



**ST. MARY'S UNIVERSITY  
SCHOOL OF GRADUATE STUDIES  
MARKETING MANAGEMENT GRADUATE PROGRAM**

**THE EFFECT OF PROMOTION MIX STRATEGIES ON DEPOSIT MOBILIZATION OF  
COMMERCIAL BANK OF ETHIOPIA**

**By  
Abeba Gebrecherkos**

**A Thesis submitted to St. Mary's University for the Partial Fulfillment of the requirements  
for the Award of Masters of Arts in Marketing Management.**

**Advisor: Shiferaw Mitiku (PhD)**

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**BY: ABEBA G/CHERKOS**

**ID NO. SGS/0393/2011A**

**ADVISOR: SHIFERAW MITIKU, PhD**

**DECEMBER, 2021**

**ADDIS ABABA, ETHIOPIA**

## **DECLARATION**

I hereby declare that this study entitled “The Effect of Promotion mix strategies on Deposit Mobilization of Commercial Bank of Ethiopia” is my original work submitted in partial fulfillment of the requirement for the award of Master of Arts Degree in Marketing Management from St. Mary University and it has not been previously submitted to any diploma or degree in any college or university and all the sources used for the study are properly acknowledged.

Student Name: Abeba G/Cherkos

Signature \_\_\_\_\_

Date: \_\_\_\_\_

SMU, Addis Ababa, Ethiopia

## LETTER OF CERTIFICATION

This is to certify that Abeba G/Cherkos carried out her study on the topic entitled “The Effect of Promotion mix strategies on deposit mobilization of Commercial Bank of Ethiopia. “This work is original in nature and appropriate for submission for the award of the Masters of Degree in Marketing Management.

Dr. Shiferaw Mitiku  
(The research advisor)

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date



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## **Acronyms and Abbreviations**

ATM	Automated Teller Machine
CBE	Commercial Bank of Ethiopia
CD	Certificate of Deposit
SPSS	Statistical Package for Social Science

## ABSTRACT

*The purpose of this study is to determine the effect of Promotion mix strategies on deposit mobilization of Commercial Bank of Ethiopia. The target population of the study was Commercial Bank of Ethiopia's employees and customers who are found in Addis Ababa. A standard 5-point Likert scale questionnaires were distributed to a total of 368 respondents. A convenience sampling technique was used to determine the sample members. The objectives of the research were to assess the promotion practices of Commercial Bank of Ethiopia, to identify the most preferable promotion mix practices in influencing deposit mobilization, to measure the role of promotional mix practices of Commercial Bank of Ethiopia on deposit mobilization, to identify the major challenges of promotional mix practices of Commercial Bank of Ethiopia. A quantitative and qualitative research approach was applied to collect data from employees and customers in Commercial Bank of Ethiopia. To achieve this, a questionnaire survey was conducted by taking the most important promotion mix elements that were identified by various researchers from literature. In order to achieve the objectives of this study, questionnaires were analyzed using descriptive analysis with the help of statistical package for social science version 20 statistical software program. Kendall's coefficients of Concordance analysis were done to test the level of agreement among the respondents in rating the questionnaires. The findings from the study reveals that all promotion mix elements such as advertising, sales promotion, Personal selling, public relations and publicity, and direct marketing have significant and positive effect on Commercial Bank of Ethiopia's deposit mobilization. Both the employee and customer respondents have given Advertisement a high rating result from the other promotion mix elements in influencing customers. Therefore, the management of CBE in collaboration with the Business Development Sub-process should give much attention to the promotion mix strategies and practices to achieve the required result.*

**KEY WORDS:** *Advertising, Sales Promotion, Personal Selling, Public Relations and Publicity, Direct Marketing, and Deposit Mobilization.*

# CHAPTER ONE

## 1. Introduction

In this chapter background of the study, statement of the problem, research questions, objective of the study, scope of the study, significance of the study and organization of the thesis are discussed in detail.

### 1.1. Background of the Study

Promotion is the direct way an organization tries to reach its publics. This is performed through the five elements of the promotion mix including advertising, sales promotion, personal selling, public relations and the direct marketing (Czinkota&Ronkainen,2004). With the growing importance of the financial sector, pressures are escalating for effective marketing management of the financial services. Despite their center sessions, the financial service sector is continuing to grow in terms of turnover and profits and thus, has a supreme impact on the other spheres of the economy. Consequently, there is currently growing interest in applying marketing techniques and tools in financial services (Meidan, 1996). In spite of major changes on the market to financial institutions, there are indications that banks have not yet successfully embraced the marketing philosophy or achieved levels of its implementation consistent with satisfied customers.

Financial institutions are realizing that their established promotion practices are inadequate for new market conditions as levels of customer refraction in the sector grow. Traditionally, banks have tried to reach out to everyone in the community, but recent research proposes that banks should aim to identify and serve micro-segments (Dawes &Brown, 2000). The role of promotion has been redefined in to managing long-term relationship with selected customers, including construction of learning relationship where the marketer maintains a dialogue with an individual customer (Dawes &Brown, 2000). Due to this fact, the personnel are one of the most important resources of a bank. In financial services, people are primarily bothered about security of their funds and default risks. Cox (2007) contends that financial service providers are not perceived highly trusted, so that they might have difficulty in selling risk-based products. The effort to promote banking business is quite a distinguished affair. At present, it has become every tricky due to the changing trends of the industry, increasing competition and efficiency of regulatory environment, and the financial system.

The complexity in the banking services is also an issue of vital importance. This is the time when banks are offering new and innovative services; frequently in the market. The content of promotional tools should help the customer in making most valuable decision. This can be firmly said that well designed promotional strategies are very important to promote banking services effectively. In marketing any product or service, customer satisfaction has been given prime importance. The most frustrating aspect of bank marketing are lack of management support, lack of inter-departmental co-operation, crisis management, government intrusion and advertising and media problems (*Berry, 1980*). Sarin A. (2007) observes that manpower in service organizations must work with the focus of satisfying the customer. Banking should bring out the areas requiring improvement and which further illuminate the measures to improve the quality of services. Promotional packages are very important for financial service industry (*Ananda & Murugaiah, 2003*). Thus the orientation of banks should be with a much wider focus in relation to customer and market needs, and the consequent marketing strategies. The challenges put forth by the changing environment have to be effectively tackled to identify the consumer needs and providing valuable services through product innovation (*Raman, 2006*). In banking, the temporal and spatial dimensions are perceived as more important than traditional dimensions based on outcome and process elements (*Kristina, 2006*).

*Kristina (2006)* recommends that promotional strategies should be designed as per the nature of services to be promoted. The advertisers should seek a narrative approach to communicate the service experience rather than a logical, argumentative approach. Location convenience, speed of service, competence and friendliness of bank personnel are also the most important points with maximum value in banking services (*Laroche, 1986*). *Meidan (1976)* indicates that about 90% of the respondents banked at the branch nearest to their home place and place of work. Convenience in terms of location was also found to be the single most important factor for selecting a branch. It has been generalized in studies that services marketing are more challenging than the advertising of tangible products (*Ray & Suchetana, 2006*). While formulating marketing strategy, a bank should focus attention on; consumers sovereignty, attitude, responsiveness and personal skills of bank staff ,revitalizing the marketing department, top management support to the marketing department and participation of marketing personnel in key bank decisions (*Kumar, 1991*). In general, promotional activities are essential for any business to ensure sustainable growth and profit. As a service-oriented industry banks are not exception.

The Commercial Bank of Ethiopia (CBE) is the leading bank that introduced modern banking in the country. Currently, the bank has been operating with the strategic vision of becoming world class commercial bank by the year 2025. In this respect, the bank needs to effectively communicate and promote its services to the existing as well as new customers.

This study therefore, has the aim to examine the practice of promotion in CBE and its influence on deposit mobilization.

## 1.2. Background of the study area

The history of the Commercial Bank of Ethiopia (CBE) dates back to the establishment of the State Bank of Ethiopia in 1942. CBE was legally established as a share company in 1963. In 1974, CBE merged with the privately owned Addis Ababa Bank. Since then, it has been playing significant roles in the development of the country. Pioneer to introduce modern banking to the country. It has more than 1600 branches stretched across the country as at December 31, 2019. The leading African bank with assets of 711.96 billion Birr as on June 30<sup>th</sup> 2019. It plays a catalytic role in the economic progress and development of the country and the first bank in Ethiopia to introduce ATM service for local users.

Currently CBE has more than 27.5 million account holders and the number of Mobile and Internet Banking users also reached more than 4.6 million as of Dec. 31<sup>st</sup>, 2020. Active ATM card holders reached more than 6.4 million. As of Dec 30<sup>th</sup> 2019, 2513 ATM machine and 9539 POS machines were available. It has strong correspondent relationship with more than 50 renowned foreign banks like Commerz Bank A.G, Royal Bank of Canada, City Bank, HSBC Bank and CBE has a SWIFT bilateral arrangement with more than 700 others banks across the world. CBE combines a wide capital base with more than 37,894 talented and committed permanent employees and more than 22000 outsourced jobs as of June 30, 2019. CBE is pioneer to introduce western union money transfer services in Ethiopia early 1990s and currently working with other 20 money transfer agents like Money Gram, Atlantic international (Bole), Xpress Money. CBE has opened four branches in South Sudan and has been in the business since June 2009. CBE has reliable and long standing relationships with many international acclaimed banks throughout the world.

Commercial Bank of Ethiopia, as a state owned bank, has a responsibility of creating awareness about saving and creating a cashless society. In addition to this, the bank has also a responsibility of mobilizing deposits for the financing of mega projects of the country. In doing so, the bank has been making unreserved efforts to mobilize deposits by employing different promotional instruments suitable in reaching the society through its business development sub process which is responsible to handle its promotion strategies (<http://www.combanketh.et>).

### 1.3. Statement of the Problem

Globalization and Technological advancement has put banks in to tough competition. Banking now has become a fragmented market with a large number of banks offering mostly the same products and services and thus making it easier for customers to leave one bank for another.

In this competitive environment, marketing and especially promotional tools and plans are very important factors for success in the market. The competition between commercial banks as well as amongst financial institutes has forced them to devise strategic marketing plan and use research techniques (Kaynak& Whiteley, 1999). Commercial banks become customer driven by focus on almost universal mission and becoming more market-oriented. They also claims that commercial banks should know customers' attitudes, perceptions, knowledge structures and behavioral tendencies extensively, if they made significant market program plans and effective marketing strategies are to be developed and established. Also banks target customers "image should be aligning with the services which the bank offers. This scenario gave rise to the importance of deploying proper promotion strategy which incorporates segmenting, targeting, positioning, and integrating promotion mix elements entails various adverse effects on the institutions resource mobilization effort.

Promotion of financial services is an understudied area. Much of the banking marketing literature has concentrated on marketing theory more than promotion practice. Effective promotion of financial services is crucial since services are intangible products, and it is hard to stand out, considering the fact that all banks offer similar products (Meidan, 1996). A bank's services are barely unique and they are easy for competitors to copy (Marquardt, 1994). Additionally, many people cannot make a distinction between different financial services available. (Maidan,1996).

According to Andualem .U. And K. Sambasiva (2017), the Ethiopian adult population in 2014 was 53.9 million, with 11.75 million adults having a financial account and 42.15 million being unbanked whereas by 2016 the adult population in Ethiopia was 55.19 million, with 18.69 million adults having a financial account and 36.5 million unbanked which means only 33.86 percent of adults have account with formal financial institutions. They find evidence that in Ethiopia, in 2016, about 36.5million adults (66.14 percent adults) are unbanked, without an account. This data indicates that there is still a huge potential for increasing the number of account holders by financial institutions and mobilize deposits. In order to attract those unbanked people banks should have developed well-organized promotional strategies for their services which most of commercial banks lack.



Currently CBE has more than 27 million account holders. This figure shows that there is a huge potential to increase the number of its customers since the population of Ethiopia is about 115 million (worldpopulationreview.com). In order to increase the number of customers and achieve its deposit mobilization goal, CBE is trying to promote its services to the general public using various promotion strategies including air time coverage through television program which is currently transmitting through EBS TV.

Currently, parallel to its branch expansion tasks, CBE is aggressively working towards introducing its products and services and building a cultural transformation towards saving and utilization of formal financial services. In doing so, it has been employing different promotional instruments suitable in reaching the society. However, the practice of promotion of CBE and its influence on the general public and/or the society is not yet studied. Hence, conducting this study was very timely and relevant. This study was therefore, aimed to examine the practice of promotion in CBE and its influence on saving behavior of customers and potential customers.

#### 1.4. Research Questions

The study was conducted with the aim of answering the following research questions.

1. What are the components of promotion mix elements that are used in deposit mobilization of Commercial Bank of Ethiopia?
2. How is promotion being practiced in Commercial Bank of Ethiopia?
3. What is the most preferable promotion mix element in the practice of deposit mobilization?
4. What is the role of promotion mix elements on CBE's deposit mobilization activity?
5. What are the major challenges of promotion mix practices of CBE?

#### 1.5. Objectives of the Study

##### 1.5.1. General objective

The general objective of the study is to assess the effect of promotion mix strategies on deposit mobilization of Commercial Bank of Ethiopia. The research has covered the four districts which are found in Addis Ababa

### 1.5.2. Specific objectives

The following are specific objectives of the study.

- To identify the components of promotion mix elements that is used to mobilize deposit in Commercial Bank of Ethiopia.
- To assess the promotion practices of CBE.
- To identify the most preferable promotion mix practices in influencing deposit mobilization
- To measure the role of promotional mix practices of CBE on deposit mobilization.
- To identify the major challenges of promotional mix practices of CBE.

### 1.6. Scope of the Study

Commercial Bank of Ethiopia has about 1,600 branches throughout the country. But due to time and financial constraints this research paper has covered only branches from the four districts which are found in Addis Ababa. These districts are North Addis, South Addis, East Addis, and West Addis District. Conceptually this research has focused on the promotional mix elements such as: advertising, public relation, sales promotion, personal selling and direct marketing. Other variables which may have impacts on deposit mobilization efforts of CBE were out of the scope of this research.

### 1.7. Significance of the study

Commercial Bank of Ethiopia spends large amount of money on promotion to attract new customers as well as to retain existing customers with the intention of mobilizing deposits. But to achieve the required result it would be necessary to examine effectiveness of the promotion practice of commercial banks specifically Commercial Bank of Ethiopia. Therefore, this research is conducted with the intention of examining the promotion practice of Commercial Bank of Ethiopia and the findings from the research would help the policy makers and all concerned parties of the bank and the bank industry in general. More over this research would serve as an input for researchers who want to study in this specific area.

### 1.8. Limitation of the Study

There were some factors that were found as limitations in conducting this research. The outcome of the study mainly depends on the responses of respondents who were included in the sample study from Addis Ababa. Due to this reason the outcome of the study may not be seen as representative of the whole

public. Moreover, conceptually, the study covers only one element of the marketing mix which is the promotion. It would have been better if it covers all the marketing mix such as product, price and place.

### 1.9. Definition of terms

**Promotion:** is any marketing activity whose function is to inform or persuade actual or potential customers about the merits of given product or service for the purpose of inducing a consumer either to start purchasing or to continue purchasing the firm's product or service (Bamigboye, 2001)

**Promotion strategy:** is the direct way in which an organization communicates the product or service to its target audiences (Brassington & Pettitt, 2000).

**Promotion mix** - is a set of components that interact and integrated together to achieve the institution promotional objectives in the context of the prevailing marketing philosophy. The components include advertising, sales promotion, personal selling, public relation and direct marketing (Kotler & Keller, 2006).

**Advertising**-Is defined as any non-personal communication means of ideas or products by using mass communications media such as television, newspapers, magazines, cinema ,radio etc. and is implemented through a specific sponsor, for a fee paid to influence consumer behavior (Kotler. &Keller, 2006; Mualla,2007).

**Sales promotion**- is defined as all marketing actions focusing on eliciting an immediate response from the target market by offering value incentives to members of the distribution channel and/or the final consumer (Belch &Belch,2007).

**Personal Selling**- Is defined as a verbal communication and face-to-face interaction with one or more of the potential buyers in order to provide the product or service, or to answer questions, or to respond to requests or others (McCarthy &Perrault,2004).

**Public Relations**-Interested in building a good relations between the organization and its audience, and achieving satisfaction and mutual understanding, either internally or externally, through the implementation of policies and programs based on the principle of social responsibility, and employing media to build a good image of the organization. They also include all activities carried out by the organization in order to enhance or improve its image in the community such as supporting and participating positively in social, environmental, health, and public issues (Lovelock &Wirtz,2004).

**Direct Marketing**-Direct marketing consists of direct communications with carefully targeted individual customers to obtain an immediate response and cultivate lasting customer relationships. (Kotler & Armstrong, 2005).

#### 1.10. Organization of the study

This research has five chapters. Chapter one contains Background of the study, statement of the problem, research questions, objectives of the study, scope of the study, significance of the study, Chapter two covers theoretical and empirical literatures which are relevant to the subject matter under study, Chapter three describes methodology part of the study, Chapter four presents results, discussion and interpretation and the fifth chapter discusses about the summary conclusion and recommendation of the thesis. Furthermore, References and annexes such as questionnaire are presented.

## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

#### **Introduction**

This chapter reviews theoretical, empirical and conceptual framework literatures from different sources. The first section deals with theoretical literature review about promotional mix strategy. The second section reviews empirical evidence about the subject matter and also conceptual framework were presented.

#### **2.1. Promotion in the Banking Sector**

The banking sector seems to have displayed a weak approach towards promotion strategies. There seems to be a lack of commitment to advertising, communication, and personal selling. Customers are not aware of deposit related schemes except savings accounts and usage of other schemes is quite poor. Among credit-related schemes, loan against deposits, facilities like demand draft, safe deposit lockers, travelers' cheques, and gift cheques are better known. However, their usage is very low. A good number of services are not at all popular owing to low awareness and usage. Customers can be made aware of these services and their usage improved through meetings, exhibitions, personal contacts, etc. Meetings can be held (at least twice in a month) between bank staff and customers which would help customers become aware of various banking services and motivate to use these services. Bank staff can also identify problems customers face in using these services (Martin, 2015).

#### **2.2. The Role of Promotion**

Promotion is the communication aspect of the marketing mix. It is creating a channel for conversation with the targeted consumer base. Through promotion, the company aims to attract the customer's attention and give them enough information about the product to foster enough interest to motivate them to purchase. Understanding the dynamics of the target audience and deciding which modes of promotion are likely to help meet targets. Once the channel is decided, information from other elements of the mix is incorporated to ensure that the message sent corresponds to the actual product features, benefits, and user experience. None of the elements of the marketing mix works in isolation (Martin, 2015). Different organizations have different expectations from their promotional activities. These expectations are developed into objectives, which then form or mold the selection and execution of these activities. Some possible objectives of promotion for any company may include:

### 2.2.1. Building Awareness

Often, a product or brand may need to create an identity within the market. For the most part, this applies to a new company, a new brand, or a new product. However, often it may also be needed in 9 times of rebranding or building up a failing product. The aim then is to select those promotional activities that help inform the customer about the company and the product.

### 2.2.2. Creating Interest

If the customer has already an awareness about the product or has been made aware through some activities, it becomes necessary to move them along to actual purchasing behavior. The aim here is to identify a need that the product fulfills and make sure that the customer recognizes this need as something that is unfulfilled for them.

### 2.2.3. Providing Information

Sometimes, a company may just need to provide necessary information regarding the product, its benefits, features, or usage to the consumer. This may be the case if a new product is introduced into the market. Unique features or benefits may need to be explained. In other cases, a new feature on an existing product may need to be highlighted. In some cases, such as in instances where environmental impact or health scares may be in play, information about a change in business practices and company policy may need to be communicated (Martin,2015).

### 2.2.4. Stimulate Demand

A company may seek to enhance its sales through promotion. If sales have been lower than usual, then the aim may be to get them back up to target level by re-engaging old customers and encouraging new ones to try a product out. In other cases, the aim may be to increase sales further at certain times of the year such as near a major holiday. Free demonstrations or special deals may be used to reach these ends. (Martin, 2015).

### 2.2.5. Differentiate product

In situations where there are many competitors in the market, a company may seek to use promotional activities to differentiate its product in the market and make it stand out from the crowd.

The focus here remains on those features, functionalities, or benefits that may not be offered by a competitor or may not be offered so well.

### 2.2.6. Reinforce the Brand

One of the fundamental purposes of a promotional activity may be to further strengthen the brand and its place in the market. This helps to change a first-time purchaser into a life-time purchaser. This can also help create advocates for the product from within the customer base.

### 2.3. Overview of promotional mix elements

Promotion mix is the direct way in which an organization attempts to communicate with various target audiences. It consists of five main elements: Advertising, sales promotion, personal selling, public relation and direct marketing. (Frances & Stephen, 2006).

Kotler and Armstrong (2006) viewed promotion as activities that communicate the merits of the product and persuade target customers to buy it. Promotion mix can be seen as the specific blend of Advertising, sales promotion, public relation and direct marketing tools that the company uses to pursue its marketing objectives.

Promotional strategies include all means through which a company communicates the benefits and values of its products and persuades targeted customers to buy them (Kotler and Armstrong, 2004). Promotion is the company strategy to cater for the marketing communication process that requires interaction between two or more people or groups, encompassing senders, messages, media and receivers (Lager, 1971).

Traditionally the promotional mix has included four elements, advertising, sales promotion, publicity/public relation, and personal selling. However, direct marketing as well as interactive media include as a major promotional mix element that modern day marketers use to communicate with their target markets. (Belch & Belch, 2004).

Promotion is “the coordination of all seller initiated efforts to set up channels of information and persuasion to facilitate the sales of goods or service or accept of idea.” Promotion refers to the activities to push forward or the advance an idea, in such a way as to gain its approval and acceptance, promotion is telling and selling (Bagavathi, 2004).

Promotion is according to Brassington and Pettit (2000) the direct way in which an organization communicates the product or service to its target audiences. Within the service sector, promotion is used in many different ways (Meidan, 1996). Brassington and Pettit (2000) has categorized the promotional tools into five main elements; Advertising, Sales promotion, Public relations, Personnel selling, and Direct Marketing.

### 2.3.1. Advertising

Brassington and Pettit (2000) define advertising strategy as any paid form of non-personal communication directed towards target audiences and transmitted through various mass media in order to promote and present a product, services or idea. The key difference between advertising and other promotional tools is that it is impersonal and communicates with large numbers of people through paid media channels.

According to Kotler (2000) Advertising is any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor. Developing an advertising program involves setting objectives, setting a budget, choosing the advertising message, determining how the message will be generated, evaluating and selecting messages, executing the message, developing media strategies by establishing the ad's desired reach, frequency, and impact and then choosing the media that will deliver the desired results, and evaluating the communication and sales effects of the advertising.

Advertising is a non-personal form of mass communication that offers a high degree of control to those responsible for the design and delivery of advertising messages. However, advertising's ability to persuade the target audience to think or behave in a particular way is suspect (Jamieson, 2006).

Meidan (1996) said that, financial service organizations can use their advertising for either their short term or long term objectives. A bank attempting to generate a long term buildup of its name would use institutional advertising, while a bank interested in promoting its brand name and its different services would use a brand advertising policy.

Meidan (1996) further states that the institutional advertising consists of promotion of the firm's image as a whole, and promotion of the products offered, with extra emphasis on the specific firm's name organization. The organization seeks through its marketing communications, to build awareness and to impress customers looking for the best range of financial services. Due to the former impression of banks as impersonal institutions with no interest in their customers as people, and of financial services as abstract and quite similar, the institutional advertising has become more and more important.

### 2.3.2. Sales Promotion

Sales promotion is often define as those marketing activities that provide extra value or incentive for purchasing a product and that can stimulate immediate sales from consumers or dealers (Belch& Belch,1990).

Sales promotion includes tools for consumer promotion (samples, coupons, cash refund offers, prices off, premiums, prizes, patronage rewards, free trials, warranties, tie-in promotions, cross promotions, point-of-purchase displays, and demonstrations); trade promotion (prices off, advertising and display allowances, and free goods), and business and sales force promotion (trade shows and conventions, contests for sales representation, and specialty advertising) (Kotler &Keller, 2006). A major reason why companies



use sales promotion is that they can provide the marketing intermediaries with an extra incentive to stock and promote their brands and encourage consumers to buy them and thus can be stimulating short term sales. Many firms are reluctant to make sales promotions the sole basis of their promotional strategy because the sales gains resulting from these programs are often temporary, ending when the promotional period is over (Belch & Belch, 1990). Therefore, one can understand that Sales promotion is essentially an acceleration tool, designed to speed up the selling process and maximize sales volume. By providing extra incentives, sales promotion techniques can motivate consumers to purchase a large quantity of a brand or shorten the purchase cycle of the trade or consumers by encouraging them to take more immediate action. Sales promotion attempts to maximize sales volume by motivating customers who have not responded to advertising.

According to Kotler (2000) Sales promotion consists of a diverse collection of incentive tools, mostly short term, that are designed to stimulate trial or quicker or greater purchase of particular goods or services by consumers or the trade. Sales promotion includes tools for consumer promotion, trade promotion, and business-and sales force promotion. In using sales promotion, as in using advertising, a company must set its objectives, select the tools, develop the program, pretest the program, implement and control it, and evaluate the results.

Sales promotion comprises various marketing techniques that are often used tactically to provide added value to an offering, with the aim of accelerating sales and gathering marketing information. Like advertising, sales promotion is a non- personal form of communication, but it has a greater capability to be targeted at smaller audiences. It is controllable, and although it has to be paid for, the associated costs can be much lower than those of advertising. As a generalization, the credibility of sales promotion is not very high, as the sponsor is or should be easily identifiable. However, the ability to add value and to bring forward future sales is strong and complements a macroeconomic need that focuses on short-term financial performance.(Jamieson,2006).

According to Kotler & Armstrong, (1999) an increasingly important communication tool is sales promotion. This promotional vehicle has traditionally been labeled the 'poor relation' of advertising. Advertising assumed significance because there was greater scope for advertising agencies to differentiate brands through creative campaigns, which also helped to enhance their organization's profile. However, a number of pressures have fuelled the recent growth in emphasis on sales promotions. Sales promotion consists of short term incentives, in addition to the basic benefits offered by the product or service, to encourage purchase or sales of that product or service. Whereas advertising offers reasons to buy a product or service, sales promotion offers reasons that would achieve immediate sales.

Sales promotion is generally broken into two major categories: consumer-oriented and trade-oriented activities. Consumer-oriented sales promotion is targeted to the ultimate user of a product or service and includes couponing, sampling, premiums, rebates, contests, sweepstakes, and various point-of-purchase materials. These promotional tools encourage consumers to make an immediate purchase and thus can stimulate short term sales. Trade-oriented sales promotion is targeted toward marketing intermediaries such as wholesalers, distributors, and retailers. Promotional and merchandising allowances, price deals, sales contests, and trade shows are some of the promotional tools used to encourage the trade to stock and promote a company's products (George & Michael, 2003).

According to Brassington and Pettit (2000) sales promotion is tactical marketing techniques with mostly short-term incentives, which are to add value to the product or service, in order to achieve specific sales or marketing objectives. Furthermore, Meidan (1996) states that it has two distinctive qualities. Firstly, it provides a "bargain chance" since many sales promotion tools have an attention gaining quality that communicates an offer that although they appeal to a wide range of buyers, many customers tend to be less brand loyal in the long run. Secondly, if sales promotions are used too frequently and carelessly, it could lead to insecure customers, wondering whether the services are reliable or reasonably priced.

Meidan (1996) indicates that due to the conflicting ideas concerning the benefits of sales Promotions, a financial service organization must base its decisions upon relevance and usefulness of sales promotion, as well as cost-effectiveness.

Meidan (1996) further states that sales promotion within financial services appears to be most effectively used in combination with advertising. The primary objectives with sales promotion within financial services are to attract new customers; to increase the level of deposit accounts, thereby increasing the banks share of savings; to increase market share in selected market segments; and to lower the cost of acquiring new customers by seeking to avoid direct price competition with other financial institutions.

### **Major Consumer Promotion Tools**

According to Kotler (2000) there are many consumer promotion tools. Some of them are:

**Samples:** Offer of a free amount of a product or service. **Coupons:** Certificates offering a stated saving on the purchase of a specific product. **Cash Refund Offers (rebates):** Provide a price reduction after purchase: Consumer sends a specified "proof of purchase" to the manufacturer who "refunds" part of the purchase price by mail. **Price Packs (cents-off deals):** Promoted on the package or label, these offer savings off the products regular price.

**Premiums (gifts):** Merchandise offered at low or no cost as an incentive to buy a particular product. **Prizes (contests, sweepstakes, and games):** Prizes offer consumers the chance to win cash, trips, or

merchandise as a result of purchasing something. A contest calls for consumers to submit an entry to be examined by judges who will select the best entries. A sweepstakes asks consumers to submit their names for a drawing. A game presents consumers with something every time they buy bingo numbers; missing letters that might help them win a prize. Patronage Awards: Values in cash or points given to reward patronage of a certain seller. Fringe benefits: Extra incentives provided by company to employee. Motivational programs: Temporary incentives, e.g., contests, prizes, or awards.

**Free Trials:** Inviting prospects to try the product free in the hope that they will buy the product. Product Warranties: Explicit or implicit promises by sellers that the product will perform as specified or that the seller will fix it or refund the customer's money during a specified period. Tie-in Promotions: Two or more brands or companies team up on coupons, refunds, and contests to increase pulling power.

**Cross-Promotions:** Using one brand to advertise another non competing brand. Point-of-Purchase (POP) Displays and Demonstrations: Displays and demonstrations that take place at the point of purchase or sale.

### 2.3.3. Public Relations

According to Brassington and Pettit (2000) the essence of public relations (PR) is to look after the nature and quality of the relationship between the organization and its different publics, and to create a mutual understanding. Public relations cover a range of activities, for example the creation and maintenance of corporate identity and image; charitable involvement, such as sponsorship, and community initiatives; media relation for the spreading of good news as well as for crisis management, such as damage limitation. Moreover, an organization can attend trade exhibitions to create stronger relationships with key suppliers and customers as well as enhancing the organizations presence and reputation within the market.

Traditionally, publicity and public relations have been considered more supportive than primary to the marketing and promotional process. However, many firms have begun making PR an integral part of their predetermined marketing and promotional strategies. PR firms are increasingly touting public relations as a communications tool that can take over many of the functions of conventional advertising and marketing. (George E. Belch & Michael A. Belch. 2003).

According to Chunawalla S. (2016) publicity and public relations stimulate demand in a non- personal way. Public relations maintain effective relations of the organization with different publics like employees, customers, shareholders, suppliers, dealers, government, media and so on. Public relations put commercially significant news in media or get a favorable coverage on radio, television or stage. As media costs of this promotion are not paid for by the sponsor, it is called publicity. Publicity is "any form of non-paid commercially significant news or editorial comment about ideas, products and institutions".

Meidan, (1996) states that another part of public relations is the publicity gained through magazines. Financial services obtain considerable publicity in so called quality press, such as different financial journals. In popular newspaper the publicity is, in contrary to the quality press, often negative from the financial firm's point of view. Meidan (1996) further claims that the importance of public relations is being increasingly attended and financial services often have public affairs officers, working actively to generate publicity.

An advantage of publicity over other forms of promotion is its credibility. Consumers generally tend to be less skeptical toward favorable information about a product or service when it comes from a source they perceive as unbiased. For example, the success (or failure) of a new movie is often determined by the reviews it receives from film critics, who are viewed by many movie goers as objective evaluators (Meidan,1996).

Another advantage of publicity is its low cost, since the company is not paying foretime or space in a mass medium such as TV, radio, or newspapers. While an organization may incur some costs in developing publicity items or maintaining a staff to do so, these expenses will be far less than those for the other promotional programs. Publicity is not always under the control of an organization and is sometimes unfavorable. Negative stories about a company and/or its products can be very damaging (George, 2003).

### **Major Tools in Marketing PR**

According to Kotler (2000) there are many tools in relation to marketing public relations. Some of them are:

**Publications:** Companies rely extensively on published materials to reach and influence target markets, including annual reports, brochures, articles, printed and on-line newsletters and magazines, and audiovisual materials. **Events:** Companies can draw attention to new products or other company activities by arranging special events like news conferences, on-line chats, seminars, exhibits, contests and competitions, and sport and cultural sponsorships that will reach the target publics (Kotler,2000).

**Participation:** Company-encouraged involvement in community activities, e.g., clubs, charities. **News:** One of the major tasks of PR professionals is to find or create favorable news about the company, its products, and its people. The next step getting the media to accept press releases and attend press conferences calls for marketing and interpersonal skills. **Speeches:** Speeches are another tool for creating product and company publicity and building the company's image. (Kotler,2000).

**Public Service Activities:** Companies can build good will by contributing money and time to good causes (Kotler,2000).

**Identity Media:** To attract attention and spark recognition, the firm's visual identity is carried by its logos, stationery, brochures, signs, business forms, business cards, Website, buildings, uniforms, and dress codes. (Kotler,2000).

#### 2.3.4. Personal Selling

Personal selling is a form of person-to-person communication in which a seller attempts to assist and/or persuade prospective buyers to purchase the company's product or service or to act on an idea. Unlike advertising, personal selling involves direct contact between buyer and seller, either face-to-face or through some form of telecommunications such as telephone Sales. This interaction gives the marketer communication flexibility; the seller can see or hear the potential buyer's reactions and modify the message accordingly. The personal, individualized communication in personal selling allows the seller to tailor the message to the customer's specific needs or situation (George,2003).

Personal selling also involves more immediate and precise feedback because the impact of the sales presentation can generally be assessed from the customer's reactions. If the feedback is unfavorable, the sales person can modify the message. Personal selling efforts can also be targeted to specific markets and customer types that are the best prospects for the company's product or service (George E.B&Michael A.B., 2003). Further Chunawalla (2016) states that Personal-selling is an oral presentation made to prospective customers so as to generate sales. It is just a conversation with a purpose.

According toKotler(1999) personal selling is Oral presentation in a conversation with one or more prospective purchasers for the purpose of making sales and building customer relationships. Jamieson (2006) argue that, personal selling is traditionally perceived as an interpersonal communication tool that involves face-to-face activities under taken by individuals, often representing an organization, in order to inform, persuade or remind an individual or group to take appropriate action, as required by the sponsor's representative. A sales person engages in communication on a one-to-one basis where instantaneous feedback is possible. The costs associated with interpersonal communication are normally very large.

George E. (2003) states that personal selling, a form of person-to-person communication in which a seller attempts to assist and/or persuade prospective buyers to purchase the company's product or service or to act on an idea. Unlike advertising, personal selling involves direct contact between buyer and seller, either face-to-face or through some form of telecommunications such as telephone sales. This interaction gives the marketer communication flexibility; the seller can see or hear the potential buyer's reactions and modify the message accordingly.

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reactions. If the feedback is unfavorable, the sales person can modify the message. Personal selling efforts can also be targeted to specific markets and customer types that are the best prospects for the company's product or service. Meidan (1996) claims that it is up to the sales force to enhance the bank's reputation by looking after its customers.

According to Christine, T.E. and Nigel, W.(2007)one of the major benefits of personal selling as a form of communication is that it allows immediate feedback from the consumer to the organization (or its representative).Other forms of communication are basically one-way, but personal selling is two-way. The customer can raise queries with the sales person, and those queries or concerns can be dealt with immediately. This means that the information communicated can be very accurately tailored to the needs of particular individuals. Furthermore, because personal selling allows queries and responses, it is often thought to be very effective towards the end of the AIDA process – in encouraging action (purchase).Thus, although personal selling can be a valuable and effective form of promotion, it is also very expensive. It therefore tends to be used more heavily for relatively high-value products and when customers are close to making a purchase. As well as being expensive, it is also a form of promotion that can be difficult to manage.

#### 2.3.5. Direct Marketing

Direct marketing consists of direct communications with carefully targeted individual customers to obtain an immediate response and cultivate lasting customer relationships. Direct marketers communicate directly with customers, often on a one-to-one, interactive basis. Using detailed databases, they tailor their marketing offers and communications to the needs of narrowly defined segments or even individual buyers. Beyond brand and image building, they usually seek a direct, immediate and measurable consumer response (Kotler &Armstrong, 2005).

According to George, E. Belch& Michael A.Belch. (2003) one of the fastest-growing sectors of the U.S. economy is direct marketing, in which organizations communicate directly with target customers to generate a response and/or a transaction. Traditionally, direct marketing has not been considered an element of the promotional mix. However, because it has become such an integral part of the IMC program of many organizations and often involves separate Objectives, budgets, and strategies, we view direct marketing as a component of the promotional mix.

Direct marketing is much more than direct mail and mail order catalogs. It involves a variety of activities, including database management, direct selling, telemarketing, and direct response ads through direct mail, the Internet, and various broadcast and print media. One of the major tools of direct marketing is direct response advertising, whereby a product is promoted through an ad that encourages the consumer to purchase directly from the manufacturer. Traditionally, direct mail has been the primary medium for direct-

response advertising, although television and magazines have become increasingly important media (Belch & Belch, 2003). Direct-response advertising and other forms of direct marketing have become very popular over the past two decades, owing primarily to changing life styles, particularly the increase in two-income households. This has meant more discretionary income but less time for in-store shopping. The availability of credit cards and toll-free phone numbers has also facilitated the purchase of products from direct-response ads. More recently, the rapid growth of the Internet is fueling the growth of direct marketing. The convenience of shopping through catalogs or on a company's website and placing orders by mail, by phone, or online has spurred the tremendous growth of direct marketing. (Belch & Belch, 2003).

Direct-marketing tools and techniques are also being used by companies that distribute their products through traditional distribution channels or have their own sales force. Direct marketing plays a big role in the integrated marketing communications programs of consumer-product companies and business-to-business marketers. These companies spend large amounts of money each year developing and maintaining databases containing the addresses and/or phone numbers of present and prospective customers. They use telemarketing to call customers directly and attempt to sell those products and services or qualify them as sales leads. Marketers also send out direct mail pieces ranging from simple letters and flyers to detailed brochures, catalogs, and video tapes to give potential customers information about their products or services. Direct-marketing techniques are also used to distribute product samples or target users of a competing brand (Belch & Belch, 2003).

Thomas & Housden (2002) states that direct marketing is a discipline, a subset of marketing, which permits us to carry out certain marketing tasks more efficiently. It does this by gathering, analyzing and using information about individual customers and prospects. This information enables us to identify which of the people on our customer and prospect files are likely to be interested in a particular product, service or offer.

According to Brassington & Pettit (2000) direct marketing is an interactive system of marketing, using one or more advertising media to achieve measurable response anywhere, forming a basis for creating and further developing an on-going direct relationship between an organization and its customers, to be able to create and sustain quality relationship with sometimes hundreds or even thousands of individual customers, an organization needs to have as much information as possible about each one, and needs to be able to access, manipulate and analyze that information, thus, the database is crucial to the process of building the relationship.

Jamieson, B. (2006) said that the growing utilization of direct marketing by organizations over recent years has been significant. It signals a shift in focus from mass to personalized communications. In particular, the use of direct mail, telemarketing and the fast-developing area of interactive communications represents through-the-line communications. By removing the face-to-face aspect of personal selling and replacing it

with an email communication, a telephone conversation or a direct mail letter, many facets of the traditional sales persons' tasks can be removed, freeing them to concentrate on their key skill areas. Direct marketing seeks to target individual customers with the intention of delivering personalized messages and building a relationship with them based upon their responses to the direct communications.

Today, many marketers build long-term relationships with customers. They send birthday cards, information materials, or small premiums. Airlines, hotels, and other businesses adopt frequency reward programs and club programs. Direct marketing is the use of consumer direct channels to reach and deliver goods and services to customers without using marketing middlemen (Jamieson, B.2006).

Direct marketers can use a number of channels to reach individual prospects and customers: Direct mail, catalog marketing, telemarketing, interactive TV, kiosks, Websites, and mobile devices. They often seek a measurable response, typically a customer order, through direct-order marketing. Direct marketing has been a fast-growing method for serving customers, partly in response to the high and increasing costs of reaching business markets through a sales force. Sales produced through traditional direct marketing channels (catalogs, direct mail, and telemarketing) have been growing rapidly. Direct-mail marketing means sending an offer, announcement, reminder, or other item to an individual consumer. On the other hand, Telemarketing is the use of the telephone and call -centers to attract potential, sell to existing customers, and provide service by taking orders and answering questions. It helps companies increase revenue, reduce selling costs, and improve customer satisfaction (Kotler and Keller, 2012).

## 2.4. Factors influencing promotion mix

Designing an appropriate promotion mix is called promotional strategy. There are many factors which affect promotion mix.

### **Nature of the Product**

Promotion mix will vary according to the nature of the product. Consumer goods require mass advertisement. But industrial goods require personal selling, advertising, displays etc. Complex and technical products like computer need personal selling. Non-technical products require advertising as promotional device. In case where there is no brand differentiation personal selling should be the method of promotion. Where there is brand differentiation advertising should be emphasized.

### **Nature of the Market**

For industrial market, advertising plays an informative role, but for consumer market it plays as informative as well as persuasive role. The promotion strategy varies with the target groups depending on age, sex, education, income, religion etc.



## **Stages in the Product Life Cycle**

The marketing objectives and strategies are different at each stage of the product in its life cycle. During the introductory stage intensive advertising and personal selling are required for effecting product awareness. During growth stage advertising should be extended to maximize the market share. During maturity stage persuasive advertising and sales promotion techniques are beneficial. But at the declining stage advertisement and sales promotion are reduced to the minimum.

### **Market Penetration**

A product having good market penetration is well-known to the buyers. In that situation, middlemen are motivated to spend more on advertising.

### **Market Size**

If there is a limited number of buyers, direct selling is appropriate. But if the market size is large the promotional tool is mainly advertising.

### **Characteristics of Buyers**

Experienced buyers of industrial product need personal selling. The experience of buyers, the time available for purchase, influence of friends, retailers etc. are the factors affecting promotion mix.

### **Distribution Strategy**

If the products are directly sold by the manufacturer personal selling is the tool of promotion. In this case advertising will become only a supporting tool. Personal selling and advertising is required for market penetration. If the product passes through a longer channel more importance should be given to advertising and less importance to personal selling.

### **Pricing Strategy**

Pricing affects promotion strategy. If the brand is priced higher than the competitor's price, personal selling is used. If the price is comparatively low only little promotion is needed. If the middlemen are allowed higher profit margin, sales promotion at dealer level is important.

### **Cost of Promotion**

The cost of the media of advertising and sales promotion tools should also be considered while deciding the promotional mix.

### **Availability of Funds**

If the funds are sufficient, the firm can spend more for advertising and sales promotion. But small firms with limited resources can depend on personal selling.

## 2.5. Concept of deposit mobilization

Deposits, according to Aliyu (2010), are “funds that customers place with a bank and the bank is obligated to repay on demand, after a specific period of time or after expiration of some require.” Commercial banks are profitable financial institutions that provide funds to customers who seek financing by collecting from those who have surplus fund. Lending more money is possible if a bank has sufficient loan able fund. Hence, banks give due attention to mobilize more deposits by making use of alternative techniques to attract customers such as providing attractive interest rates, using good marketing strategy to meet the test & preference of deposit customers, providing quality customer service, adopting latest technology and working on branch expansion.

Dereje H. (2017) in his study stated that, one of the important functions of the Bank is to accept deposits from the public for the purpose of lending. In fact, depositors are the major stakeholders of the Banking System. As financial intermediaries, banks are in the business of attracting deposits from individuals businesses, and other organizations and then lending such funds to their customers with current credit needs. A bank’s success in finding depositors consequently plays a critical role in its ability to satisfy customer credit demands and perform other banking functions. Moreover, much of a bank’s profitability is derived from gathering deposits at one set of interest rates and then lending or investing these funds at higherrates. These key roles that deposits play in overall bank performance have thus drawn much attention to bank funding practices and the ability of individual banks to maintain or expand their deposit base (Harvey & Spong, 2001).

Dereje H. (2017) further stated that banking business performance depends on the size of deposit mobilization since it is the source of working fund as well as a means of credit performance. Survival of banks depends on the magnitude of deposits compared with the demand for loans and advances in the economy as well as on the need of the banks day to day working fund. On the other hand, deposit mobilization is a pillar for banking business that enhances competitive advantage in the industry. Hence, the success of banking greatly lies on deposit mobilization. Deposit mobilization plays an important role in providing satisfactory credit services to different sectors of the economy. Hence, deposit mobilization for a bank is essential as oxygen for human being. As the number of commercial banks increases, the competition to mobilize high deposits increases significantly. Because the market share previously owned by old banks rapidly reduces by new comers in the economy. In banking the number of new customer attraction and retention of existing customers directly related to the volume of deposit mobilization which contributes for high volume of business transactions and achieve better business performance. He also stressed that “Understanding the nature of national savings behavior is critical in designing policies to promote savings & investment which in turn enhance economic growth through capital formation.”

Deposits are funds that customers place with a bank and that the bank is obligated to repay on demand, after a specific period of time or after expiration of some required notice period. Thus, mobilization of deposits for a bank is as essential as oxygen for human being. The successful functioning of commercial banks depends on the extent of fund mobilize In order to get the deposits, Banks design their deposit mobilization strategy depending on the country's investment development rate through branch expansion, using hi-tech technologies, continuously training deposit promoting staff, developing high organizational trust, giving client full pledged facilities at new or at existing branch, widening the banks deposit products, using high media coverage, branch expansion, educating households about the benefit of saving, providing door to door services and so on.(Admass M,2018).

#### 2.5.1. Major Types of Deposit products

Deposit account is a savings account, current account or any other type of bank account that allows money to be deposited and withdrawn by the account holder. These transactions are recorded on the bank's books, and the resulting balance is recorded as a liability for the bank and represents the amount owed by the bank to the customer. Some banks may charge a fee for this service, while others may pay the customer interest on the funds deposited. The account holder has the right to withdraw any deposited funds, as set forth in the terms and conditions of the account. The following are most common type of bank deposit (Ketema, 2017).

##### **a. Demand Deposit**

It consists of funds held in an account from which deposited funds can be withdrawn at any time without any advance notice to the depository institution. Demand deposits can be "demanded" by an account holder at any time. Many checking accounts today are demand deposits and are accessible by the account holder through a variety of banking options, including teller, ATM and online banking. (Ketema,2017).

##### **b. Savings Account**

A deposit account held at a bank or other financial institution that provides Principal security and a modest interest rate. Depending on the specific type of savings account, the account holder may not be able to write checks from the account (without incurring extra fees or expenses) and the account is likely to have a limited number of free transfers/transactions (Ketema,2017).

### **c. Time Deposit**

Time deposit or certificate of deposit (CD) held for a fixed-term, with the understanding that the depositor can make a withdrawal only by giving notice. A time deposit is an interest bearing bank deposit that has a specified date of maturity. Generally speaking, the longer the term the better the yield on the money will be. (Ketema, 2017).

## **2.6. Importance of Deposit mobilization**

### **a) Source of investment**

According to Ongore & Kusa (2013), Intermediation functions of banks play a vital role in the efficient allocation of resources of countries by mobilizing resources for productive activities. They transfer funds from those who do not have productive use of it to those with productive venture. (Nwanko, Ewuim, & Asoya, 2013) States that, savings are resources which one decides to put aside for investment purposes and not for luxury. What people save, refraining from consuming all their income, is called "personal savings". These savings can remain on the bank accounts for future use or be actively invested in houses, real estate, bonds, shares and other financial instruments.

### **b) Low cost**

According to Shettar & Sheshgiri, (2014), the success of the banking greatly lies on the deposit mobilization. Performances of the bank depend on deposits, as the deposits are normally considered as a cost effective source of working fund. (Elser, Hannig, & Wisniwski, 1999), savings are a source of funds with low financial costs i.e., interest costs, Compared to other commercial funds. With regard to financial costs, most of the institutions apply a differentiated interest rate schedule, compensating for the higher administrative costs with no, or low interest rates on small savings and increasing them according to the size of the deposit.

### **c) Source of profit**

According to Varman (2005), the ability of a bank's management and staff to attract checking and saving accounts from business and individuals is an important measure of the banks, acceptance by the public. Deposits provide most of the raw materials for bank loans and thus represent the ultimate source of bank profits and growth. (Tuyishime, Memba, & Mbera, 2015), also affirmed that, Deposits are an indispensable tool commercial banks use to improve its profitability through advancing deposits mobilized to its customers in form of loans which make in return interest to commercial banks.

### **d) Economic Growth and Development**

According to Ongore & Kusa (2013), In addition to resource allocation, good bank performance rewards the share holders with sufficient return for their investment. When there is return, there shall be an investment, which, in turn, brings about economic growth. On the other hand, poor banking performance has a negative consequence on the economic growth and development.

## 2.7. Empirical Literature Review

Different scholars have said much about the relationship between promotion mix strategies and deposit mobilization. The following case studies and research results which are conducted by various researchers indicate the importance of promotion mix elements and their relationship with deposit mobilization.

The author Chidambaram R.(1994) wrote an article under the title “International Journal of Bank Marketing, Promotional Mix for Bank Marketing“ Studied the promotional mix available to bankers for the marketing of services such as direct marketing, public relations, social banking and customer meets. The study concludes that a good promotional mix is one that a) that takes into account the objectives of the bank and lays emphasis on those services which are of current significance, b) reaches various customer segments very effectively, c)creates a desire to seek out the services offered, d) builds a positive image for the bank, and e) strike a balance between cost and effectiveness.

Udel C. (1968) conducted a study under the title “Successful Marketing Strategies in American Industries”. He identified marketing promotions as the most important facet of marketing strategy leading to effectiveness. Advertising, an aspect of promotional strategy, plays both an informative and persuasive role, and in this respect can alter customers’ perceptions of a service.

The study concluded that Advertising has a positive effect on changing customer’s perception and attract customers.

Anna Grankvist, Carolina Kollberg and Anna Persson(2004) conducted a case study on promotion strategy for banking services in Nordea Bank which is found in Estonia. The research shows that all parts of promotion mix are used to some extent for promotion of banking services. The study concludes that personal selling is the most important promotion mix when promoting banking services as it aims to build relationship between the customer and the bank. In addition, Suba Rao (1982) also conducted a study to find out the influence of different media of advertisement and different forms of personal selling on the deposit mobilization of commercial banks both in urban and rural areas. Personal selling or direct contact has been suggested as the best method, since it educates the potential rural customers into the bargain.

F G Crane (1990) using a case study analysis, found that corporate advertising should be an integral component of the marketing communications program of a financial services institution

and recommends that managers need to pay more attention to successfully integrate corporate advertising integrated with product advertising.

Mehta (2001) in his study examined the lack of marketing in banks. He suggested banks to adopt marketing promotional strategy for better business. He preferred personal selling as a strategy for marketing promotion in banks.

Duncan (1985) suggested that the services sector industries have to think besides advertising, about other promotional tools like public relations and publicity.

### **Research Hypothesis**

The purpose of this study is to examine whether there is any relationship between Promotion Mix Elements and Deposit Mobilization. Hence, the hypothesis will be:

Hypothesis a: Advertising has a significant and positive effect on deposit mobilization.

Hypothesis b: Sales Promotion has a significant and positive effect on deposit mobilization.

Hypothesis c: Personal Selling has a significant and positive effect on deposit mobilization.

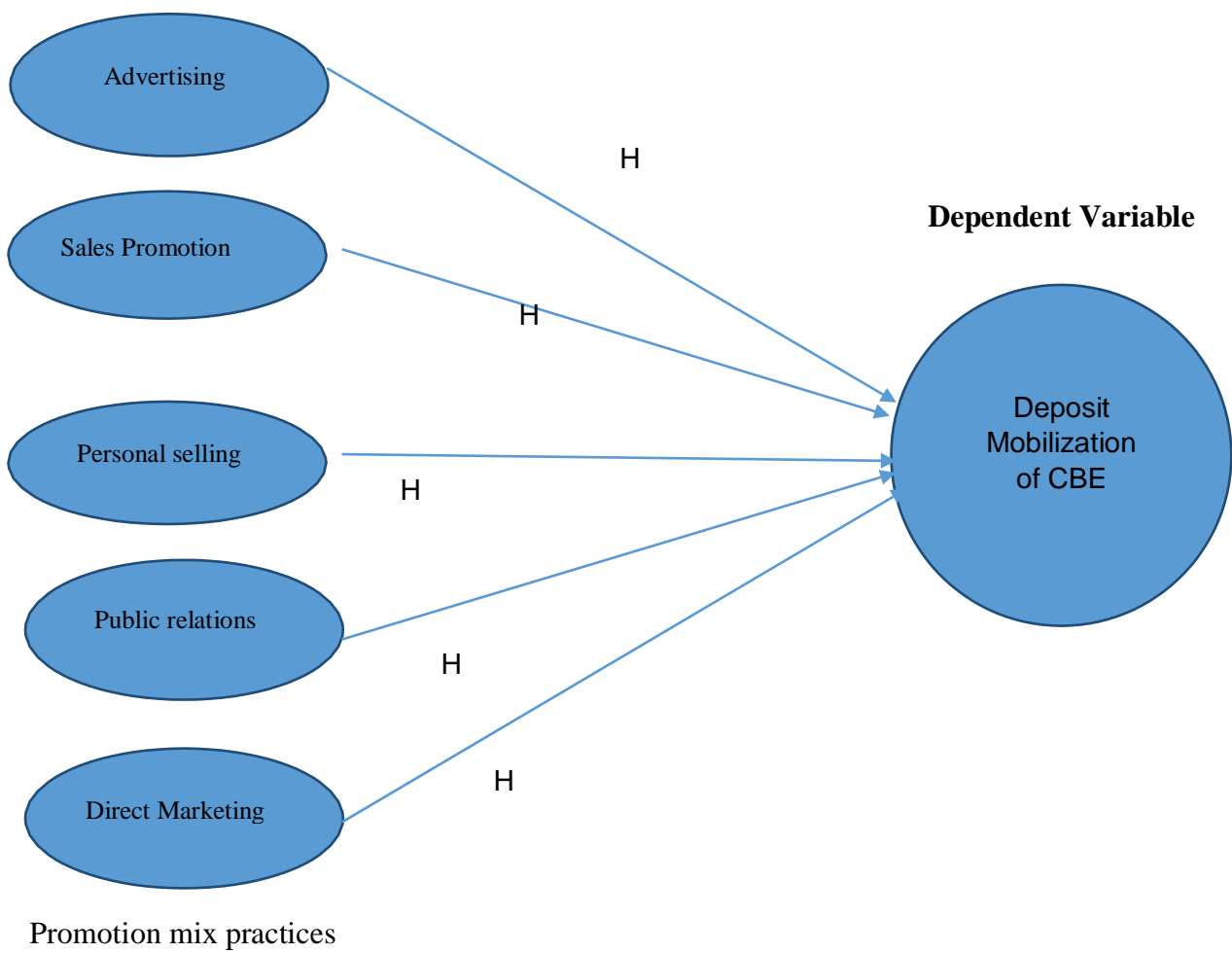
Hypothesis d: Public Relations have a significant and positive effect on deposit mobilization.

Hypothesis e: Direct Marketing has a significant and positive effect on deposit mobilization.

## 2.8. Conceptual Framework

The conceptual framework of this study is developed from the literatures review and empirical reviews that were presented earlier in this chapter.

### Independent Variables



**Figure 2.1 Conceptual Framework**

Source: Adopted From (Farshad Maghanti, 2012)

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

#### Introduction

In this chapter the research design, research approach, research instruments, source of data, data collection methods, sampling issues (target population, sampling techniques and sample size), unit of analysis, development of the instrument, data analysis tools and validity and reliability issues were discussed in detail.

#### 3.1. Research Approach

Research Approach refers to the approach or the methodology that has been adopted to conduct the research. It basically involves the selection of research questions, the conceptual framework that has to be adopted, the selection of appropriate research method such as the selection of appropriate research method such as primary research, secondary research etc. A research approach can vary significantly depending on what is to be researched.

According to Saunders (2003) research can be categorized into either qualitative or quantitative approach. Whether the research should be qualitative or quantitative depends on the defined problem and the investigated type of data, in order to solve the problem (Holme & Solvang, 1997).

The research approach for this study is quantitative & qualitative research. Quantitative analysis uses numbers and statistics to understand frequencies, averages and correlations (in descriptive studies) or cause-and-effect relationships (in experiments).

#### 3.2. Research Design

According to R. Kothari, (2004), a research design is the arrangement of conditions for collection and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. In fact, research design is the conceptual structure within which research is conducted; it constitutes the blueprint for the collection, measurement and analysis of data. The research design of this study is both descriptive and explanatory research. Descriptive research aims at describing the situation by gathering data using structured questionnaires from selected respondents. The research has dependent and independent variables this makes the research an explanatory research.



### 3.3. Sampling Design

#### 3.3.1 Target Population

Target population is defined as the entire group a researcher is interested in. According to Zikmund (2003), the definition of population was identifiable total set of elements of interest being investigated by a researcher. According to data from Cats-CPC, there are 30 districts and over 1600 branches. Therefore, the target population of this study was the customers and employees of CBE in those districts.

#### 3.3.2. Sample Size

For populations that are large, Cochran (1963) developed the Equation to yield a representative sample for proportions. Therefore, due to large number of customers in branches of Commercial Bank of Ethiopia in Addis Ababa, sample size was determined through the equation developed by Cochran, W.G (1963) formula.

$$n_o = \frac{Z^2 pq}{e^2}$$

Where;

$n_o$  = is Sample size

$Z^2$  = is the abscissa of the normal curve that cuts off an area  $\alpha$  at the tails (1 -  $\alpha$  equals the desired confidence level, e.g., 95%) ( $Z=1.96$ )

$e$  = is the desired level of precision, (0.05)

$p$  = is the estimated proportion of an attribute that is present in the population (0.6)

$q$  = is  $1-p$ . (1-0.6)=0.4

Thus, the sample size  $n_o = \frac{(1.96)^2 \times (0.6) \times (0.4)}{(0.05)^2}$   
**=368**

### 3.3.3. Sampling Technique

The main instrument for data collection was questionnaire that was administered through the help of customers and employees of the selected CBE branch's in Addis Ababa. Researcher normally determines sample size and technique to validate the objective of the study. The researcher used stratified sampling technique to select strata made up of customers and employees of CBE branch's chosen for the study, making a sample of 368 respondents. Thus, the stratified sampling method is the process of dividing members of the customers and employees of Commercial Bank of Ethiopia into four strata's based on their mixture of branches in four districts, i.e., North Addis Ababa, South Addis Ababa, West Addis Ababa and East Addis Ababa district.

According to the information acquired from CBE HR-Transaction sub process, there are 6325 clerical employees in the four districts that are Grade 3, 4 and Special Branches found in Addis Ababa. CBE has 4 districts in Addis Ababa and a total of 498 branches. Among these, there are 30 Grade 3 branches, 63 Grade 4 branches and 10 special branches. The total number of employees of the four districts which are Grade 3, 4 and Special branches is 6325. Therefore, the target population of this study were employees of the four districts which are Grade 3, 4 and special branches and customers of those branches in the four districts. The total number of customers of those selected branches is 4,505,106. The reason why data was collected from Grade 3, 4 and special branches is by considering serving large number of customers, having large number of corporate customers, volume of transaction and deposits comparing with other branches.

### 3.4. Source of Data

The study was relied on both primary and secondary data sources. Primary data was collected using structured questionnaires. Secondary data was gathered from Commercial Bank of Ethiopia's Website, HR-Transaction sub-process, Annual Reports, Journals, Academic research papers and Internet search engines.

### 3.5. Method of Data Collection

Questionnaires were used as data collection instruments. They are advantageous as they collect information that is not directly observable, are less costly, using less time as instruments of data collection and useful in obtaining objective data. Therefore, structured questionnaires were utilized to collect the data from CBE employees and customers. The respondents were asked to give their level of perception on the issue under study on five point Likert scale. In addition, demographic data from each respondent was collected.

**Table3.1 The response value for independent and dependent variables**

<b>Response Scale</b>	<b>Scale Rating</b>
Strongly agree	5
Agree	4
Neutral	3
Disagree	2
Strongly disagree	1

### 3.6. Methods of Data Analysis

The data collected in the research was coded and entries made into statistical software (Statistical Package for Social Sciences, SPSS version 20). This involved converting quantitative (nominal and ordinal data) into numerical codes. Descriptive statistics were then run which consisted of frequencies, percentages, means and standard deviation to summarize the data between variables of interest.

In this study, data was collected and analyzed by using quantitative data analysis. Quantitative data analysis is carried out based on the numerical data collected.

The quantitative data was collected through the survey questionnaire. Then, the data was encoded in to Statistical Package for Social Science (SPSS) version 20. The statistical tests that are used in the analysis of data included reliability (Cronbach's alpha), validity, descriptive statistics, and frequencies (using tables, percentages, and graphs).

Descriptive analysis such as frequencies, percentages, means and standard deviations were used to summarize and present the data. In addition to this, Kendall Wallis coefficient of concordance was used to show the interdependence and to ascertain whether a statistically significant relationship between the independent and dependent variables.

### 3.7. Model Description

Descriptive analysis, also known as descriptive analytics or descriptive statistics, is the process of using statistical techniques to describe or summarize a set of data. As one of the major types of data analysis, descriptive analysis is popular for its ability to generate accessible insights from otherwise uninterpreted data. Descriptive analysis such as frequencies (using tables, percentages, and graphs), Percentages, means and standard deviation were used to summarize and present the results. In addition to this, Kendall's Coefficient of concordance was used to Kendall's W.(also known as Kendall's coefficient of concordance) is a non-parametric statistic. It is a normalization of the statistic of the Friedman test, and can be used for assessing agreement among raters. Kendall's W ranges from 0 (no agreement) to 1 (complete agreement)

### 3.8. Reliability and Validity Test

#### 3.8.1. Reliability Test

Reliability can be defined as the extent to which a scale is able to obtain consistent results across time, different evaluators or different items (Churchill, 2007).Reliability coefficient of 0.70 and above is considered "acceptable" in most researches. Internal consistency reliability test was conducted and the reliability was determined through the Cronbach's alpha test. Cronbach Alpha is a reliability test conducted within SPSS in order to measure the internal consistency i.e. reliability of the measuring instrument (Questionnaire). It is most commonly used when the questionnaire is developed using multiple Likert scale statements and therefore to determine if the scale is reliable or not.

Internal consistency reliability test was conducted and the Cronbach's alpha coefficient for the instrument was calculated. Cronbach alpha values vary in values from 0, meaning no consistency, to 1, meaning complete consistency. Cronbach alpha values of 0.80 or higher are considered as high reliability, those between 0.70 and 0.80 are regarded as having good reliability, values between 0.60 and 0.70 are fair, and coefficients lower than 0.60 are questionable (Hair, Wolfinbarger, Ortinaw, & Bush, 2010)

A pilot study involving 20 (twenty) selected respondents were carried out to test the instruments and to identify and address any inadequacies therein.

**Table 3.2. Reliability Test for Pilot Study**

Dimension	Cronbach's Alpha		Number of Items	
	Employees	Customers	Employees	Customers
The promotion practice of CBE	0.847	0.732	9	9
The role of promotional mix practices of CBE on Deposit	0.943	0.879	25	25
Preferable promotion mix to impact on Deposit Mobilization	0.783	0.859	15	15
Challenges of promotion mix practices of CBE	0.941	-	16	-
<b>Total</b>	<b>3.51</b>	<b>2.47</b>	<b>65</b>	<b>49</b>

*Source: Computation from Survey Data (2021)*

The pilot survey has proved the questioners designed to collect the desired data was reliable. Moreover, for the reliability test of the all data Cronbach's alpha was calculated using SPSS. The table above indicates that the alpha values for all dimensions in the study are greater than or equal to the guideline of 0.70, so it can be concluded that the measurements can be applied for analyses with acceptable reliability.

### 3.8.2. Validity Test

According to R. Kothari, (2004), Validity is the most critical criterion and indicates the degree to which an instrument measures what it is supposed to measure. Validity is the extent to which any instrument measures what is intended to measure. Content validity of the survey questionnaire was validated by the research advisor.

### 3.9. Ethical consideration

All the research participants included in this study were appropriately informed about the purpose of the research and their willingness and consent will be secured before the beginning of distributing the questionnaires. The information collected from the respondents was presented without any modification or change. Moreover the sources of literatures collected for the study are properly mentioned in the reference list of the thesis.

## **CHAPTER FOUR**

### **Data Presentation, Analysis and Interpretation**

In this chapter, the results obtained from CBE employees and customers are presented and analyzed. First demographic characteristics of the respondents are presented. Such information includes demographic profile and general information of respondents. Then the results of descriptive analyses were presented first, followed by the results of Kendall W. Coefficient of concordance were analyzed.

#### **4.1. Demographic profile of employee respondents**

The questionnaires were distributed in person and also by email for the employees. A total of 147 questionnaires were distributed and all are received back. The data was analyzed by SPSS 20.

The samples of this study have been classified according to five demographic backgrounds information collected during the questionnaire survey. The purpose of the demographic analysis in this research is to describe the characteristics of the sample such as the number of respondents' proportion of males and females in the sample, range of age, academic qualification, their work position of and service years of respondents of CBE employees. The demographic composition of the respondents is summarized below.

**Table 4.1 Demographic information of Employee respondents**

Items	Description	Frequency	Percentage
Gender	Male	90	61.2
	Female	57	38.8
	Total	<b>147</b>	<b>100.0</b>
Age	18-24	8	5.4
	25-35	69	46.9
	36-45	52	35.4
	Above 46	18	12.2
	Total	<b>147</b>	<b>100.0</b>
Academic Qualification	Diploma	0	
	First degree	80	54.4
	Second degree	66	44.9
	PhD	1	0.7
	Total	<b>147</b>	<b>100.0</b>
Position in the Bank	Manager	6	4.1
	Senior Officer	60	40.8
	Officer	81	55.1
	Total	<b>147</b>	<b>100.0</b>
Service years	1-5	13	8.8
	6-10	41	27.9
	11-15	39	26.5
	16-20	35	23.8
	Above 20	19	12.9
	Total	<b>147</b>	<b>100.0</b>

*Source: Computation from Survey Data (2021).*

The above table shows that the majority of CBE employees are between the ages of 25-35 (46.9%). The major participants were males (61.2%), whilst 38.8 % of the participants were females. Furthermore, the academic qualifications of the respondents consist of 54.40% first degree, 44.9% second degree and 0.7% PhD respectively. 27.9% respondents were service years between 6-10 years.



In summary, the majority of the respondents were males within the age group 25-35 having predominantly first degree and. 6-10 years of work experiences.

#### 4.2. Demographic Profile of Customer Respondents

The total number of questionnaires distributed for customer respondents were 221. Among these 212 questionnaires were returned back and the rest 9 questionnaires were not returned due to various reasons. There were four demographic background information collected during the questionnaire survey. The purpose of the demographic analysis in this research is to describe the characteristics of the sample such as the number of respondents' proportion of males and females in the sample, range of age, academic qualification, and period of loyalty as a CBE customer. The demographic composition of the respondents is summarized below.

**Table 4.2 Demographic information of customer respondents**

Items	Description	Frequency	Percentage
Gender	Male	101	47.6
	Female	111	52.4
	Total	<b>212</b>	<b>100</b>
Age	18-24	48	22.6
	25-35	121	57.1
	36-45	37	17.5
	Above 46	6	2.8
	Total	<b>212</b>	<b>100</b>
Academic Qualification	Diploma	28	13.2
	First degree	130	61.3
	Second degree	42	19.8
	PhD	3	1.4
	Others	9	4.2
	Total	<b>212</b>	<b>100</b>
Period of loyalty	1-5	81	38.2
	6-10	88	41.5
	11-15	21	9.9
	16-20	12	5.7
	Above 20	10	4.7
	Total	<b>212</b>	<b>100</b>

Source: Computation from Survey Data (2021).

As we can see from the above table, the majority of CBE customers are between the ages of 25-35 (57.1%). The major participants were females (52.4%), whilst 47.6 % of the participants were males. In addition, the academic qualification of the respondents consist 13.2% diploma,61.3% first degree,19.8% second ,PhD 1.4% and 4.2% others respectively. Regarding the period of customer loyalty, 1-5 years (38.2%), 6-10 years (41.5%),11-15 years (9.9%) 16-20 years (5.7%) and above twenty years 4.7% respectively.

In summary, the majority of the respondents were females within the age group 25-35years having predominantly first Degree and. 6-10years period of loyalty.

### 4.3. Promotion practices of CBE

This section of questionnaire tested the perceptions of the respondents about promotion practice of CBE. The respondents were asked to rate the level of their agreement in each statements. Table 4.3 indicates the mean and standard deviation of both groups of respondents.

**Table 4.3 Descriptive Statistics for Attitude of CBE Employees and Customers about Promotion practice of CBE**

Promotion practice of CBE	Employee	Customers	Employee	Customers
	es	rs	es	rs
	Mean	Std. Dev.	Mean	Std. Dev.
CBE considers the objective of its promotion in its promotional content	3.95	0.715	4.16	0.708
CBE considers its audience in designing its promotion.	3.86	0.669	4.38	0.802
CBE considers appropriate promotional channels to reach its intended audience such as Television, Radio, Billboards, Brochures, Posters, Leaflets and Magazines to promote its services	4.30	0.602	4.07	0.751
CBE plans its budget requirement for its promotional campaign	4.07	0.699	3.88	0.787
CBE considers the compatibility of its promotional message to the selected promotional audience	3.47	0.715	3.67	0.782

CBE appraises its promotional content compatibility with the different demographic group such as religion, geography, gender, language, and so on	3.48	0.797	4.40	0.931
CBE conducts promotional campaign through using one or more of the following promotional mix elements to inform or persuade or remind its customers(Television, Radio, Billboards, Brochures, Posters, Leaflets and Magazines).	4.35	0.557	3.34	0.714
CBE evaluates the effectiveness of promotion to achieve its intended objectives to inform , persuade or remind its customers	3.60	0.737	3.85	0.816
CBE takes corrective action on its promotion based on the evaluation results on the effectiveness of its promotion to achieve its intended objectives	3.56	0.663	4.10	0.886
<b>Overall level of employees perception about Promotion practices of CBE</b>	<b>3.85</b>		<b>3.98</b>	

*Source: Computation from survey data (2021)*

### **Guide line for range of mean analysis**

The scale used to measure the mean value was the Likert scale1-5. The result of the calculation of the mean values of each group samples were then interpreted based on the opinion of Moidunny, K. (2009) where there are five levels of the range of the mean value are very low, low, medium, high and very high.

<b>Mean score</b>	<b>Interpretation</b>
1.00 – 1.80	Very low
1.81 -2.60	Low
2.61 – 3.20	Medium
3.21 - 4.20	High
4.21 - 5.00	Very high

#### 4.3.1. Employees perception on CBE' promotion practice

The means for the CBE's promotion practice dimensions ranged between 3.47 and 4.35(1=strongly disagree and 5= strongly agree) and the standard deviation for the CBE's promotion practice perception dimension ranged between 0.557 and 0.797 which show some level of variance. The statement which respondents agree with most was "CBE conducts promotional campaign through using one or more of the following promotional mix elements to inform or persuade or remind its customers(Television, Radio, Billboards ,Brochures, Posters, Leaflets and Magazines" (mean=4.35 and standard deviation= 0.557). On the other hand, the statement indicating the least level of agreement was "CBE considers the compatibility of its promotional message to the selected promotional audience" (mean= 3.47 and standard deviation= 0.715). The overall mean for the response of CBE's promotion practice is **3.85** indicating that the majority of respondents towards high level of agreement with the statement under study.

#### 4.3.2. Customers' perception on CBE's promotion practice

The means for the promotion practice of CBE items dimensions ranged between 3.34 and 4.40(1=strongly disagree and 5= strongly agree) and the standard deviation for the promotion practice of CBE dimension ranged between 0.708 and 0.931 which show some level of variance. The statement which respondents agree with most was "CBE appraises its promotional content compatibility with the different demographic group such as religion, geography, gender, language, and so on" (mean=4.40 and standard deviation= 0.931).On the other hand, the statement indicating the least level of agreement was "CBE conducts promotional campaign through using one or more of the following promotional mix elements to inform or persuade or remind its customers(Television, Radio, Billboards, Brochures, Posters, Leaflets and Magazines)" (mean= 3.34 and standard deviation= 0.714). The overall mean for the perception of advertisement is 3.98, indicating that the majority of respondents are towards higher level agreement with the statements specified in the study.

As we can see from table 4.3, it is tried to present the overall promotion practices of CBE in connection with deposit mobilization. As we can see from the literature review part of this study, Promotion according to Brassington and Pettit (2000) is the direct way in which an organization communicates the product or service to its target audiences. Within the service sector, promotion is used in many different ways (Meidan, 1996). Brassington and Pettit (2000) has categorized the promotional tools into five main elements; Advertising, Sales promotion, Public relations, Personnel selling, and Direct Marketing. Hence, CBE as a financial service organization has deployed all the promotional tools in order to attract its customers and mobilize deposits. In this study it is observed that among the promotion practices of CBE,

the employee respondents agreed most on the statement which says “CBE uses promotion mix elements to inform, persuade or remind its customers” with the mean value **4.35**. On the other hand, from the promotion practice of CBE the statement which the customer respondents agreed most is “CBE appraises its promotional content compatibility with the different demographic group such as religion, geography, gender, language, and so on” with the highest mean of 4.40.

The banking sector seems to have displayed a halfhearted approach towards promotion strategies. There seems to be a lack of commitment to advertising, communication, and personal selling. Customers are not aware of deposit related schemes except savings accounts and usage of other schemes is quite poor. Among credit-related schemes, loan against deposits, facilities like demand draft, safe deposit lockers, travelers' cheques, and gift cheques are better known. However, their usage is very low. A good number of services are not at all popular owing to low awareness and usage. Customers can be made aware of these services and their usage improved through meetings, exhibitions, personal contacts, etc. Meetings can be held (at least twice in a month) between bank staff and customers which would help customers become aware of various banking services and motivate to use these services. Bank staff can also identify problems customers face in using these services (Martin, 2015).

#### 4.4. The role of promotion mix on deposit mobilization

This section of questionnaire tested the perceptions of the respondents about the role of promotion mix on deposit mobilization practice of CBE. The respondents were asked to rate the level of their agreement in each statements. Table 4.4 indicates the mean and standard deviation of both groups of respondents.

**Table 4.4. Descriptive Statistics for Attitude of CBE Employees and Customers about the role of promotion mix practices of CBE on deposit mobilization.**

<b>The Role of promotional mix practices of CBE on deposit mobilization</b>	<b>Employees</b>		<b>Customers</b>	
	<b>Mean</b>	<b>Std. Dev.</b>	<b>Mean</b>	<b>Std. Dev.</b>
<b>A. Role of Advertisement</b>				
Advertisement plays role to increase the liquidity status of CBE	4.24	0.601	4.53	0.670
Advertisement plays role to increase the lending capacity of CBE	4.08	0.636	4.22	0.839
Advertisement plays role to increase the loan provision capacity of CBE	3.93	0.777	3.89	1.013

Advertisement plays role to increase the interest rate of CBE on deposits	3.07	1.045	3.51	1.028
Advertisement plays role to increase the profitability of CBE through deposit mobilization	4.31	0.639	4.25	0.802
<b>Total Mean</b>	<b>3.93</b>		<b>4.08</b>	
<b>B. Role of Sales promotion</b>				
Sales promotion plays role to increase the liquidity status of CBE	4.05	0.905	4.17	0.795
Sales promotion plays role to increase the lending capacity of CBE	3.97	0.711	3.82	0.665
Sales promotion plays role to increase the loan provision capacity of CBE	3.78	0.999	3.56	0.974
Sales promotion plays role to increase the interest rate of CBE on deposits	3.15	1.081	3.67	0.879
Sales promotion plays role to increase the profitability of CBE through deposit mobilization	4.30	0.554	3.91	0.668
<b>Total Mean</b>	<b>3.85</b>		<b>3.83</b>	
<b>C. Role of Public relation</b>				
Public relation plays role to increase the liquidity status of CBE	3.88	1.070	4.11	0.690
Public relation plays role to increase the lending capacity of CBE	4.10	0.814	3.81	0.774
Public relation plays role to increase the loan provision capacity of CBE	3.94	0.838	3.70	0.989
Public relation plays role to increase the interest rate of CBE on deposits	3.54	1.154	3.54	0.850
Direct Marketing plays role to increase the loan provision capacity of CBE	4.16	0.759	3.95	0.743
<b>Total mean</b>	<b>3.92</b>		<b>3.82</b>	
<b>D. Role of Personal Selling on deposit mobilization</b>				
Personal selling plays role to increase the liquidity status of CBE	3.90	0.998	3.88	0.865
Personal selling plays role to increase the lending capacity of CBE	3.84	0.703	3.85	0.925
Personal selling plays role to increase the loan provision capacity of CBE	3.70	0.725	3.52	0.995

Personal selling plays role to increase the interest rate of CBE on deposits	3.21	1.008	3.44	0.935
Personal selling plays role to increase the profitability of CBE through deposit mobilization	3.88	0.832	3.98	0.728
<b>Total mean</b>	<b>3.71</b>		<b>3.73</b>	
<b>E. Role of direct marketing on deposit mobilization</b>				
Direct marketing plays role to increase the liquidity status of CBE	3.97	0.891	3.72	0.935
Direct marketing plays role to increase the lending capacity of CBE	3.90	0.842	3.79	0.901
Direct marketing plays role to increase the loan provision capacity of CBE	3.84	0.652	3.50	0.976
Direct marketing plays role to increase interest rate of CBE on deposits	3.51	0.989	3.31	1.020
Direct marketing plays role to increase the profitability of CBE through deposit mobilization	4.12	0.568	3.89	1.004
<b>Total mean</b>	<b>3.87</b>		<b>3.64</b>	
<b>Overall level of employees &amp; customers perception about the role of promotion mix elements on deposit mobilization practice of CBE.</b>	<b>3.86</b>		<b>3.82</b>	

*Source: Computation from survey data (2021)*

#### 4.4.1. The role of promotion mix on deposit mobilization (Employee perception)

The above table indicates the respondents' perception of the role of promotional mix elements on deposit mobilization and their mean and standard deviation. When we see the details of the results, we can see that the highest score on increasing the liquidity status of CBE is advertisement (mean=4.24 and standard deviation=0.601). The second highest score on increasing liquidity is sales promotion (mean= 4.05 standard deviation= 0.905) followed by direct marketing, personal selling and public relation. When we see the promotion mix role on the increasing of lending capacity of the bank, the highest score is observed from public relation (mean = 4.10 and standard deviation = 0.814). The second highest score is observed from advertisement (mean=4.08 and standard deviation= 0.636). The third highest score in increasing the lending capacity of the bank is sales promotion (mean= 3.97 and standard deviation =0.711) followed by direct marketing and personal selling. On the other hand, the

highest mean on increasing the loan provision capacity of CBE is scored by advertisement (mean= 3.93 and standard deviation= 0.777). The second highest result is scored by public relation (mean= 3.94 standard deviation = 0.838) followed by direct marketing, sales promotion and personal selling respectively. The highest score in increasing interest rate on deposits is scored by public relation (mean =3.54 and standard deviation = 1.154). The second highest score is observed from direct marketing (mean=3.51 standard deviation=0.989) followed by personal selling, sales promotion and advertisement respectively. When we come to the role of promotion mix on profitability of CBE the highest score is observed from advertisement (mean= 4.31 and standard deviation= 0.639). The second highest score is observed from sales promotion (mean = 4.10 and standard deviation= 0.814) followed by public relation, direct marketing and personal selling. The total mean value of the role of promotion on deposit mobilization is 3.86 indicating that the majority of respondents towards high level of agreement with the statement under study.

#### 4.4.2. The role of promotion mix on deposit mobilization (Customers perception)

The above table indicates the respondents' perception of the role of promotional mix elements and their mean and standard deviation. When we see the details of the results, we can see that the highest score on increasing the liquidity status of CBE is advertisement (mean=4.53 and standard deviation=0.670). The second highest score on increasing liquidity is sales promotion (mean= 4.17 and standard deviation= 0.795) followed by public relation, personal selling and direct marketing respectively. When we see the promotion mix role on the increasing of lending capacity of the bank, the highest score is observed from advertisement (mean = 4.22 and standard deviation = 0.839). The second highest score is observed from personal selling (mean=3.85 and standard deviation= 0.925). The third highest score in increasing the lending capacity of the bank is sales promotion (mean= 3.82 and standard deviation = 0.665) followed by public relation and direct marketing. On the other hand, the highest mean on increasing the loan provision capacity of CBE is scored by advertisement (mean= 3.89 and standard deviation= 1.013). The second highest result is scored by public relation (mean= 3.70 standard deviation = 0.989) followed by sales promotion, personal selling and direct marketing respectively. The highest score in increasing interest rate on deposits is scored by direct marketing (mean = 3.89 and standard deviation = 1.004). The second highest score is observed from sales promotion (mean=3.67 standard deviation=0.879) followed by public relation, advertisement and personal selling respectively. When we come to the role of promotion mix on profitability of CBE the highest score is observed from advertisement (mean= 4.25 and standard deviation= 0.802). The second highest score is observed from personal selling (mean = 3.98 and standard deviation= 0.728) followed by public relation, personal selling and direct marketing respectively.



Kotler and Keller (2013) viewed promotion as the process through which firms endeavor to inform, remind and persuade customers, either directly or indirectly, about the brands they sell. Promotion includes the means taken to inform the customers of the products and services provided. Promotion plays an important role in forming of loyalty and determining the degree of psychological connection between the customer and the product or brand. The promotion campaign and the formulation of the promotion theme that creates loyalty to the product play a major role in the success of achieving the objectives of the promotion function (Mualla, 2006). Promotion keeps the product in the minds of the customers and helps stimulate demand for the product. Promotion involves ongoing advertising and publicity. It is said that a product is completed when customers know it exists, know its quality and features, react to it positively, and buy it. Without knowledge there cannot be demand. Promotion enables product awareness, positive attitudes and buying decisions (Fathian Slambolchi, & Hamidi, 2015).

### **Inferential analysis on deposit mobilization**

In this study, Kendall's Wallis Coefficient of Concordance rank order analysis model was used to determine the degree of association among several (k) sets of ranking of N objects or individuals. It is represented by the symbol W. It is non-parametric measure of relationship. Kendall's W is used to determine the degree of agreement between raters when working with the ranked data (ordinal level of measurement). Kendall's coefficient values can range from 0 to 1. The higher the value of Kendall's, the stronger the association, Kendall's coefficient values can range from -1 to 1. A positive value indicates positive association. A negative value indicates negative association, the higher the magnitude, the stronger the association.

#### **Guideline for interpretation of Kappa (1960)**

Poor agreement = Less than 0.20

Fair agreement = 0.21 to 0.40

Moderate agreement = 0.41 to 0.60

Good agreement = 0.61 to 0.80

Very good agreement = 0.81 to 1.00

No agreement = 0

Result of Kendall's coefficient of Concordance (from employees and customer response). Kendall Wallis Coefficient Rank Order Analysis on Employee response N= 147

No.	Role of promotion mix on deposit mobilization	Kendall's wa	Chi square	Degree of freedom	Asymp. Sig	Mean Rank
1	Advertisement role on deposit mobilization	.429	252.189	4	.000	1 <sup>st</sup>
2	Sales promotion role on deposit mobilization	.349	205.284	4	.000	2 <sup>nd</sup>
3	Personal selling role on deposit mobilization	.150	88.377	4	.000	3 <sup>rd</sup>
4	Public relation role on deposit mobilization	.130	76.552	4	.000	4 <sup>th</sup>
5	Direct marketing role on deposit mobilization	.114	67.032	4	.000	5 <sup>th</sup>

*Source: Computation from survey data (2021)*

### **Role of advertisement on deposit mobilization**

The above table from the employee response shows that, the coefficient of concordance among the respondents is  $W=0.43$ . This means there is a moderate level of agreement among the observers when rating the role of advertisement on deposit mobilization. In addition to this, the chi square (252.189) is greater than the table value (9.488) at 0.05 level of significance and degree of freedom =4. Regarding the hypothesis test, since the  $P < 0.05$  ( $P=0.000$ ) the null hypothesis is rejected and the alternative hypothesis is accepted.

**H<sub>1</sub>: Advertisement has a significant role on deposit mobilization is accepted**

### **Role of sales promotion on deposit mobilization**

The above table further indicates that the result from the employees' response has a coefficient of concordance  $W=0.35$ . This means there is a fair agreement among the respondents on the role of sales promotion on deposit mobilization. The chi square (205.284) is greater than the table value (9.488) at 0.05 significance level. The P-value (0.000)  $<0.05$  and this leads to reject the null hypothesis.

### **H<sub>1</sub>: Sales promotion has a significant role on deposit mobilization is accepted**

The coefficient of concordance for the role of personal selling on deposit mobilization observed from the employee respondents is  $W=0.15$  which is very poor agreement among the observers. This means the respondents rate this variable not in a same standard. The chi square (88.377) is greater than the table value (9.488) at 0.05 significance level. Regarding the P-value it is  $p(0.000) <0.05$  so the null hypothesis is rejected.

### **H<sub>1</sub>: Personal selling has significant effect on deposit mobilization is accepted**

Public relation has the coefficient of concordance  $W=0.13$  which shows poor agreement among the employee respondents. It means, the higher the value, the more agreement among the respondents. The chi square (76.552) is greater than the table value (9.488) at 0.05 significance level. Regarding the P-value ( $P=0.000$ )  $<0.05$  that leads to reject the null hypothesis.

### **Role of direct marketing on deposit mobilization**

The result from employee respondents indicates that direct marketing has a coefficient of concordance  $W=0.1$  which means the level of agreement is poor among the respondents. The chi square (67.032) is greater than the table value (9.488). The P-value ( $P=0.000$ ) is less than 0.05, therefore, the null hypothesis is rejected.

### **H<sub>1</sub>: Direct marketing has significant effect on deposit mobilization is accepted**

Generally the above table indicates the overall role of each promotion mix on deposit mobilization of CBE in a rank. According to the result obtained from the Kendall's Coefficient, advertisement has high coefficient value followed by sales promotion. The third level promotion mix is personal selling followed by public relation and direct marketing. This indicates that even though all the promotion mix elements have role in deposit mobilizing activities advertisement and sales promotion have a better role in all aspects of the above measurements.

**Kendall Wallis Coefficient Rank Order Analysis on Customers' response N=212**

No.	Role of promotion mix on deposit mobilization	Kendall's $W^a$	Chi square	Degree of freedom	Asymp. Sig	Mean Rank
1	Advertisement's role on deposit mobilization	.170	143.821	4	.000	1 <sup>st</sup>
2	Sales promotion's role on deposit mobilization	.091	77.134	4	.000	4 <sup>th</sup>
3	Personal selling role on deposit mobilization	.074	62.506	4	.000	5 <sup>th</sup>
4	Public relation role on deposit mobilization	.097	82.277	4	.000	3 <sup>rd</sup>
5	Direct marketing role on deposit mobilization	.131	110.746	4	.000	2 <sup>nd</sup>

*Source: Computation from survey data (2021).*

**Role of advertisement on deposit mobilization**

The table from the customers response result shows that Kendall "s Coefficient of concordance for advertisement is  $W=0.17$  which is poor agreement among the observers (raters). The disagreement could be due to the difference on the direct effect of advertisement on deposit which is increasing liquidity status or the ultimate goal of making profit through increasing liquidity. The chi square (143.821) is above the table value (9.488) at 0.05 level of significance and degree of freedom=4. Since the P-value is less than the predetermined significance level ( $P<0.05$ ) the null hypothesis is rejected and alternative hypothesis is accepted.

Udel C. (1968) conducted a study under the title "Successful Marketing Strategies in American Industries". He identified marketing promotions as the most important facet of marketing strategy leading to effectiveness. Advertising, an aspect of promotional strategy, plays both an informative and persuasive role, and in this respect can alter customers" perceptions of a service. The study concluded that Advertising has a positive effect on changing customer's perception and attract customers. In general, Advertisement has a significant effect on deposit mobilization.

H1: Advertisement has a significant role on deposit mobilization is accepted.

### **Role of sales promotion on deposit mobilization**

On the other hand, the result from the table of customers' response indicates that the level of agreement among the observers is  $W=0.1$  which is low level of agreement or weak agreement. When we come to the chi square, (77.134) it is greater than the table value at 0.05% significance level. Since the P-value  $<0.05$ , the null hypothesis is rejected. This indicates that sales promotion has a significant effect on deposit mobilization.

**H<sub>1</sub>: Sales promotion has a significant role on deposit mobilization is accepted.**

### **Role of personal selling on deposit mobilization**

When we see the customers' response, the coefficient of concordance for personal selling is  $W=0.1$  which is again poor agreement among the respondents. The chi square (62.506) is greater than the table value (9.488) at 0.05 significance level. The P-value is  $(P=0.000) <0.05$  and the null hypothesis is rejected. This indicates that personal selling has a significant effect on deposit mobilization.

**H<sub>1</sub>: Personal selling has significant effect on deposit mobilization is accepted.**

### **Role of public relation on deposit mobilization**

The results from the customer respondents shows that the coefficient of concordance for public relation is  $W=0.1$  which is poor agreement among the respondents. The chi square (82.277) is greater than the table value (9.488) at 0.05 significant level. The P-value  $(P=0.000)$  is less than 0.05 and this leads to rejecting the null hypothesis. This indicates that Public relation has significant effect on deposit mobilization.

**H<sub>1</sub>: Public relation has significant effect on deposit mobilization is accepted. Role of direct marketing on deposit mobilization**

When we come to the customer respondents' results, the coefficient of concordance for direct marketing shows that  $W=0.1$  which is a poor agreement among the respondents like the employee respondents. The chi square (110.746) is greater than the table value (9.488) at 0.05 significant level. Regarding the P-value  $(P=0.000)$  is less than 0.05 so that the null hypothesis is rejected. This indicates that direct marketing has statistically significant effect on deposit mobilization.

**H<sub>1</sub>: Direct marketing has significant effect on deposit mobilization is accepted.**

Generally the above table indicates the role of promotion mix elements on deposit mobilization practices of CBE. According to the above result the role of advertisement has the highest rank in all aspects of the measurements mentioned above followed by direct marketing. Public relation, sales promotion and

personal selling have ranks from 3<sup>rd</sup> to 5<sup>th</sup> respectively. This implies that advertisement and direct marketing have better role in deposit mobilization of CBE in the perception of customers.

#### 4.5. Preferable promotion mix for deposit mobilization

One of the objectives of this study is to determine the preferable promotion mix element among the five promotion mix elements. The result from the descriptive table is used to compare the variables rank in being most preferable promotion mix elements.

Table 4.5 Descriptive statistics for attitude of CBE employees and customers about the preferable promotion mix practices of CBE

Preferable promotion mix practices of CBE	Employees(N=147)		Customers(N=212)	
	Mean	Std. Dev.	Mean	Std. Dev.
<b>A. Advertisement</b>				
Advertisement is the most preferable promotional mix to play informative role to impact deposit mobilization in CBE	4.24	0.668	3.62	1.071
Advertisement is the preferable promotional mix to play Persuasive role to impact on deposit mobilization	4.01	0.717	3.70	0.994
Advertisement is the preferable promotional mix to play reminder role to impact on deposit mobilization	4.01	0.740	3.70	0.956
<b>Total Mean and standard deviation</b>	<b>4.09</b>		<b>3.67</b>	
<b>B. Sales Promotion</b>				
Sales promotion is the preferable promotional mix to play informative role to impact on deposit mobilization	3.84	0.728	3.65	0.816
Sales promotion is the preferable promotional mix to play Persuasive role to impact on deposit mobilization	3.84	0.616	3.95	0.819
Sales promotion is the preferable promotional mix to play <b>reminder</b> role to impact on deposit mobilization	3.86	0.708	3.90	0.907
<b>Total Mean and standard deviation</b>	<b>3.85</b>		<b>3.83</b>	
<b>C. Public Relation</b>				
Public relation is the preferable promotional mix to play informative role to impact on deposit mobilization	3.63	1.035	3.54	1.023
Public relation is the preferable promotional mix to play Persuasive role to impact on deposit mobilization	3.81	0.634	3.64	0.966
Public relation is the preferable promotional mix to play reminder role to impact on deposit mobilization	3.86	0.802	3.66	1.011

<b>Total Mean and standard deviation</b>	<b>3.77</b>		<b>3.61</b>	
<b>D. Personal Selling</b>				
Personal selling is the preferable promotional mix to play informative role to impact on deposit mobilization	3.48	1.056	3.65	0.816
Personal selling is the preferable promotional mix to play Persuasive role to impact on deposit mobilization	3.84	0.791	3.88	0.903
Personal selling is the preferable promotional mix to play reminder role to impact on deposit mobilization	3.40	0.963	3.94	0.818
<b>Total Mean and standard deviation</b>	<b>3.57</b>		<b>3.82</b>	
<b>E. Direct Marketing</b>				
Direct marketing is the preferable promotional mix to play <b>informative</b> role to impact on deposit mobilization	3.41	1.140	3.67	0.976
Direct marketing is the preferable promotional mix to play <b>Persuasive</b> role to impact on deposit mobilization	3.97	0.802	3..56	1.031
Direct marketing is the preferable promotional mix to play Reminder role to impact on deposit mobilization.	3.63	1.021	3.69	1.019
<b>Total Mean</b>	<b>3.67</b>		<b>3.64</b>	
<b>Overall level of employees &amp; customers perception about Preferable promotion mix practices of CBE.</b>	<b>3.79</b>		<b>3.71</b>	

*Source: Computation from survey data (2021)*

#### 4.5.1. Preferable promotion mix of CBE from Employee perspective

The above table shows that amongst the promotion mix elements, Advertisement has the highest score (mean=4.24 and standard deviation =0.668) which indicates that it is the most preferable promotion mix to be informative. Regarding the preferable promotion mix in persuading customers for deposit mobilization again Advertisement has the highest score (mean=4.01 and standard deviation=0.717). For reminding



customers about deposit mobilization, Advertisement is the leading from the promotion mix elements (mean=4.01 and standard deviation=0.740).

#### 4.5.2. Preferable promotion mix of CBE from customer perspective

As we can see from the above table, amongst the promotion mix elements, the most preferable promotion mix to be informative is personal selling with the highest score (mean=4.50 and standard deviation=0.794). In addition, the preferable promotion mix which is persuasive is again personal selling (mean=4.10 and standard deviation=0.684). Regarding the reminder promotion mix which is preferable is public relation with the highest score (mean=4.45 and standard deviation=0.711).

#### Overall Average Mean for Both Respondent Groups (Employee and Customers)

Promotion mix	Mean			
	Employees	Customers	Average Mean of both groups	Rank
Advertisement	4.09	3.67	3.88	1 <sup>st</sup>
Sales promotion	3.85	3.83	3.84	2 <sup>nd</sup>
Personal Selling	3.57	3.82	3.70	3 <sup>rd</sup>
Public Relation	3.77	3.61	3.69	4 <sup>th</sup>
Direct Marketing	3.67	3.64	3.66	5 <sup>th</sup>

*Source: Computation from survey data (2021)*

The above table indicates that the employee respondents have given higher rate for advertisement in such a way that it is preferable promotion tool for being informative, persuasive and reminder with the mean value 4.09. The second preferable promotion mix element is sales promotion with a mean value of 3.85 followed by public relation (3.77), Direct marketing (3.67) and personal selling (3.57). On the hand, when we come to the customer respondents, sales promotion has higher rate as a preferable promotion mix for being informative, persuasive and reminder with mean value of 3.83 followed by advertisement (3.67), Direct marketing (3.64), personal selling (3.62) and public relation (3.61) respectively. When we take the average mean of both groups of respondents, advertisement has a higher mean value of 3.88 followed by sales promotion (3.84), personal selling (3.70), and public relation (3.69)

and direct marketing (3.66) respectively. The reasons for advertisement and sales promotion to be the most preferable promotion mix could be many but to mention some of them; it is good to see how various scholars said about advertisement and sales promotion.

According to Brassington and Pettit (2000) advertising is any paid form of non-personal communication directed towards target audiences and transmitted through various mass media in order to promote and present a product, services or idea. The key difference between advertising and other promotional tools is that it is impersonal and communicates with large numbers of people through paid media channels. In addition, sales promotion is often defined as those marketing activities that provide extra value or incentive for purchasing a product and that can stimulate immediate sales from consumers or dealers (Belch& Belch, 1990). From the above definitions we can take the following points: Advertisement can be easily reached to the public, people need incentives and rewards to be easily stimulated, and both advertisement and sales promotion are non -personal promotion activities. Due to these reasons we can conclude that advertisement and sales promotion are the two most preferable promotion mix elements.

#### 4.6. Challenges of promotion practices of CBE

It is known that there are many challenges or factors which affect the promotion practice of any business. This section of the questionnaire tested the attitude and views of employees about the challenges of CBE's promotion practice. A series of sixteen statements were presented to respondents and respondents were asked to rate their level of agreement with each statement. Table4. 6 below indicate employees' response on challenges of CBE's promotion practice.

Table 4.6.Descriptive Statistics for Attitude of CBE Employees about Challenges of promotion practice of CBE.

Challenges of promotion mix practices of CBE	Employees	
	Mean	Std. Dev.
Identifying the right promotional channel is a challenge for CBE's Promotion practice.	3.14	1.083
Targeting content for the audience is a challenge for CBE's promotion.	3.08	1.050
High operating cost / unavailability of budget for market promotion is a Challenge for CBE's promotion	2.69	0.896
Language barrier to reach the target audience is a challenge for CBE's promotion	2.97	1.196
Socio-cultural barrier (religion, gender) related barrier in the promotional content	3.06	0.981
Legal and regulatory barrier is a challenge for CBE's promotion	2.88	0.992
Unavailability Professionals in promotion is a challenge for CBE's promotion	2.87	1.055
Unavailability of ideal promotional channel meant to the target audience is a challenge for CBE's promotion	3.19	1.049
Type of Product offered by CBE is challenge for promotion practice	2.59	0.882
Use of Product is challenge for promotion practice for CBE	2.93	0.896
Complexity of Product is a challenge for CBE's promotion practice	2.99	1.092
Purchase Quantity and Frequency of buying the product is challenge for CBE's promotion practice	2.90	0.871
The type of market CBE is targeting being consumer market to play informative as well as persuasive role is one of the challenge for CBE's promotion practice	3.31	0.955
The number and location of customers greatly influence the promotion mix	3.64	0.891
Size of Market(number of buyers) of CBE's product is one of the factors affecting its promotion practice	3.29	0.993
Stage of Product Life Cycle offered by CBE is a challenge for CBE's Promotion practice.	3.15	0.953

*Source: Computation from survey data (2021)*

#### 4.6.1. Challenges of promotion mix practice of CBE (Employee perception)

The above table indicates the result from employee respondents on challenges of promotion mix strategies of CBE. The means for the challenges of promotion practice of CBE items dimensions ranged between 2.59 and 3.64(1= strongly disagree and 5= strongly agree) and the standard deviation ranged between 0.871 and 1.196 which show some level of variance. The challenges highly affecting the promotion practices of CBE as per the result from respondents were “The number and location of customers greatly influence the promotion mix” (mean=3.64 and standard deviation=0.891), “The type of market CBE is targeting being consumer market to play informative as well as persuasive role is one of the challenges for CBE’s promotion practice(mean=3.31 and standard deviation =0.955), “Size of Market(number of buyers) of CBE’s product is one of the factors affecting its promotion practice” (mean=3.29 and standard deviation=0.993).

According to Moidunny, K (2009), the mean score from 3.21- 4.20 is high. Due to their mean score is found within this range we can say that those challenges are affecting the promotion practices of CBE. On the other hand, the mean score of most of the challenges of the promotion practices of CBE falls between the ranges 2.61-3.20 which is medium range. The result indicates that those challenges are affecting the promotion practices of CBE at a moderate level. The statement indicating the least level of agreement was “Type of Product offered by CBE is challenge for promotion practice” (mean= 2.59 and standard deviation= 0.882). Since the mean value is between 1.81-2.60 ranges which are low level, we may observe that it is the least challenge of all.

Effective promotion of financial services is crucial since services are intangible products and it is hard to stand out, considering the fact that all banks offer similar products (Meidan, 1996). A bank’s services are seldom unique and they are easy for competitors to copy (Marquardt, 1994). Additionally, many people cannot make a distinction between different bank services and they are often not aware of the wide range of different financial services available (Meidan, 1996). Due to this fact there are various types of challenges in implementing promotion mix strategies.

## CHAPTER FIVE

### Introduction

This chapter provides findings, conclusions and recommendations of the research undertaken in the study. The conclusions are based on the research objectives of the study. The general explanations of the findings were discussed and recommendations drawn from the conclusions of the research.

#### 5.1. Summary of the Major Findings

The main objective of this study was to identify the effectiveness promotion mix strategies on deposit mobilization of CBE. In order to do the study, 147 employees and 212 customer respondents were participated. Both respondent groups were asked the effect of promotion mix strategies on deposit mobilization of CBE in a five point Likert scale. The specific objects were to assess the promotion practices of CBE, to identify the most preferable promotion mix in its impact on deposit mobilization, to measure the role of promotional mix practices of CBE on deposit mobilization, to identify the major challenges of promotional mix practices of CBE. Based on the research results obtained through quantitative data analyses the following major findings are identified.

- **Promotion practice of CBE:** with regard to this issue, the perception of the employee and customer respondents shows that the promotion practice of CBE has in general a good result with an overall mean value of **3.85** and **3.98** respectively. The average value for both respondents is **3.91** indicating that it is above average.
- **Role of promotion mix on deposit mobilization:** the role of promotion mix is measured by Kendall's coefficient of concordance to measure the level of agreement among the observers. Advertisement has a high coefficient of concordance which is  $w=0.43$  followed by sales promotion with  $W=0.35$ . This result indicates that the level of agreement among the observers in choosing advertisement and sales promotion have a higher role on increasing deposit mobilization.
- **The preferable promotion mix:** The result shows that among the promotion mix elements advertisement has a high average mean value of 3.88 from both respondent groups. The mean value for each respondent group is 4.09 and 3.67 for employee and customer respondents respectively. The second best preferable is sales promotion with mean value of 3.84 followed by personal selling, direct marketing and public relation.

- **Challenge of promotion practice of CBE-** Although there are many challenges that the bank faces during implementing the promotion mix elements, the respondents agreed most on the statement “The number and location of customers greatly influence the promotion mix “with the mean value of 3.64. The second most agreed challenge is the statement “The type of market CBE is targeting being consumer market to play informative as well as persuasive role is one of the challenge for CBE’s promotion practice” with a mean value 3.31 followed by the statement “Size of Market (number of buyers) of CBE’s product is one of the factors affecting its promotion practice” with a mean value 3.29.

## 5.2. Conclusion

Promotion is the direct way in which an organization communicates the product or service to its target audiences (Brassington and Pettit (2000)). Within the service sector, promotion is used in many different ways (Meidan, 1996). Brassington and Pettit(2000) has categorized the promotional tools in to five main elements; advertising, sales promotion, public relations, personnel selling, and direct marketing. The study aimed to determine the effect of promotional mix strategies on deposit mobilization of CBE. Based on the above mentioned findings the following conclusions are drawn:

- The result from the research findings indicates that the promotion practice of CBE in general is above average. This means the respondents agreed that CBE’s promotion practice is informative, persuasive and reminder to its customers.
- The role of promotion mix elements has positive and significant effect on deposit mobilization. Among the promotion mix elements; advertisement has the highest result on attracting customers followed by sales promotion.
- Regarding the most preferable promotion mix among the five mix elements the finding from study indicates that advertisement is the preferred promotion mix element followed by sales promotion.
- Even though there are so many challenges to implement the promotion practice of CBE, the most agreeable challenge is the statement “The number and location of customers are the major challenge for CBE to implement promotion mix”.

### 5.3. Recommendation

From the above conclusions that are drawn from the research findings, the following recommendations are given:

- The promotion practice of CBE in general is above average as per the result of both groups of respondents. Nowadays the competition among the commercial banks is very high. In order to win the competition CBE should adopt a successful promotion mix strategies. The finding from the research indicates that CBE should evaluate or appraise the promotional contents compatibility with the selected promotional audiences and the weakness on accessibility of promotional campaign using all the promotion mix tools.
- Although the role or promotion mix on deposit mobilization is satisfactory in general, some of the promotion mix elements should be given high attention in order to achieve a better result. CBE in its promotional strategy plan should identify and evaluate which of the promotional tools are more strong and weak to achieve the desired result.
- The result from the respondents indicates that Advertisement is the most preferable promotion mix element. Since advertisement is a paid and non -personal presentation and promotion of ideas, goods and services it is easier to address the message to all its customers. Hence, the bank should effectively use this promotion tool. In addition, the Bank should work hard and give more attention to the other promotion tools and use them effectively to achieve its goals.
- The Bank's (CBE) promotion practice has a lot of challenges. According to the data gathered from the respondents the major challenge that is agreed most by the respondents the number and location of customers is very challenging to manage the promotion practice effectively. So the bank or concerned body should evaluate the accessibility, compatibility and manageability of the promotion practice.

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APPENDIX-I



St. Mary's University  
Postgraduate Study in Marketing Management  
Questionnaire to be filled by CBE Customers

**Research Topic:** The effect of Promotion mix strategies on deposit mobilization of Commercial Bank of Ethiopia

**Dear Respondents: -**

First of all, I would like to express my earnest appreciation for your generous time, honest and prompt responses. This questionnaire is designed to collect data about “The effect of promotion mix strategies on deposit mobilization of Commercial Bank of Ethiopia. In an attempt to conduct the research, I kindly request you to complete the attached questionnaire in an honest manner. All responses will be treated as confidential.

**General Instructions**

- ✓ There is no need of writing your name.
- ✓ In all cases where answer options are available please tick (✓) in the appropriate box.
- ✓ For question that demands your opinion, please try to honestly describe as per the question on the space provided.

**Thank you in advance for your cooperation**

**Researcher:** Abeba Gebrecherkos

**Contact Address:** +251-911-139191

**E-mail:** abebagebrecherkos@gmail.com

## Section I. Socio Demographic Characteristics

This part of the questionnaire covers items related to background of the respondents.

1. Gender: Male  Female

2. Age: 18-24  25-35  36-45  above 45

3. Educational level/Qualification

Diploma  First Degree  Second Degree  PhD

4. For how many years have you been customer of CBE?

1-5years  6-10 years  11-15

years  16-20 years  More than 20years

## SECTION II: The promotion practices of Commercial Bank of Ethiopia (CBE)

Please indicate the extent of your agreement or disagreement with each statement ticking (√) in the box corresponding to a number from 1 to 5 scale where, 1 = strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = strongly agree

No.	The promotion practices of CBE.	1	2	3	4	5
1	CBE considers the objective of its promotion in its promotional content					
2	CBE considers its audience in designing its promotion					
3	CBE considers appropriate promotional channels to reach its intended audience such as Television, Radio, Billboards, Brochures, Posters, Leaflets and Magazines to promote its services.					
4	CBE plans its budget requirement for its promotional campaign					
5	CBE considers the compatibility of its promotional message to the selected promotional audience					
6	CBE appraises its promotional content compatibility with the different demographic group such as religion, geography, gender, language, and so on					

7	CBE conducts promotional campaign through using one or more of the following promotional mix elements to inform or persuade or remind its customers(Television, Radio, Billboards, Brochures, Posters, Leaflets and Magazines)					
8	CBE evaluates the effectiveness of promotion to achieve its intended objectives of to inform or persuade or remind its customers					
9	CBE takes corrective action on its promotion based on the evaluation results on the effectiveness of its promotion to achieve its intended objectives					

### SECTION III: The role of promotional mix practices of CBE on deposit

Please indicate the extent of your agreement or disagreement with each statement ticking (√) in the box corresponding to a number from 1 to 5 scale where, 1 = strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = strongly agree

	<b>The role of promotional mix practices of CBE on deposit</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>A</b>	<b>Role of Advertisement</b>					
10	Advertisement plays role to increase the liquidity status of CBE					
11	Advertisement plays role to increase the lending capacity of CBE					
12	Advertisement plays role to increase the loan provision capacity of CBE					
13	Advertisement plays role to increase the interest rate of CBE on deposits					
14	Advertisement Plays role to increase the profitability of CBE through deposit mobilization					
<b>B</b>	<b>Role of Sales promotion</b>					
15	Sales promotion plays role to increase the liquidity status of CBE					
16	Sales promotion plays role to increase the lending capacity of CBE					
17	Sales promotion plays role to increase the loan provision capacity of CBE					
18	Sales promotion plays role to increase the interest rate of CBE on deposits					
19	Sales promotion Plays role to increase the profitability of CBE through deposit mobilization					
<b>C</b>	<b>Role of Public relation</b>					
20	Public relation plays role to increase the liquidity status of CBE					
21	Public relation plays role to increase the lending capacity of CBE					
22	Public relation plays role to increase the loan provision capacity of CBE					
23	Public relation plays role to increase the interest rate of CBE on deposits					
24	Public relation Plays role to increase the profitability of CBE through deposit mobilization					
<b>D</b>	<b>Role of Personal selling</b>					
25	Personal selling plays role to increase the liquidity status of CBE					
26	Personal selling plays role to increase the lending capacity of CBE					

27	Personal selling plays role to increase the loan provision capacity of CBE					
28	Personal selling plays role to increase the interest rate of CBE on deposits					
29	Personal selling plays role to increase the profitability of CBE through deposit mobilization					
<b>E</b>	<b>Role of Direct marketing</b>					
30	Direct marketing plays role to increase the liquidity status of CBE					
31	Direct marketing plays role to increase the lending capacity of CBE					
32	Direct marketing plays role to increase the loan provision capacity of CBE					
33	Direct marketing plays role to increase the interest rate of CBE on deposits					
34	Direct marketing plays role to increase the profitability of CBE through deposit mobilization					



**SECTION IV: Preferable promotion mix to impact on deposit mobilization of CBE**

Please indicate the extent of your agreement or disagreement with each statement ticking (√) in the box corresponding to a number from 1 to 5 scale where, 1 = strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = strongly agree

	<b>Preferable promotion mix to impact on deposit mobilization</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>A</b>	<b>Advertisement</b>					
35	Advertisement is the most preferable promotional mix to play <b>informative</b> role to impact deposit mobilization in CBE					
36	Advertisement is the preferable promotional mix to play <b>Persuasive</b> role to impact on deposit mobilization					
37	Advertisement is the preferable promotional mix to play <b>reminder</b> role to impact on deposit mobilization					
<b>B</b>	<b>Sales promotion</b>					
38	Sales promotion is the preferable promotional mix to play <b>informative</b> role to impact on deposit mobilization					
39	Sales promotion is the preferable promotional mix to play <b>Persuasive</b> role to impact on deposit mobilization					
40	Sales promotion is the preferable promotional mix to play <b>reminder</b> role to impact on deposit mobilization					
<b>C</b>	<b>Public relation</b>					
41	Public relation is the preferable promotional mix to play <b>informative</b> role to impact on deposit mobilization					
42	Public relation is the preferable promotional mix to play <b>Persuasive</b> role to impact on deposit mobilization					
43	Public relation is the preferable promotional mix to play <b>reminder</b> role to impact on deposit mobilization					
<b>D</b>	<b>Personal selling</b>					
44	Personal selling is the preferable promotional mix to play <b>informative</b> role to impact on deposit mobilization					

45	Personal selling is the preferable promotional mix to play <b>Persuasive</b> role to impact on deposit mobilization					
46	Personal selling is the preferable promotional mix to play <b>reminder</b> role to impact on deposit mobilization					
<b>E</b>	<b>Direct marketing</b>					
47	Direct marketing is the preferable promotional mix to play <b>informative</b> role to impact on deposit mobilization					
48	Direct marketing is the preferable promotional mix to play <b>Persuasive</b> role to impact on deposit mobilization					
49	Direct marketing is the preferable promotional mix to play <b>reminder</b> role to impact on deposit mobilization					

**Thank you very much!**

## APPENDIX-II



St. Mary's University  
Postgraduate Study in Marketing Management  
Questionnaire to be filled by CBE employees

**Research Topic:** The effect of Promotion mix strategies on deposit mobilization  
of Commercial Bank of Ethiopia

**Dear Respondents: -**

First of all, I would like to express my earnest appreciation for your generous time, honest and prompt responses. This questionnaire is designed to collect data about “The effect of promotion mix strategies on deposit mobilization of Commercial Bank of Ethiopia. In an attempt to conduct the research, I kindly request you to complete the attached questionnaire in an honest manner. All responses will be treated as confidential.

**General Instructions**

- ✓ There is no need of writing your name.
- ✓ In all cases where answer options are available please tick (✓) in the appropriate box.
- ✓ For question that demands your opinion, please try to honestly describe as per the question on the space provided.

**Thank you in advance for your cooperation**

**Researcher:** Abeba Gebrecherkos

**Contact Address:** +251-911-139191

**E-mail:** [abebagebrecherkos@gmail.com](mailto:abebagebrecherkos@gmail.com)

**Section I. Socio Demographic Characteristics**

This part of the questionnaire covers items related to background of the respondents.

5. Gender: Male  Female

6. Age: 18-24  25-35  36-45  Above 45

7. Educational level/Qualification

Diploma  First Degree  Second Degree  PhD

8. Your Position in the bank.....

9. Work experience

1-5 years  6-10 years  11-15 years  16-20 years

More than 20 years

**SECTION II: The promotion practices of Commercial Bank of Ethiopia (CBE)**

Please indicate the extent of your agreement or disagreement with each statement ticking (√) in the box corresponding to a number from 1 to 5 scale where, 1 = strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = strongly agree

No.	The promotion practices of CBE.	1	2	3	4	5
1	CBE considers the objective of its promotion in its promotional content					
2	CBE considers its audience in designing its promotion					
3	CBE considers appropriate promotional channels to reach its intended audience such as Television, Radio, Billboards, Brochures, Posters, Leaflets and Magazines to promote its services.					
4	CBE plans its budget requirement for its promotional campaign					
5	CBE considers the compatibility of its promotional message to the selected promotional audience					
6	CBE appraises its promotional content compatibility with the different demographic group such as religion, geography, gender, language, and so on					

7	CBE conducts promotional campaign through using one or more of the following promotional mix elements to inform or persuade or remind its customers(Television, Radio, Billboards, Brochures, Posters, Leaflets and Magazines)					
8	CBE evaluates the effectiveness of promotion to achieve its intended objectives of to inform or persuade or remind its customers					
9	CBE takes corrective action on its promotion based on the evaluation results on the effectiveness of its promotion to achieve its intended objectives.					

### SECTION III: The role of promotional mix practices of CBE on deposit

Please indicate the extent of your agreement or disagreement with each statement ticking (√) in the box corresponding to a number from 1 to 5 scale where, 1 = strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = strongly agree

	<b>The role of promotional mix practices of CBE on deposit</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>A</b>	<b>Role of Advertisement</b>					
10	Advertisement plays role to increase the liquidity status of CBE					
11	Advertisement plays role to increase the lending capacity of CBE					
12	Advertisement plays role to increase the loan provision capacity of CBE					
13	Advertisement plays role to increase the interest rate of CBE on deposits					
14	Advertisement Plays role to increase the profitability of CBE through deposit mobilization					
<b>B</b>	<b>Role of Sales promotion</b>					
15	Sales promotion plays role to increase the liquidity status of CBE					
16	Sales promotion plays role to increase the lending capacity of CBE					
17	Sales promotion plays role to increase the loan provision capacity of CBE					
18	Sales promotion plays role to increase the interest rate of CBE on deposits					
19	Sales promotion Plays role to increase the profitability of CBE through deposit mobilization					
<b>C</b>	<b>Role of Public relation</b>					
20	Public relation plays role to increase the liquidity status of CBE					
21	Public relation plays role to increase the lending capacity of CBE					
22	Public relation plays role to increase the loan provision capacity of CBE					
23	Public relation plays role to increase the interest rate of CBE on deposits					
24	Public relation Plays role to increase the profitability of CBE through deposit mobilization					
<b>D</b>	<b>Role of Personal selling</b>					
25	Personal selling plays role to increase the liquidity status of CBE					
26	Personal selling plays role to increase the lending capacity of CBE					
27	Personal selling plays role to increase the loan provision capacity of CBE					
28	Personal selling plays role to increase the interest rate of CBE on deposits					

29	Personal selling plays role to increase the profitability of CBE through deposit mobilization					
<b>E</b>	<b>Role of Direct marketing</b>					
30	Direct marketing plays role to increase the liquidity status of CBE					
31	Direct marketing plays role to increase the lending capacity of CBE					
32	Direct marketing plays role to increase the loan provision capacity of CBE					
33	Direct marketing plays role to increase the interest rate of CBE on deposits					
34	Direct marketing plays role to increase the profitability of CBE through deposit mobilization					

#### SECTION IV: Challenges of promotional mix practices of CBE

Please indicate the extent of your agreement or disagreement with each statement ticking (√) in the box corresponding to a number from 1 to 5 scale where, 1 = strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = strongly agree

	<b>Challenges of promotional mix practices of CBE.</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
35	Identifying the right promotional channel is a challenge for CBE's promotion					
36	Targeting content for the audience is a challenge for CBE's promotion					
37	High operating cost / unavailability of budget for market promotion is a challenge for CBE's promotion					
38	Language barrier to reach the target audience is a challenge for CBE's promotion					
39	Socio-cultural barrier (religion, gender) related barrier in the promotional content					
40	Legal and regulatory barrier is a challenge for CBE's promotion					
41	Unavailability Professionals in promotion is a challenge for CBE's promotion					
42	Unavailability of ideal promotional channel meant to the target audience is a challenge for CBE's promotion					
43	Type of Product offered by CBE is challenge for promotion practice of CBE					
44	Use of Product is challenge for promotion practice of CBE					
45	Complexity of Product is a challenge for CBE's promotion					
46	Purchase Quantity and Frequency					
47	The type of market CBE is targeting being consumer market to play informative as well as persuasive role is one of the challenge for CBE's promotion					
48	The number and location of customers greatly influence the promotion mix					
49	Size of Market (number of buyers) of CBE's product is one of the factors affecting its promotion					
50	Stage of Product Life Cycle offered by CBE is a challenge for CBE's promotion					



**SECTION V: Preferable promotion mix to impact on deposit mobilization of CBE**

Please indicate the extent of your agreement or disagreement with each statement ticking (√) in the box corresponding to a number from 1 to 5 scale where, 1 = strongly disagree 2 = Disagree 3 = Neutral 4 = Agree 5 = strongly agree

	<b>Preferable promotion mix to impact on deposit mobilization</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
<b>A</b>	<b>Advertisement</b>					
51	Advertisement is the most preferable promotional mix to play <b>informative</b> role to impact deposit mobilization in CBE					
52	Advertisement is the preferable promotional mix to play <b>Persuasive</b> role to impact on deposit mobilization					
53	Advertisement is the preferable promotional mix to play <b>reminder</b> role to impact on deposit mobilization					
<b>B</b>	<b>Sales promotion</b>					
54	Sales promotion is the preferable promotional mix to play <b>informative</b> role to impact on deposit mobilization					
55	Sales promotion is the preferable promotional mix to play <b>Persuasive</b> role to impact on deposit mobilization					
56	Sales promotion is the preferable promotional mix to play <b>reminder</b> role to impact on deposit mobilization					
<b>C</b>	<b>Public relation</b>					
57	Public relation is the preferable promotional mix to play <b>informative</b> role to impact on deposit mobilization					
58	Public relation is the preferable promotional mix to play <b>Persuasive</b> role to impact on deposit mobilization					
59	Public relation is the preferable promotional mix to play <b>reminder</b> role to impact on deposit mobilization					
<b>D</b>	<b>Personal selling</b>					
60	Personal selling is the preferable promotional mix to play <b>informative</b> role to impact on deposit mobilization					

61	Personal selling is the preferable promotional mix to play <b>Persuasive</b> role to impact on deposit mobilization					
62	Personal selling is the preferable promotional mix to play <b>reminder</b> role to impact on deposit mobilization					
<b>E</b>	<b>Direct marketing</b>					
63	Direct marketing is the preferable promotional mix to play <b>informative</b> role to impact on deposit mobilization					
64	Direct marketing is the preferable promotional mix to play <b>Persuasive</b> role to impact on deposit mobilization					
65	Direct marketing is the preferable promotional mix to play <b>reminder</b> role to impact on deposit mobilization					

**Thank you very much**

## Kendall's W Test

Result of Employees on role of promotion mix elements.

### Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
Adv.plays role to increase liquidity	147	4.24	.601	2	5
Adv.plays role to increase lending capacity of CBE	147	4.08	.636	3	5
Adv.plays role to increase loan provision capacity of CBE	147	3.93	.777	1	5
Adv.plays role to increase interest rate on depo	147	3.07	1.045	1	5
Adv.plays role to increase profitability	147	4.31	.639	1	5

### Ranks

	Mean Rank
Adv. plays role to increase liquidity	3.49
Adv. plays role to increase lending capacity of CBE	3.16
Adv. plays role to increase loan provision capa	2.98
Adv. plays role to increase interest rate on depo	1.68
Adv. plays role to increase profitability	3.69

### Test Statistics

N	147
Kendall's W <sup>a</sup>	.429
Chi-Square	252.189
Df	4
Asymp. Sig.	.000

a Kendall's Coefficient of Concordance

### Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
Sales promo. plays role to increase liquidity	147	4.05	.905	1	5
Sales promo. Plays role to increase lending capa	147	3.97	.711	2	5
Sales promo plays role to increase loan provision capa	147	3.78	.999	1	5
Sales promo. plays role to increase interest rate on depo	147	3.15	1.081	1	5
Sales promo. role to increase profitability	147	4.30	.554	3	5

### Ranks

	Mean Rank
Sales promo. plays role to increase liquidity	3.28
Sales promo. plays role to increase lending capa	3.16
Sales promo plays role to increase loan provision capa	2.95
Sales promo. Plays role to increase interest rate on depo	1.88
Sales promo. role to increase profitability	3.73

### Test Statistics

N	147
Kendall's W <sup>a</sup>	.349
Chi-Square	205.284
Df	4
Asymp. Sig.	.000

**a kendall's coefficient of concordance**

### Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
Public Relation plays role to increase liquidity	147	3.88	1.070	1	5
Public Relation plays role to increase lending capa	147	4.10	.814	2	5
Public Relation plays role to increase loan provision capa	147	3.94	.838	2	5
Public Relation plays role to increase interest rate on depo	147	3.54	1.154	1	5
Public Relation plays role to increase profitability	147	4.16	.759	2	5

### Ranks

	Mean Rank
Public Relation plays role to increase liquidity	2.88
Public Relation plays role to increase lending capa	3.30
Public Relation plays role to increase loan provision capa	2.94
Public Relation plays role to increase interest rate on depo	2.49
Public Relation plays role to increase profitability	3.38

### Test Statistics

N	147
Kendall's W <sup>a</sup>	.130
Chi-Square	76.552
Df	4
Asymp. Sig.	.000

A kendall's coefficient of concordance

### Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
Personal selling plays role to increase liquidity	147	3.90	.998	2	5
Personal selling plays role to increase lending capa	147	3.84	.703	2	5
Personal selling plays role to increase loan provision capa	147	3.70	.725	2	5
Personal selling plays role to increase interest rate on depo	147	3.21	1.008	1	5
Personal selling plays role to increase profitability	147	3.88	.832	2	5

### Rank

	Mean Rank
Personal selling plays role to increase liquidity	3.32
Personal selling plays role to increase lending capa	3.14
Personal selling plays role to increase loan provision capa	2.92
Personal selling plays role to increase interest rate on depo	2.27
Personal selling plays role to increase profitability	3.35

### Test Statistics

N	147
Kendall's W <sup>a</sup>	.150
Chi-Square	88.377
Df	4
Asymp. Sig.	.000

a Kendall's Coefficient of Concordance



### Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
Direct Marketing plays role to increase liquidity	147	3.97	.891	1	5
Direct Marketing plays role to increase lending capa	147	3.90	.842	1	5
Direct Marketing plays role to increase loan provision capa	147	3.84	.652	2	5
Direct Marketing plays role to increase interest rate on depo	147	3.51	.989	1	5
Direct marketing plays role to increase profitability	147	4.12	.568	2	5

### Ranks

	Mean Rank
Direct Marketing plays role to increase liquidity	3.18
Direct Marketing plays role to increase lending capa	2.99
Direct Marketing plays role to increase loan provision capa	2.82
Direct Marketing plays role to increase interest rate on depo	2.54
Direct marketing plays role to increase profitability	3.48

### Test Statistics

N	147
Kendall's W <sup>a</sup>	.114
Chi-Square	67.032
Df	4
Asymp. Sig.	.000

a Kendall's Coefficient of Concordance

### Result of customer respondents on role of promotion mix elements

#### Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
Adv.plays role to increase liquidity	212	4.53	.670	3	5
Adv.plays role to increase lending capacity of CBE	212	4.22	.839	2	5
Adv.plays role to increase loan provision capa	212	3.89	1.013	1	5
Adv.plays role to increase interest rate on depo	212	3.51	1.028	1	5
Adv.plays role to increase profitability	212	4.25	.802	2	5

### Ranks

	Mean Rank
Adv.plays role to increase liquidity	3.65
Adv.plays role to increase lending capacity of CBE	3.09
Adv.plays role to increase loan provision capa	2.71
Adv. plays role to increase interest rate on depo	2.29
Adv.plays role to increase profitability	3.27

### Test Statistics

N	212
Kendall's W <sup>a</sup>	.170
Chi-Square	143.821
Df	4
Asymp. Sig.	.000

a Kendall's Coefficient of Concordance

	N	Mean	Std. Deviation	Minimum	Maximum
Direct Marketing plays role to increase liquidity	212	3.72	.935	2	5
Direct Marketing plays role to increase lending capa	212	3.79	.901	1	5
Direct Marketing plays role to increase loan provision capa	212	3.50	.976	1	5
Direct Marketing plays role to increase interest rate on depo	212	3.31	1.020	1	5
Direct marketing plays role to increase profitability	212	3.89	1.004	2	5

## Descriptive Statistics

### Ranks

	Mean Rank
Direct Marketing plays role to increase liquidity	3.18
Direct Marketing plays role to increase lending capa	3.27
Direct Marketing plays role to increase loan provision capa	2.61
Direct Marketing plays role to increase interest rate on depo	2.45
Direct marketing plays role to increase profitability	3.48

### Test Statistics

N	212
Kendall's W <sup>a</sup>	.131
Chi-Square	110.746
Df	4
Asymp. Sig.	.000

a Kendall's Coefficient of Concordance

### Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
Personal selling plays role to increase liquidity	212	3.85	.925	1	5
Personal selling plays role to increase lending capa	212	3.88	.865	2	5
Personal selling plays role to increase loan provision capa	212	3.52	.995	2	5
Personal selling plays role to increase interest rate on depo	212	3.44	.935	2	5
Personal selling plays role to increase profitability	212	3.98	.728	2	5

### Ranks

	Mean Rank
Personal selling plays role to increase liquidity	3.18
Personal selling plays role to increase lending capa	3.27
Personal selling plays role to increase loan provision capa	2.69
Personal selling plays role to increase interest rate on depo	2.57
Personal selling plays role to increase profitability	3.30

### Test Statistics

N	212
Kendall's W <sup>a</sup>	.074
Chi-Square	62.506
Df	4
Asymp. Sig.	.000

a Kendall's Coefficient of Concordance

### Descriptive Statistics

	N	Mean	Std. Deviation	Minimum	Maximum
Public Relation. plays role to increase liquidity	212	4.11	.690	3	5
Public Relation plays role to increase lending capa	212	3.81	.774	2	5
Public Relation plays role to increase interest rate on depo	212	3.54	.850	1	5
Public Relation plays role to increase loan provision capa	212	3.70	.989	1	5
Public Relation plays role to increase profitability	212	3.95	.743	2	5

### Ranks

	Mean Rank
Public Relation. plays role to increase liquidity	3.50
Public Relation plays role to increase lending capa	2.93
Public Relation plays role to increase interest rate on depo	2.48
Public Relation plays role to increase loan provision capa	2.91
Public Relation plays role to increase profitability	3.17

### Test Statistics

N	212
Kendall's W <sup>a</sup>	.097
Chi-Square	82.277
Df	4
Asymp. Sig.	.000

a Kendall's Coefficient of Concordance

	N	Mean	Std. Deviation	Minimum	Maximum
Sales promo. plays role to increase liquidity	212	4.17	.795	2	5
Sales promo. plays role to increase lending capa	212	3.82	.665	2	5
Sales promo plays role to increase loan provisio	212	3.67	.879	1	5
Sales promo. plays role to increase interest rate on depo	212	3.56	.974	1	5
Sales promo role to increase profitability	212	3.91	.668	2	5

## Descriptive Statistics

### Ranks

	Mean Rank
Sales promo. plays role to increase liquidity	3.63
Sales promo. plays role to increase lending capa	2.87
Sales promo plays role to increase loan provision capa	2.78
Sales promo. plays role to increase interest rate on depo	2.62
Sales promo. role to increase profitability	3.10

### Test Statistics

N	212
Kendall's W <sup>a</sup>	.091
Chi-Square	77.134
Df	4
Asymp. Sig.	.000

a Kendall's Coefficient of Concordance



**Role of advertisement on deposit mobilization**

**Test Statistics**

	<b>Employees</b>	<b>Customers</b>
N	147	212
Kendall's W <sup>a</sup>	0.429	.170
Chi-Square	252.189	143.821
Df	4	4
Asymp. Sig.	0.000	.000

a Kendall's Coefficient of Concordance

**Role of Personal Selling on Deposit mobilization**

**Test statistics**

	<b>Employee</b>	<b>Customers</b>
N	147	212
Kendall's W <sup>a</sup>	0.150	.074
Chi-Square	88.377	62.506
Df	4	4
Asymp. Sig.	0.000	.000

a. Kendall's Coefficient of Concordance

### Role of Sales promotion on deposit mobilization

#### Test Statistics

	Employee	Customers
N	147	212
Kendall's Wa	0.349	.091
Chi-Square	205.284	77.134
Df	4	4
Asymp. Sig.	.000	.000

a Kendall's Coefficient of Concordance

### Role of Public Relation on deposit mobilization

	Employee	Customer
N	147	212
Kendall's W <sup>a</sup>	.130	.097
Chi-Square	76.552	82.277
Df	4	4
Asymp. Sig.	.000	.000

a Kendall's Coefficient of Concordance

### Role of Direct marketing on deposit mobilization

	Employee	Customers
N	147	212
Kendall's W <sup>a</sup>	.114	.131
Chi-Square	67.032	110.746
Df	4	4
Asymp. Sig.	.000	.000

a Kendall's Coefficient of Concordance

