life- style, but also by the people around them with whom they interact and the various social groups to which they belong. The groups with whom one interacts directly or indirectly influence his/her purchase. (www.marketing.com).

2.3. Empirical Related Literature Review

Michael (2012) conducted a study on the Impact of Media on Consumers' Brand Preference" A Study on Carbonated Beverage Market with Reference to Coca-Cola. The finding shows that brand preference exists in the carbonated beverage Market and the media efforts affect consumer preferences and their brand choices. The research conducted by taking three main variables, namely information, communication, and comprehension. This research revealed that the variable information has high influence in advertisement in consumers' brand preference. Here, three dimensions, namely; attractiveness, attention, and awareness, measure the variable, information. These three dimensions account for about 56% of respondents that are highly influenced by information in advertisement (Vivekananthan, 2010).

Adeolu et al. (2005) examined that the impact of advertisement on consumers' brand preference in different areas. The results showed that, from five different media used in advertising, Bournivita and how consumers viewed them in order of preference, for most consumers their preference is television advertising while newspaper and magazine shared 4.44% each and similarly Gezachew (2012) conducted with same topic with reference to electronics product and found out that from the list of advertising medias perspective, television advertising is the most preferred by consumers to create awareness. To deliver advertising message; *experts*, *celebrities* and *common men/women* were preferred by consumers to get reliable information about the brand of the beer. Chandrima (2009) conducted the research on "*The impact of electronic and print media on consumers' brand preference.*" Customers preferred television over the other medias since television provides both the audio and visual effects. This also proved that customers rely on advertisements shown/aired through medias.

Tendon (2011) assessed that the "*Impact of advertising on the brand preference of tea*" in which variables of the study are advertising, sales promotion (source of awareness) and on the other hand; income, age, gender, and education taken as independent variables. The study revealed that, creating awareness about the tea brand, advertising accounts for 72.4%

of the respondents while 2.2% respondents feel that sales promotion schemes created awareness of the brands. In the side of parameters for the parameters of tea brand, 63.8% of respondents considered quality of the product (tea) as the most important parameter and only 12.9% of respondents considered advertising as the most important reason for the preference of tea. Again the study revealed that age, income, and education have great impact on the brand preference of tea whereas gender has no impact on the brand preference of consumers.

2.4. Conceptual Framework

The researcher adopted the following framework in order to test the hypothesis. **Advertisements** are the independent variable while **Characteristics of advertisement of Messages**, **Sources of Advertisements** and **Media** are labeled under the independent variables.

Fig-1: Conceptual Framework
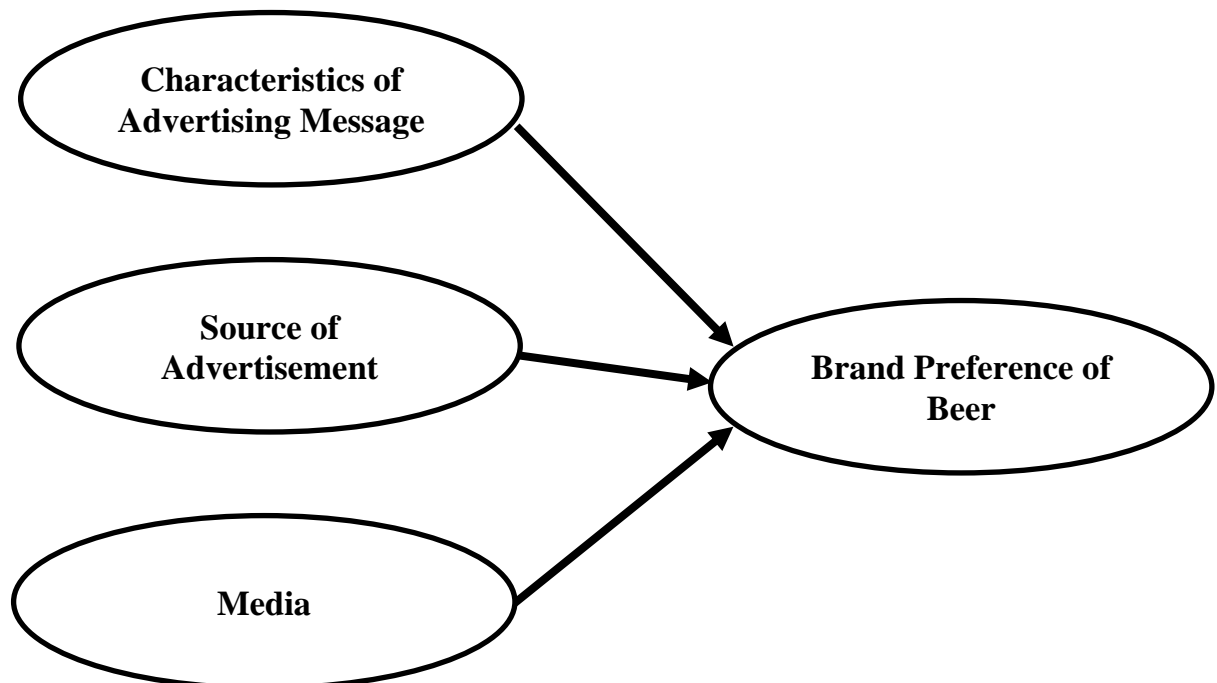
Source: Adopted from (Adeolu, Haghirian, and Madlberger, 2005; Gezachew, Singh et al., and

Michael, 2012) and (Chandrima, 2009; Vivekananthan, 2010).

CHAPTER THREE

3. RESEARCH METHODOLOGY AND DESIGN

3.1. Introduction

The research were conducted in order to assess the impact of advertisement on consumers' brand preference with reference of beer products in Addis Ababa city. In this study, positivistic approach were implemented as this approach allows the researcher to find out the truths of the observation by empirical evidence via the hypothesis-deductive method (Jankowicz, 2005 cited in Ling, 2010).

3.2. Description of Research Area

Addis Ababa is the capital city of Ethiopia. It is also the largest city in the country with a total of projected population, 4.45Million *(City Strength, Resilient Program, World Bank report, 2015). The area of Addis Ababa is about* 527 km²

Figure-2: Map of
Addis Ababa

Source: *Addis Ababa City Government Official Website [February 2019*

3.3. Research Approach/Methodology

According to Alvin C. Burns and Ronald F. Bush (2016) Marketing research studies are carried out in many different ways. Some projects are experiments of food tasting held in kitchen-like labs; others are focus groups, simulated test markets, or large, nationally representative sample surveys. Some research objectives require only secondary research, whereas others may require thousands of personal interviews. Researchers may observe consumers in convenience stores or conduct two-hour, in-depth, personal interviews in respondents' homes.

Each type of study has certain advantages and disadvantages, and one method may be more appropriate for a given research problem than another. How do marketing researchers decide which method is the most appropriate? After becoming familiar with the problem and research objectives, researchers select a **research design**, which is a set of advance decisions that makes up the master plan specifying the methods and procedures for collecting and analyzing the needed information.

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Descriptive research design were implemented in order to explore the extent of the impact of advertisement on consumers' beer brand preference.

3.4. Data Sources

Data needed for marketing management decisions are grouped into two types: primary and secondary. **Primary data** refers to information that is developed or gathered by the researcher

specifically for the research project at hand, while **Secondary data** is previously been gathered by someone other than the researcher and/or for some other purpose than the research project at hand, Alvin C. Burns and Ronald F. Bush (2014).

3.4.1. Primary Resource

For this study, primary data, questionnaires were directly collected from beer consumers who live in Addis Ababa city in bars, hotels, and groceries using structured questionnaire.

3.4.2. Secondary Resource

The secondary data were collected from different journals, articles and research papers

3.5. Sampling Design

Alvin C. Burns and Ronald F. Bush (2014), discussed that, all sample designs fall into one of two categories: probability or nonprobability. **Probability samples** are samples in which members of the population have a known chance (probability), of being selected into the sample. **Nonprobability samples**, on the other hand, are samples where the chances (probability) of selecting members from the population into the sample are unknown. Unfortunately, the terms *known* and *unknown* are misleading; to calculate a precise

probability, one would need to know the exact size of the population, and it is impossible to know the exact size of the population in most marketing research studies.

The essence of a known probability rests in the sampling method rather than in knowing the exact size of the population. Probability sampling methods are those that ensure that, if the exact size of the population were known for the moment in time that sampling took place, the probability of any member of the population being selected into the sample could be calculated. In other words, this probability value is really never calculated in actuality, but

we are assured by the sample method that the chances of any one population member being selected into the sample could be computed. This is a important theoretical notion underlying

probability sampling. With nonprobability methods there is no way to determine the probability even if the population size is known because the selection technique is subjective. As one author has described the difference, nonprobability sampling uses human intervention, whereas probability sampling does not.6 Nonprobability sampling is sometimes called "haphazard sampling" because it is prone to human error and even subconscious biases.

Hence, for this study, the researcher used the nonprobability sampling design.

3.5.1. Target Population

The target population were people who live in Addis Ababa, in respected 10 sub-cities. This includes people who are above the age of 18 years who are frequent users of beer beverages.

3.5.2. Sample Size

There are two good reasons a marketing researcher should have a basic understanding of sample size determination. First, many practitioners have a **large sample size bias**, which is a false belief that sample size determines a sample's representativeness. This bias is represented by a common question: "How large a sample should we have to be representative?" We have already established that there is no relationship between sample size and representativeness, so you already know one of the basics of sample size

determination. Second, a marketing researcher should have a basic understanding of sample size determination because sample size is often a major cost factor, particularly for personal interviews but even with telephone and online surveys. Consequently, understanding how sample size is determined will enable researchers to help managers better manage their resources.

The sample size was determined using Yemane, (1997) formulae as follows;

$n = (N) \div [1+N(e)^2]$

$n = \mathbf{1,695,701} \div [1 + \mathbf{1,695,701\ (0.05)^2}] = \mathbf{1,695,701} \div 4,239.25 = \underline{400}$

N =Total population of the study   [Source; Central statistics agency, 2007]

n =number of sample size

e =sample error

As per the formula above, the sample size taken is 400 with confidence level 95%. Hence, 400 sample respondents were selected for the study.

3.5.3. Sampling Frame

A **sample frame** is a master source of sample units in the population. You can see in Figure 9.1 that the sample frame shape does not take in all of the population shape;

further, it takes in some area that is outside the population's boundary. In other words, the sample frame does not always correspond perfectly to the population, Alvin C. Burns and Ronald F. Bush (2014).

The sample was taken from the population in Addis Ababa city (in 10 sub-cities) with the assumption of equal ratio of beer consumers as of the population in order to give equal chance of selection of the sample population. The table below shows the sub-cities that the sample of the representatives were taken from.

Table-3.1: Population distribution in Addis Ababa city

No.	Sub-city	Population	Percent (%)	Sample size
1	Lideta	130,392	7.68%	31
2	Kirkos	146,647	8.64%	34
3	Bole	190,686	11.24%	45
4	NIfas Silk Lafto	190,587	11.23%	45
5	Arada	139,415	8.22%	33
6	Akaki Kality	107,320	6.32%	25
7	Addis Ketema	160,835	9.48%	38
8	Kolfie Keranio	244,616	14.42%	58
9	Yeka	216,430	12.76%	51
10	Gulellie	168,773	9.95%	40
Total		**1,695,701**	**100%**	**400**

Source: Central statistics agency [*2007*]

3.5.4. Sampling Technique

Quota sampling is among the types of nonprobability sampling designs in which, the researcher identifies quota characteristics, such as demographic or product use factors, and uses these to set up quotas for each class of respondent. The sizes of the quotas are determined by the researcher's belief about the relative size of each class of respondent in the population. Often, quota sampling is used as a means of ensuring that convenience

samples will have the desired proportion of different respondent classes, Alvin C. Burns and Ronald F. Bush (2014).

Hence, quota-sampling technique was used for this study with the assumption of giving equal chance of selection of beer consumers in Addis Ababa.

3.5.5. Sampling Procedure

The sampling procedure was used as follows:

Table-3.2. Sampling procedure used for the research

Order	Sampling process
1	Define the population
2	Identify sampling frame
3	Specify the sampling unit
4	Specify sample design
5	Determine sample size
6	Select the sample units
7	Collect the data from the designated sample units

Source: Marketing research, primary sampling, 2010

3.6. Data Collection Instrument

The data were collected using questionnaires, which were distributed to potential respondents that are believed to be frequent users of beer in selected sample area in each sub-city in Addis Ababa. The *Likert scale,* were used in the questionnaires in order to measure

the agreement or disagreement. In the questionnaire, three sections were used; the geographic data, the components of advertisement and brand preference.

3.7. Data Analysis Methods

The questionnaires distributed, collected, coded and analysed using the statistical package for social science (SPSS 20). The data were analysed using both descriptive and inferential statistics. Descriptive analyses include frequency of distribution (to interpret demographic variables of respondents) and mean (to find the mean sores of independent and dependent variables) and inferential analysis was used for testing that includes correlations and regression. Pearson correlation also used to examine the relationship between dependent and independent variables and multiple regression analysis was used to test hypotheses and identify significant factor.

3.8. Validity Reliability

3.8.1. Validity

Validity is concerned with whether the findings are really about what they appear to be about (Sounders et. al., 2003). Validity defined as the extent to which data collection method or methods accurately measure what they were intended to measure (Sounders et. al., 2003). Numbers of different steps were taken to ensure the validity of the study:

- Data collected from the reliable sources, from respondents who have experience in building construction project.
- Survey questions made based on literature review and frame of reference to ensure result validity.

3.8.2. Reliability

Reliability refers to the consistency and stability of measurement. The finding of this research study said to be reliable if other researchers repeated this study and obtained the same result. In order to avoid the event that the respondents would feel inconvenience to answer the questions, a specific time frame for the survey questionnaire was set. The reason for that is to create a flexible time for respondents, so that they could find an opportune time to answer the questions in a concentrated way. Moreover, this manner helps to avoid the situation when some participants drop out of the studies due to lack of time. The design of questionnaire was considered carefully in order to ensure that respondents would not misunderstand the meaning of each question. Therefore the questionnaires were divided into sections for respondent to concentrate on each question. More so to increase the reliability of the study, Likert scale techniques was used in order to ensure the reliability of the measures, the Chronback's Alpha value should be >0.70.

In this study, before distributing the questionnaire to the sample respondents, the validity and reliability of it were tested by conducting a pilot survey in order to see the internal consistency and acceptability. Here, Cronbach's Alpha were used test the internal consistency.

Table-3.3. Reliability statistics,

Variables	N of Items	Cronbach's Alpha
Characteristics of Advertising Message	7	.862
Advertising Media	4	.879
Source of Advertising	3	.797
Beer Brand Preference	2	.790
Total	16	.907

Source: *Own survey, 2019*

Since, all the independent and dependent variables' Cronbach's Alpha is greater than 0.7, all are above the "acceptable) range which makes the internal consistency acceptable. This result guaranteed the researcher to proceed the study.

3.9. Research Ethics

According to Alvin C. Burns and Ronald F. Bush (2014), researchers are expected to:

- ✓ **Treat respondents in a professional manner.** Those engaged in any phase of the research process will maintain high standards of personal conduct in their interaction with respondents.
- ✓ **Provides detailed written or verbal study instructions to those engaged in the data collection process.** To ensure the success of the research, detailed instructions are to be provided prior to the start of any project. These instructions must be confirmed for understanding, ability of the agency to implement and agreement to comply.

- ✓ **Ensure that companies, their employees and subcontractors involved in the data collection process adhere to reasonable precautions so that multiple surveys are not conducted at the same time with a specific respondent without explicit permission from the sponsoring company or companies.** Company policies or procedures must prohibit the practice of multiple screening or interviewing of a single respondent during any one interview. Any deviation of this policy will require the permission and mutual consent of both Client and Data Collector. Primary specifications must be adhered to within any study. No demographic or screening information that may be used for future or additional studies will be collected.

Hence, the objective of this study ensures that no one gets harmed or suffers from the research activities (G C Beri, 2010). Here, the researcher made sure that activities that are undesirable or inappropriate are avoided. The researcher also kept the data collected from the sample respondents confidential during and after the research activity.

CHAPTER FOUR

4. DATA ANALYSIS AND INTERPRETATION

In order to gather information necessary, 400 questionnaires were distributed to the subjects/potential respondents of which 386 were collected. From these collected questionnaires, 13 of them had problems on either missing/skipping question(s) or marked twice for the same question.   14 questionnaires were not collected. Hence, 373 questionnaires, which represent 93.25% (Response rate). In this survey, female respondents were 116 (31.1%) and male respondents were 257 (69.9%).

4.1. Demographic Analysis

4.1.1. Gender of respondents

As it is indicated in the table below, from the sample respondents for this research, the number of female respondents was 116 (31.1%) and the remaining is male with frequency 257 (68.9%). From this figure, we can say than men consume more beer than that of women.

Table-4.1: Gender of respondents

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	116	31.1	31.1	31.1
	Male	257	68.9	68.9	100.0
	Total	373	100.0	100.0	

Source: Own survey, 2019: SPSS 20

4.1.2. Age of Respondents

From the survey, respondents who are in the age bracket of 18 – 30 years olds were 131 (35.1%), 31 – 40 years olds were 113 (30.3%), 41 – 50 years olds were 74 (19.8%), 51 – 60 years olds were 33(8.8%) and respondents over the age of 61years olds were 22 (5.9%). From the survey, the majority of beer consumers are in the age range of 18 – 40 years olds (65.4%).

Table-4.2: Beer consumers' age distribution

Age

	Frequency	Percent	Valid Percent	Cumulative Percent
18-30 years old	131	35.1	35.1	35.1
31-40 years old	113	30.3	30.3	65.4
Val 41-50 years old	74	19.8	19.8	85.3
id 51-60 years old	33	8.8	8.8	94.1
Over 61 years old	22	5.9	5.9	100.0
Total	373	100.0	100.0	

Source: Own survey, 2019: SPSS 20

4.1.3. Marital Status of Respondents

On the other hand, from the survey, respondents who are single (not married) were 201 (53.9%), married respondents were 149 (39.9%), widow/widower respondents were 4 (1.1%) and divorced respondents were 19 (5.1%). Thus, single respondents consume more beer than that of the others, while married respondents also take the bigger portion in beer consumption.

Table-4.3: Marital status of respondents

Marital Status

		Frequency	Percent	Valid Percent	Cumulative Percent
	Single	201	53.9	53.9	53.9
	Married	149	39.9	39.9	93.8
Valid	Widow/Widower	4	1.1	1.1	94.9
	Divorced	19	5.1	5.1	100.0
	Total	373	100.0	100.0	

Source: Own survey, 2019: SPSS 20

4.1.4. Occupation of Respondents

The other demographic data showed that, most of the beer consumers were employed in either government or private organizations with 272 respondents (72.9%), self-employed respondents were 56 (15.0%), students 26 (7%) and unemployed respondents were 19 representing only 5.1%. From the survey, we can understand that employed respondents consume much more beer than that of the others.

Table-4.4: Occupation distribution of respondents

Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
	Self-employed	56	15.0	15.0	15.0
	Student	26	7.0	7.0	22.0
Valid	Employed in Gov't/private organization	272	72.9	72.9	94.9
	Unemployed	19	5.1	5.1	100.0

Total	373	100.0	100.0	

4.2. Beer Brand preference

From the survey, Habesha beer, St.George beer and Walia beer have more consumers than that of the others with 92 (24.7%), 71 (19%) and 60 (16.1%) respectively.

Figure-3: Consumers' beer brand preference
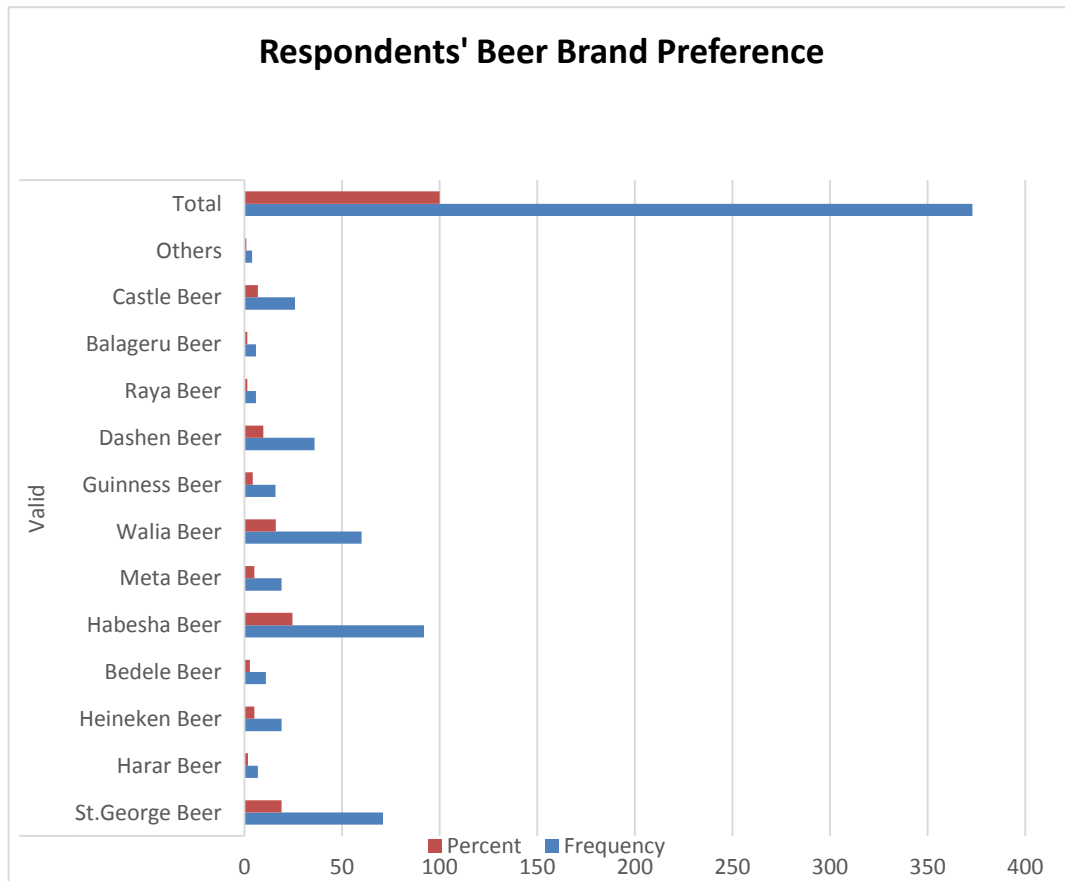
4.3. Normality Test

Normality tests are used to determine if a data set is well-modeled by a normal distribution and to compute how likely it is for a random variable underlying the data set to be normally distributed. Furthermore, the normal distribution is symmetric distribution where   most   of the observations cluster around the central peak and the probabilities for values further away from the mean are somehow taper off equally in both directions.

According to Damodar N. Gujarati (2010), A Histogram Residual is a simple graphic device that is used to learn something about the shape of the PDF of a random variable. On the horizontal axis, we divide the values of the variable of interest (e.g., OLS residuals) into suitable intervals, and in each class interval we erect rectangles equal in height to the number of observations (I.e., frequency) in that class interval. If you mentally superimpose the bell-shaped normal distribution curve on the histogram, you will get some idea as to whether normal (PDF) approximation may be appropriate.

As shown in the figures (Fig-4.1 and 4.2) below the histogram and p-plot graph, we can say that the variables are normally distributed

Figure:4: P-plot of regression standardized residual

Normal P-P Plot of Regression Standardized Residual

Dependent Variable: DV
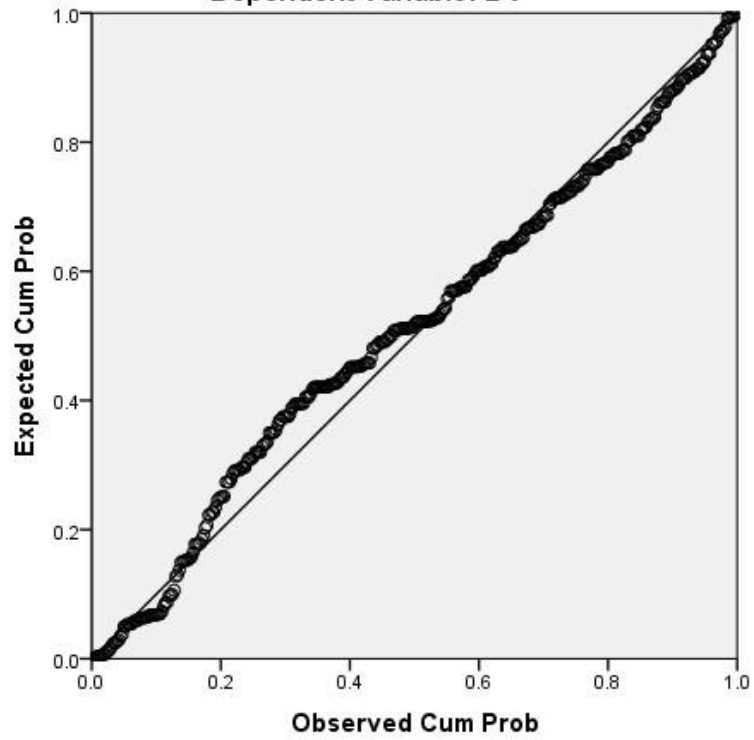
Source: Own   survey,   2019:   SPSS   20

Figure-5: Histogram
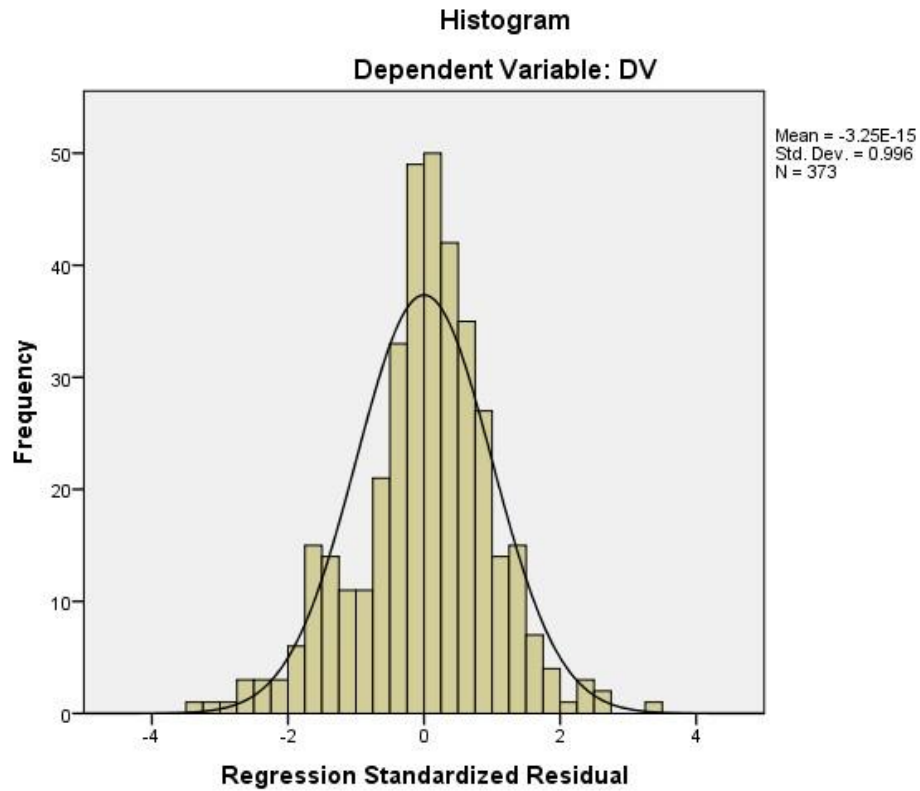
Source: Own survey, 2019: SPSS 20

4.4. The Relationship between Advertisement and Brand preference

4.4.1. Correlation analysis

The **Pearson correlation coefficient**, **r**, can take a range of values from +1 to -1. A value of 0 indicates that there is no association between the two variables. A value greater than zero (0) indicates a positive association; that is, as the value of one variable increases, so does the value of the other variable. (Zikmund, 2003)

The stronger the association of the two variables, the closer the Pearson correlation coefficient, r, will be to either +1 or -1 depending on whether the relationship is positive or negative, respectively. Achieving a value of +1 or -1 means that all your data points are included on the line of best fit – there are no data points that show any variation away from this line. Value for r between +1 and -1 (for example, $r = 0.8$ or -0.4) indicate that there is variation around the line of best fit. The closer the value of r to 0 the greater the variation around the line of best fit.

Table- 4.5: Correlations between dependent variable (*Consumers Beer Brand Preference, (DV)*) and independent variables (*Characteristics of Advertising Messages (CAM), Advertising Media (AM), Source of Advertising (SA)*).

Correlations

		CAM	AM	SA	DV
CAM	Pearson Correlation	1	.472[**]	.510[**]	.520[**]
	Sig. (2-tailed)		.000	.000	.000
	N	373	373	373	373
AM	Pearson Correlation	.472[**]	1	.523[**]	.456[**]
	Sig. (2-tailed)	.000		.000	.000
	N	373	373	373	373
SA	Pearson Correlation	.510[**]	.523[**]	1	.472[**]
	Sig. (2-tailed)	.000	.000		.000
	N	373	373	373	373
DV	Pearson Correlation	.520[**]	.456[**]	.472[**]	1
	Sig. (2-tailed)	.000	.000	.000	
	N	373	373	373	373

Dependent variable: Beer brand preference (DV)

Source: Own Survey, 2019

4.4.2. Regression analysis

Multiple regression analysis

Multiple regression analysis is a statistical technique which analyzes the linear relationships between a dependent variable and multiple independent variables by estimating coefficients of the equation of straight line" (Hair et al., 2004). Six hypotheses were tested using multiple regression analysis, because the correlation table 5 shows only the relationship between the variables, but the exact percent changes of the dependent and independent variables, the strength and degree of the relationship between variables. Hence, it appeared to be necessary to show all these details.

Table- 4.6: Result of Regression Analysis Components of Advertisement Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.016	.207		4.919	.000
	CAM	.351	.055	.322	6.357	.000
	AM	.193	.050	.196	3.842	.000
	SA	.218	.056	.205	3.914	.000

Dependent variable: Beer Brand Preference

Source: Own Survey, 2019 SPSS 20

Table 4.6 shows that the result of multiple regression analysis between dependent variable (Brand Preference) and independent variables (Characteristics of Advertising Messages, Advertising Media and Source of Advertising). As shown in the table, the study showed that all independent variables have significant level below 0.05 (p<0.05). On the other hand, Beta values (individual independent variables) influence the dependent variable. Of the list

of independent variables, Characteristics of Advertising tops with Beta value 0.322. Meaning, there is 32.2% variation in consumers' brand preference, which is significant at 0.000. In conclusion, from this study we can understand that Characteristics of Advertising Message (CAM) influences consumers' beer brand preference.

Other independent variables have also influence on consumers' beer brand preference. Advertising Media (AM) with Beta value 0.196 or by 19.6% and Source of Advertising with Beta value 0.205 or by 20.5%.

Table- 4.7: Result of regression analysis of Characteristics of Advertising Messages (CAM)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.795	.185		9.707	.000
	Trust advertisements influence	.020	.055	.026	.369	.712
	Price influence	.120	.052	.150	2.297	.022
	Impressive advertisements	.085	.053	.104	1.606	.109
	Easily understandable advertisements	.104	.049	.129	2.129	.034
	Grabbing advertisements	.077	.046	.094	1.685	.093
	Repeated advertisements	.086	.047	.105	1.823	.069
	Creative advertisements	.078	.044	.098	1.763	.079

Dependent variable: Beer Brand Preference (DV)

Source: Own survey, 2019 SPSS, 2019

Table 4.7, showed the result of multiple regression analysis between dependent variable brand preference and independent variables (Characteristics of Advertising Messages, CAM). Hence, the study revealed that all independent variables have significant level below 0.05 (p<0.05), meaning the CAM have direct impact on consumers brand preferences of beer products.

Table- 4.8: Result of regression analysis of Advertising Media (AM)

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	2.140	.181		11.843	.000
	Television (TV)	.191	.061	.223	3.099	. 002
	Radio	.178	.061	.204	2.906	.004
	Internet	-.023	.058	-.027	-.393	. 694
	Newsletters	.104	.058	.128	1.795	.073

Dependent variable: Beer Brand Preference (DV)

Source: Own survey, 2019

Table -4.8 reveals the result of multiple regression analysis between dependent variable (Consumers' brand preference) and independent variables (Television, Radio, Internet and Newsletters advertising). As shown in the table, the study discovered that all independent variables such as television, radio and newsletters/magazines advertising media have significant level below 0.05 (p<0.05) except the internet and newsletter advertisings having "p" value 0.766 which is greater than 0.05. That means; all advertising media have no equal impact on consumers brand preferences of beer products.

Table-4.9: Result of Regression analysis Source of Advertising (SA).

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.925	.193		9.966	.000
	Celebrities influences	.240	.056	.255	4.301	.000
	Families' and Friends' influences	.088	.053	.103	1.662	.097
	Professionals/experts influence	.183	.052	.205	3.487	.001

Dependent variable: Beer Brand Preference (DV)

Source: Own survey, 2019

From table 4.9, we can see that the result of multiple regression analysis between dependent variable (Consumers' Beer Brand Preference) and independent variables (Celebrities' influence, Family & Friends' influence and professionals'/experts' influence). This study showed that, all reference groups have significant level below 0.05 ($p<0.05$) that means, all of the reference groups have significant impact on consumers brand preferences of beer products except Family & Friends' influence. Meaning, the impact of families and friends' influence is not as significant as that of the other variables.

CHAPTER FIVE

5. Conclusion and Recommendation

5.1. Summary of Findings

The result of regression analysis also shows that variables, advertising media, source of advertising and characteristics of advertising messages have all significant impact on consumers' beer brand preference. In addition, celebrities influence on consumers' beer brand preference. In addition to celebrities, professionals/experts and families/friends' influence are significant.

The independent variables; Characteristics of Advertising Messages (CAM), Advertising Media (AM), Source of Advertising (SA) are well the correlated with dependent variable; beer brand preference. As it's also mentioned in the analysis section of this paper, the regression analysis showed that the independent variables have significant impact on consumers' beer brand preference.

5.2. Conclusion

Advertising is a major promotion tool. It offers planned and controlled message. It can contact and influence numerous people simultaneously, quickly and at a low cost per prospect. Hence, it is called "mass means of communication". Mass production and mass distribution totally depend on all forms of advertising and mass distribution and publicity. Advertising is the backbone of modern national and international marketing. Advertisements' main objective is promotion of new-product, support to personal selling and brand patronage.

In this study, consumers' beer brand preference from top to down are Habesha beer, St.George beer and Walia beer in which the others follow. The finding of the study also showed that consumers are interested in being informed about the quality of the product and its benefits through advertising.

The result indicates that among advertising media, TV advertising tops the other medias in influencing consumers' brand preference of beer products. On the low level, the study showed that, internet and newsletter advertising have very low influence on consumers' beer brand preference. This *could be* due to the poor culture of reading newsletters and the low rate of using the internet in the city.

In conclusion, advertisement has great impact on consumers brand preference of beer in Addis Ababa City. Besides, to have win the market share, beer companies should be able to understand the need, location, and target of their product consumers in Addis Ababa city.

5.3. Recommendation

Television is now the most powerful tool to reach consumers from the list of Medias. Companies are hence highly recommended to use this media to creat brand awareness among the people who are living in Addis Ababa city. This may also go along with finding out the types of shows that most the youth and adults, which ranges from 18 to 40 years old, attend, as this group is the one, which consumes more beer product. The researcher also encourages to other researchers who are interested to conduct research on "Which channel and TV shows are the youth and adults between the age of 18 and 40 like to watch". The researcher also recommended for future researchers to conduct why the Internet and Newsletter advertisements are less effective in beer advertisements.

Beer companies are also recommended to use celebrities like; actors, musicians, models and others to advertise their beer products.

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APPENDICES

Appendix 1: Questionnaire (English)

This questionnaire will be used for a research entitled "***The Effect of Advertisement on Brand Preference of Beer Products with Reference of Addis Ababa City***" and is conducted for Masters of Art program in Marketing Management at St.Mary's University, Addis Ababa, Ethiopia.

The information provided by respondents/subjects will be used for academic purposes only and will not be given to any other body. Your answers are also anonymous. **Kindly be honest**. Please put an "x" mark in the box which represents your choice answer or fill in the gaps appropriately.

Part-1: Demographic Data

1. What is your age bracket (In years)?

18-30   31-40   41-50   51-60   over 61

☐   ☐   ☐   ☐   ☐

2. What is your gender?

Male ☐   Female ☐

3. What is your marital status?

Married   Single   Widow/Widower   Divorced

☐   ☐   ☐   ☐

4. Occupation

Self-employed ☐   Student ☐   Employed in Gov't/private org<u>n</u>. ☐

Unemployed ☐

5. What is your beer brand preference?

St. George Beer ☐ Harar Beer ☐ Heineken Beer ☐ Bedele Beer ☐ Habesha Beer

Meta Beer ☐ Walia Beer ☐ Guinness Beer ☐ Dashen Beer ☐

Raya Beer ☐ Balageru Beer ☐ Castle Beer ☐ Others

Part-2

NO.	Questions						SD
	Characteristics of Advertising Message						
1.	Trust advertisements influence my beer brand preference	**CAM**					
2.	Price is the main factor for me to decide on beer preference	**CAM 2**					
3.	Impressive advertisements influence my beer brand	**CAM 3**					
4.	Easily understandable advertisements influence my beer brand preference	**CAM 4**					
5.	Grabbing advertisements influence by beer brand	**CAM**					
6.	Advertisements that are repeatedly advertised on the radio influence my beer brand preference	**CAM 6**					
7.	Creative advertisements influence my beer brand	**CAM 7**					
	Advertising Media						
8.	Beer advertisements on the Television (TV) influences my brand preference	**AM1**					
9.	Beer advertisements on the radio influences my brand	**AM2**					
10.	Beer advertisements on the internet influences my brand	**AM3**					☐
11.	Beer advertisements on the newsletters influences my brand preference	**AM4**					
	Source of Advertising						

12.	Celebrities influences my beer brand preference.	SA1					
13.	My families' and Friends' recommendation influences by beer brand preference	SA2					
14.	Advertisement made by professional/experts influences by beer brand preference	SA3					
	Dependent Variables						
15.	Advertisement has an impact on my brand preference of beer product	DV1					
16.	Advertising creates brand awareness & recall leads to choose the brand	DV2					

**Appendix 2: Research Questionnaire (Amharic)**

የ ፅ ሐፍ መጠይቅ

ይህ መጠይቅ "በአዲስ አበባ ከተማነ ዋሪች የ ቢራ የ ማክታዎቂያ የ ደንበኞች ምርጫላይ ምን ያህል ተጽዕኖ እንዳለዉ ለማወቅ" በ ማ ርእስ ለ ማስተርስ ዲግሪ ፕሮግራም (Masters of Art) የ ማይረነ ግነ ዉ: :

እ ርስዎ የ ማክጠት ሚጃ በ ጮ ለ ትምህርት ዓላማ ብቻ የ ማዋል ሲሆን ለ ሴላ አ ካል ፈጽሞ አ ይሰጥም : ስምዎትን መጻፍ አ ይጠበቅብዎትም: : እ ባ ክዎን ምር ጫዎን የ ማዋክለ ዉን በ ማዋክለ ሳጥን ወስጥ የ "x" ም ልክት በ ማድረግ እ ና እ ዉነ ታዉን በ መ ሞላ ት ይ ተባበሩ ኝ: :

ጊ ዜዎትን ሰዉ ዉ ለ ማ ዖ ደ ርጉት ቀና ት በ ጠር ከ ል ብ አ ሜ ግ ና ለ ሁ!

ክፍል -1   የ ስነ -ሕዝብ አ ወ ቃ ቀር ሚ ጃ

1. ስ ን ት ዓ መ ት ዎ ነ ወ?

   18-30   31-40   41-50   51-60   ከ 61 በ ላ ይ
   ☐   ☐   ☐   ☐   ☐

2. ጾ ታ

   ወ ን ድ ☐   ሴ ት ☐

3. የ ጋ ብ ቻ ሁ ኔ ታ ዎ ም ን ድ ነ ወ?

   ያ ገ ባ /ች ☐   ያ ላ ገ ባ /ች ☐

4. የ ስ ራ ሁ ኔ ታ

   በ ግ ል ሥ ራ ላ ይ የ ተ ሰ ማ ራ /ች ☐   ተ ማ ሪ ☐   በ መ ን ግ ስ ት /በ ግ ል መ /ቤ ት የ ተ ቀ ጠ ሪ /ች ☐

   ስ ራ የ ሌ ለ ዉ /የ ሌ ላ ት ☐

5. የ ት ኛ ዉ ን የ ቢ ራ ም ረ ት አ ዘ ዉ ት ረ ዉ ይ ጠ ጣ ሉ

ቅ/ጊዮርጊስ ቢራ ☐ ሐረር ቢራ ☐ ሀይነክን ቢራ ☐ በደሌ ቢራ ☐ ሀበሻ ቢራ ☐

ማጣ ቢራ ☐ ዋልያ ቢራ ☐ ጊነስ ቢራ ☐ በላገሩ ቢራ ☐ በስትል ቢራ ☐

ሌላ ☐

ክፍል-2፡ አጠቃላይ የደንበኛነት ማኪያዎች (እባክዎ ምርጫዎን የማ_ክለወን ቁጥር ያክብቡ!)

ቁጥር		ጥያቄ	በጣም	ተ አልመመ	እርግጠኛ		በጣም
1		አሜታ እንዲኖራቸዉ ተደረገዉ የተሰሩ ማክታዋቂያዎች በቢራ የምርት ምርጫላይ ተፅእኖ ያሳድሩብኛል፡ :	1	2	3	4	5
2		የ ቢራ ምርጫ ቢራዉበ_ጠበት ዋጋ በቢራ የ ምርት ምርጫ ላይ ተፅእኖ አለው	1	2	3	4	5
3		አስገራ_ና አስደናቂ ማክታወቂያዎች በእኔ የ ቢራ	1	2	3	4	5
4		ለመዳት በጣምቀላል የ ሆኑ የ ቢራ ማክታዋቂያች የ ቢራ	1	2	3	4	5
5		የ ማየረሱ የ ቢራ ማክታዋቂያች የ ቢራ ምርጫ ላይ ተጽዕኖ ያሳድራሉ፡ :	1	2	3	4	5
6		የ ማድጋገ መየ ቢራ ማክታወቂያዎች በእኔ የ ቢራ የ ምርት	1	2	3	4	5
7		በፈጠራ አይነ ታቸዉልዩ የ ሆኑ የ ቢራ የ ማክታወቂያዎች	1	2	3	4	5
8		በቴሌቪዥን የ ማታዋወቁ የ ቢራ ማክታወቂያዎች የ እኔን	1	2	3	4	
9		በሬዲዮ የ ማታዋወቁ የ ቢራ ማክታወቂያዎች የ እኔ የ ቢራ	1	2	3	4	5

10		በኢንተርኔት የሚታዋወቁ የቢራ ማስታዋቂያዎች የእኔ	1	2	3	4	5
11		በመጽሐት እና በጋዜጣ የሚታዋወቁ የቢራ ማስታወቂያዎች የእኔ የቢራ ምርጫ ላይ ተጽእኖ	1	2	3	4	5
12		በታዋቂ ሰዎች የሚስራ የቢራ ማስዋቂያ የቢራ	1	2	3	4	5
13	የመጨ ተወሰቀያ	የቤተሰቦቼ እና የጓደኞቼ ምክሮች የቢራ የምርት ምርጫ	1	2	3	4	5
14		በባለሞያዎች የሚረጉ ማስታወቂያዎች የቢራ ምርጫ	1	2	3	4	5
15		የቢራ ማስታዋቂያዎች የኔ የቢራ ምርጫላይ ተፅዕኖ	1	2	3	4	5
16		ማስታዋያዎች ስለምርቶች ያለኝን ግንዛቤከፍ	1	2	3	4	5

ሚያዝያ 2011 ዓ.ም.

Appendix 3: Research Time Frame

The time budget consists of work plan, as indicated in months that includes the period from approval of the proposal to submission of the final research work.

Table 2: Work plan of the research work

No.	Description	Time																			
		March				April				May				June				July			
	Weeks	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4	W1	W2	W3	W4
1	Terms of Reference Preparation		▓	▓																	
2	Questionnaire design		▓	▓																	
3	Review of Literature					▓	▓	▓	▓	▓	▓										
4	Data Collection					▓	▓	▓	▓	▓	▓	▓									
5	Data entry and analysis									▓	▓	▓	▓	▓	▓						
6	Submission of first draft															▓					
7	Submission of final draft																				
8	Defense																▓				