



**St Mary's University**

**School of Graduate Studies**

**The Effect of Digital Marketing on the Purchase Intention:**

**The Case of Habesha Brewery**

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The Effect of Digital Marketing on the Purchase Intention:

The Case of Habesha Brewery

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School of Graduate Studies

Approval Sheet

The Effect of Digital Marketing on the Purchase Intention:  
The Case of Habesha Brewery

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## **Declaration**

I, Bereket Gezu, hereby declare that this research report titled “The Effect of Digital Marketing on the Purchase Intention: The Case of Habesha Brewery” is my own original work and it has never been produced or submitted to any university of higher learning institution for the similar or different award. All sources of materials used for this thesis have been duly acknowledged.

Signature \_\_\_\_\_

Date January, 2024

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## **Endorsement**

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

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Advisor

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Signature

St, Mary's University

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## **Acronyms and Abbreviates**

DM – Digital Marketing

DMA – Digital Marketing Ad

PI – Purchase Intention

VIV – Vividness

INT – Interactivity

INF – Information

ENT – Entertainment

INC – Incentive

STATA – Statistics and Data

CAC – Customer Acquisition Cost

SEO – Search Engine Optimization

ROI – Return on Investment

CCA – Cost of Customer Acquisition

SMM – Social Media Marketing

U&G – Uses and Gratifications

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## Abstract

*This thesis explores the influence of digital marketing on the purchase intention of Habesha Brewery customers, focusing on digital marketing dimensions; vividness, interactivity, information, entertainment, and incentive. The purpose of this study is to identify and analyze the impact of digital marketing on consumer behavior, specifically examining how digital marketing components contribute to purchase intention. The objectives include investigating the effects of vividness, interactivity, information, entertainment, and incentives in digital marketing content on customers' purchase intention. Employing a descriptive and quantitative research methodology, the target population consists of Habesha beer consumers in Addis Ababa who use digital media. A simple random sampling technique is employed, with a sample size of 385, following Corebetta's recommendation for an unknown population. The primary data collection method involves an online survey questionnaire with a five-item Likert scale. Results from the alpha testing phase indicate high-reliability coefficients for vividness, interactivity, information, entertainment, incentive, and purchase intention scales. The Pearson correlation matrix reveals positive associations among the independent variables, and a regression analysis demonstrates a moderate explanatory power with approximately 39.81% variance explained in purchase intention. Vividness, interactivity, information, entertainment, and incentives exhibit significant associations with purchase intention. Standardized beta coefficients offer insights into the relative importance of each predictor. Hypotheses testing supports the significant impact of vividness, interactivity, information, and entertainment on purchase intention, while the influence of incentives is marginally supported. These findings contribute to the understanding of the role of digital marketing in shaping consumer behavior and provide practical implications for marketers in optimizing digital marketing strategies.*

**Keywords:** Digital marketing, Purchase intention, Consumer behavior, Habesha Brewery, Vividness, Interactivity, Information, Entertainment, Incentive.

# Chapter 1

## Introduction

### 1.1 Background of the Study

In the evolving landscape of business and communication, technology plays a pivotal role, offering new opportunities for marketers and consumers to engage. The advent of the Internet and the web has revolutionized business operations, providing consumers with unprecedented access to brands, while businesses have become more responsive to customer needs and complaints (Osman, 2017).

Within the marketing domain, technological advancements are reshaping the landscape, with emerging technologies significantly influencing market operations. Digital technologies, in particular, have democratized marketing, presenting a promising venture for businesses of all sizes. This transformation is characterized by intelligence gathering, audience extension, and cost reduction (Astoriano, 2022).

Digital marketing, encompassing approaches such as social media and email marketing, stands out as one of the most widely adopted strategies by companies. Beyond their user-friendly interfaces and robust capabilities, social media and email marketing are highly effective in fostering customer engagement, a critical factor influencing customer purchase intention. These digital tools enable companies to promote products seamlessly and build customer relationships at lower costs, thereby driving increased sales volume (Samsudeen, 2020).

The integration of digital platforms in marketing intensifies the competition for product and marketing innovation. Widely recognized as the most effective form of marketing, digital marketing empowers companies to strategize and unleash creativity in the contemporary market. The ability to connect with potential clients irrespective of geographic location positions digital marketing as a powerful tool for marketers, especially with the proliferation of devices in today's world (Astoriano, 2022).

Key components of digital marketing technologies include search engine marketing, social media marketing, and content marketing, all contributing to an enhanced digital experience. A reasonable investment in digital marketing is expected to yield returns on investment and generate leads, underscoring its potential to drive revenue for businesses (Nyagadza, 2020).

Digital media emerges as a cornerstone in customer service, facilitating active engagement and relationship-building with the audience. The effectiveness of social media, in particular, enhances customer service, increases brand exposure, and fosters strong customer–brand relationships through rapid engagement and communication procedures (Severi et al., 2014). An effective digital media marketing strategy is crucial for staying competitive and being one of the first voices in the market (Bano, 2023).

The Ethiopian brewery industry, with roots dating back a century, has witnessed significant growth and competition in recent decades. The market's landscape has evolved with the entry of new local breweries and multinational investors, leading to mergers and acquisitions as players vie for market share. Among the key players is Habesha Brewery, which, since its establishment in 2015, has rapidly grown by distributing high-quality beers and non-alcoholic malt beverages across Ethiopia and globally. Despite its success, the brewery relies heavily on traditional print media and sponsorship for marketing, recognizing the need to embrace digital media to reach a broader audience.

Habesha Brewing's digital footprint is currently minimal, and the company acknowledges the importance of digital media in expanding its customer base and accelerating business growth. The shift to digital and social media marketing involves the utilization of tools such as websites, social media platforms, mobile apps, online videos, email, and blogs to engage consumers through their digital devices (Kotler, 2016). The primary focus of this paper is to assess the effect of digital marketing ads on the purchase intention of Habesha Brewery customers, emphasizing the necessity for the brewery to adopt digital marketing technologies to achieve its marketing objectives.

## **1.2 Problem Statement**

In contemporary business environments, the primary objective of every organization is to enhance profitability through effective marketing strategies. Over recent years, the emergence of Digital Media Marketing has revolutionized marketing practices, with firms utilizing various digital platforms such as Facebook, Instagram, Twitter, TikTok, and others (Khatib, 2016). The influence of social media on consumer behavior transcends product or service categories, impacting advertising attitudes, brand perceptions, and purchasing intentions (Khatib, 2016). Social media plays a pivotal role in shaping consumer decision-making processes, altering the traditional consumer-company

relationship (Yogash and Yesha, 2014).

Traditionally, consumers were passive recipients of messages pushed by companies. However, the paradigm has shifted, with consumers actively seeking information on social media platforms. Social networks like Facebook serve as spaces where consumers identify new needs through friends' product displays and brand endorsements, contributing to the evaluation of products and influencing future purchases (Yogash and Yesha, 2014). Ethiopian companies, previously heavily investing in TV and Radio advertisements to maintain top-of-mind awareness, face challenges adapting to this evolving landscape (Blech and Blech, 2012).

Moreover, government restrictions on the promotion of alcoholic beverages in traditional media (TV, Radio, and Billboards) have disrupted industry trade practices, affecting both existing and new brands in the market (Arsema, 2020). In the fiercely competitive Ethiopian beer industry, where consumer choices abound, new entrants like Habesha Brewery must navigate challenges in persuading consumers to choose their brands over others (Arsema, 2020). The reliance on traditional media, while effective in the past, may not align with evolving consumer behaviors, impacting purchase intentions (Saron Zewdie, 2018).

The need to measure advertising effectiveness is crucial in the current economic environment. According to Kotler and Armstrong (2013), companies must scrutinize their advertising spending and assess the returns on investment. Various studies, including Hilina Tsegaye's research in 2022, have explored the impact of social media on consumer purchase decisions and the influence of celebrity endorsements (Hilina, 2022). However, a literature gap exists concerning the role of Digital Marketing in the decision-making processes of Habesha Brewery consumers. Existing studies employ different methodologies and focus on varied components of digital media, resulting in a fragmented understanding (Netsanet, 2017; Ruth, 2020; Hilina, 2022; Arsema, 2020; Messay, 2021).

Measuring the effectiveness of advertising has become a hot issue for most companies, especially in the tight economic environment. According to Kotler & Armstrong (2013), top management at any company must ask their marketing managers, “How do we know that we’re spending the right amount on advertising?” and “What return are we getting on our advertising investment?”

This study aims to address this gap by investigating the influence of digital marketing ads on the purchase intention of Habesha Brewery consumers, considering the five digital marketing dimensions; vividness, interactivity, information, entertainment, and incentives. This research seeks to provide comprehensive insights that bridge existing knowledge discrepancies and offer valuable generalizations for businesses operating in the Ethiopian beer industry.

### **1.3 Research Questions**

- To what extent does Digital Marketing Ad (MDA) vividness affect the purchase intention of customers?
- To what extent does MDA interactivity affect the purchase intention of customers?
- To what extent does MDA information affect the purchase intention of customers?
- To what extent does MDA entertainment affect the purchase intention of customers?
- To what extent does MDA incentive affect the purchase intention of customers?

### **1.4 Objectives**

#### **1.4.1 General Objective**

The objective of this research is to investigate the potential opportunities created by digital marketing ads on consumers’ purchase intention and how it help consumers in purchase decision-making.

#### **1.4.2 Specific Objectives**

- To examine the effect of MDA vividness on customers’ purchase intention.
- To examine the effect of MDA interactivity on customers’ purchase intention.
- To examine the effect of MDA information on customers’ purchase intention.
- To examine the effect of MDA entertainment on customers' purchase intention.
- To examine the effect of MDA content incentives on customers' purchase intention.



## **1.5 Significance of the study**

This study aims to contribute to the existing literature by analyzing the effect of digital marketing ad on customers' purchase intention. The findings of this research can be used as a reference by the marketing department of Habesha Brewery to understand the effectiveness of Digital Marketing and to improve it. As TV, radio, and billboard advertisements are banned, it is crucial to analyze how digital marketing can be used as an effective marketing strategy for Habesha Brewery.

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

### **1.6.1 Scope of the Study**

Even though Digital Marketing requires many detailed investigations to exploit its opportunities to guarantee a sustainable competitive advantage in the market of any business, this study is only focused on the analysis of the impact of digital marketing on the purchase intention of Habesha Brewery customers.

#### **Geographical scope**

The target scope of the study is Addis Ababa City due to its dispersed geographical location of Habesha beer customers.

#### **Conceptual scope**

The impact of digital marketing on customer purchase intention is a broad concept but this study only aims to analyze, examine, and identify the five independent variables of digital marketing; vividness, interactivity, information, entertainment, and incentive.

#### **Methodological scope**

For this study, we will use both explanatory and descriptive research methods. The research is based on primary and secondary data collected through a well-structured questionnaire, which will be used for analysis purposes, as well as information from previous articles, books, and journals.

### **1.6.2 Limitations of the Study**

There are some limitations related to this study. The following limitations are assumed to prevail during the research:

- The main limitation of the study was failing to include other data collection methods such as interview and focus group discussions that can provide detailed information on the findings of the study.
- In addition, the study failed to include secondary data that can support finding through primary sources.
- Age limit, because older users of Habesha beer do not utilize digital media and most of the teenagers who are familiar with digital media do not consume Habesha beer for legal reasons. Therefore, it affects the generalization of the researchoutput/result.
- Unwillingness of some of the Habesha beer customers to provide the necessary information and late response from customers to reply for the questionnaire.

## Chapter 2

# Literature Review

### 2.1 Introduction

The literature review is a crucial step in any research process. Its primary purpose is to identify and comprehend the primary background of the subject or research undertaken by the researcher. It is a record of prior work done in the field, demonstrating the current trends in the selected subject when the researcher conducts the literature review.

### 2.2 Empirical Review

#### 2.2.1 Definition of Marketing

Before introducing ourselves to what digital marketing is and its tools such as social networks, it is important to know what the meaning of the word Marketing is and how it has evolved.

In the first place, we have by definition that Marketing is the process by which companies create value for the customer and establish strong relationships to obtain in return value (Kotler, 2012). Marketing made its appearance after the Industrial Revolution, due to increased competition and the tension produced in the commercial exchange. Since then it has been evolving with every change that occurred in the environment. This is how we can currently find three stages of Marketing, which are named as follows: Marketing 1.0, Marketing 2.0, and Marketing 3.0.

Marketing 1.0 is the so-called Traditional Marketing, which refers to the offer of products basic and functional, designed for mass sale. His goal was to sell in quantity so that production costs were reduced to the maximum. Profitability means having low prices so that companies can be competitive and generate more buyers (Kotler & Kartajaya, 2010).

Marketing 2.0, which arose in the information age, is also known as Marketing Relational, which focuses mainly on consumer satisfaction and the needs essential to generate long-term relationships, to differentiate, due to the high competition that occurs in the markets.

Currently, there are more consumers informed, who compare products and services with each other, and always choose the best option; the premise is that “the customer is king” (Kotler & Kartajaya, 2010). At this stage of marketing, there is also the development of the internet as a means of communication, giving opportunity to companies to use some of its tools, such as web pages and emails, the latter known as email marketing (Manuel & Bruque, 2012). Marketing went from focusing on the product to focusing on the consumer. However, companies were able to observe that many consumers were still objects liabilities against marketing strategies.

What is coming is marketing 3.0, which puts the values of people at the center of strategy, recognizing that more and more people yearn for a better world in mind, heart, and spirit. That is, they do not only want products and services for their satisfaction personal, but products and services that transcend the functional, with a purpose, and that are aligned with their aspirations and ways of seeing the world (Kotler & Kartajaya, 2010). It is necessary to specify that to get to marketing 3.0, you must have passed through levels 1.0 and 2.0.

It is important to keep in mind that Marketing has not advanced at the same rate as the markets.

In today's world, customers are scarce, and it is necessary to redefine and expand classic marketing to reflect our reality (Kotler & Maesincee, 2002).

### **2.2.2 Definition of Digital Marketing**

Digital Marketing is defined as any marketing attempt that uses an electronic device or the Internet. Businesses use digital channels to engage with present and prospective consumers, such as search engines, social media, email, and websites. It is also known as 'online marketing,' 'internet marketing,' or 'web marketing.' The use of many digital methods and platforms to interact with clients who spend most of their time online is what Digital Marketing is all about. From a company's website to its online branding assets - digital advertising, email marketing, online brochures, and more - "Digital Marketing" encompasses many approaches.

Whereas Kotler & Armstrong (2006) defined marketing as: “the process that firms use to increase the

customers' value and build a strong relationship with them in aims to get their money, according to this exchange, firms provide customers' needs and relative services to achieve the profits”.

### **2.2.3 The Digital Marketing Strategies**

Digital marketing has the particularity of contributing to the consolidation of a global marketing strategy, due to its ability to generate relevant content for companies and clients located in any latitude. That is why it is important to understand what a digital marketing strategy consists of. A digital strategy provides the direction of measurable steps on how to use the media and techniques to achieve the vision of the respective objectives of the company (Yejas & Albeiro, 2016).

The phases of a marketing strategy are as follows:

- Analyze the preconditions: It is essential to carry out market research on the products or services offered and those of the competition, establishing analogies and being aware of the strengths and weaknesses of the company.
- Define the target audience: Carry out a study of the customer you want to reach, know their characteristics, behaviors, and needs, to know who the potential customers are to whom all marketing efforts must directed.
- Set objectives: establish what you want to achieve, normally in marketing campaigns, you try to achieve one or more primary objectives.
- Establish strategies: After analyzing the market, products, and customers, specific marketing strategies must be established to help achieve the objectives.
- Specify tactics: specify in detail what initiatives are going to be developed.
- Develop actions: Describe the sequential steps to be taken in each of the strategies.
- Measure the results: It is necessary to show the results to control whether the decisions taken have been the most appropriate.
- Evaluate and control: You must reflect on the plan at a global level and assess the numerical results such as the resources used (human and material), the time, and the benefits or losses obtained.

### **2.2.4 Digital Marketing Types**

Digital Marketing refers to digital advertising over many online networking sites like Website, Facebook, Instagram, TikTok, and other medium of social Media. A digital Marketing Agency is a company responsible for getting your business recognized online through e-marketing.

Digital Marketing works by using several different strategies:

### **Social Media Marketing (SMM):**

Social media is defined as the online communication and interaction between people on specific media platforms (Strauss & Frost, 2012). SMM entails using social media sites such as Facebook, Instagram, Twitter, Pinterest, Google+, LinkedIn, and others to drive visitors to your website or business. As a result, develop and tailor content for various social media sites. Remember to be prolific and unique; you should interact with users at least four to five times per day. Branding and revenue can both benefit from your social media activities. With the advent of social media, the tools and tactics for connecting with customers have changed dramatically; as a result, businesses must learn how to use social media in a way that is compatible with their business strategy (Mangold & Faulds 2009).

Dan Zerrella (2009) explains social media marketing (SMM) as the most important component of Digital Marketing. He uses social media networks and various mediums to produce advertised content that attracts attention and encourages users to share it with their social networks. It becomes a great opportunity to create a social media strategy. It is now more popular with the massive proliferation of websites such as Google+, Twitter, Facebook, LinkedIn, TikTok, and YouTube. Users can also share multimedia materials online on content community sites such as YouTube and Flickr.

As DAV Evans (2010) explained shared content reaches new customers and increases rapidly through these sites, so a social media strategy can be implemented by carrying out a based on the type of content and website that should be used.

Consumer behavior on social media marketing platforms has gathered the greatest attention among the subjects discussed in this research. It is feasible to suppose that this is because consumers are more accessible as study subjects than managers are. There is much to be learned from examining the postings on a single social media site and their linkages.

### **Website Marketing:**

Kotler (2010) and Hughes and Fill (2009) explained that the company's website is the core of the company's online activity which is designed to generate more customers and help to get feedback

from them. The purpose of the sites is to create an opportunity to interact and form a more realistic dialogue. The website's commercial appeal is due to the opportunity to display product and company information, often in the form of catalogs, as evidence of the company's identity and internal communications, to attract visitors and turn potential customers into leads, then convert them into customers and support them in all stages of purchasing and communicate with them after the process is completed. Moreover, it is used to collect customer information as a feedback link for evaluation and measurement purposes.

Moreover, Shih and Hu (2008) state that websites are important to enterprises and should be used wisely by marketing departments to retain existing customers and attract new ones. Nowadays, advertising is done through websites. The idea is to reserve space on popular websites and pay your money based on the number of views or clicks on the ad receiver.

### **Search Engine Marketing (SEM):**

Santanu Kumar Das and Dr. Gauri Sankar Lal (2016) define search engine marketing as a type of internet marketing. SEM uses search engines to promote websites or businesses to clients and send more traffic focus to the website.

Heinze, A., Fletcher, G., and Chadwick, C (2010) mentioned that SEM is the broader field that describes the strategies to improve the website ranks in search engine rankings and raise the number of website visitors.

Blakeman (2014) clarifies that marketers use SEM as the most important strategy because Customers greatly depend on search engines when they want to buy new products and get services or information on the other hand marketers will pay for it.

### **2.2.5 Digital Marketing Phases**

Kotler & Armstrong (2006) explained that Digital Marketing should pass four phases to complete the process, which is as follows:

#### **Preparing Phase:**

At this phase, the producer or the seller has to study the market to get some information about people's needs and desires, display their goods or services effectively, and make a complete record of the expected consumers, orders, and competition in both local and external markets.

#### **Communication Phase:**

At this phase, firms use websites and social media to contact the expected consumers by making an easy, clear, and understood promotion by using the Aida model which consists of the following phases: First, the Attention phase uses ad banners or E-mail messages to make the expected consumers take attention. Secondly, the Information phase provides some information about the product or service to help consumers to make their personal opinion about it. Thirdly, the Desire phase increases consumers' desire by concentrating on their needs. Lastly, in the Action phase, the consumer is likely to make a deal.

**Exchange Phase:**

At this phase, the consumer pays his money to get the product or the service using a cashless payment system such as a credit card, electronic coupon, or E-wallet.

**After-Sale Phase:**

Firms use a customer live chat service or social media to keep in touch with the consumers to answer frequently asked questions and production updates.

**2.2.6 Digital Marketing Requirements**

To start a complete and successful Digital Marketing start-up (Shmit, 2010) mentioned some requirements to consider:

- Infrastructure requirements: which include internet, fixed broadband, network infrastructure, mobile telecommunications, communications satellite systems, and applications.
- Process requirements: which include Seller (firm or person), Purchaser (firm or person who is interested in specific good), and a good quality and trademark product or service.
- Environment requirements: which include a convenient legal environment, Banking or pay system, Secured electronic system, qualified human staff, Taxes, and shipping system.

**2.2.7 Digital Marketing Types**

- External Marketing: This type is related to marketing in a traditional way which includes market research and advertising to clients and potential customers and implementation of the marketing mix (4Ps).
- Interior Marketing: This type is related to the firm's labor force. Every firm ought to work on



an effective policy to train the staff and encourage them to communicate effectively with consumers as a team to achieve consumers' satisfaction and meet their demands.

- Interactive Marketing: This type is related to the quality of service and product and the relationship between the firm and the consumer.

### **2.2.8 Benefits of Digital Marketing**

Everything has changed when we talk about digital, to the point of making marketing better, for both companies and consumers. Several advantages can represent the economy for both, in addition to strengthening the relationships between the public and the brands. Digital Marketing can help change the results of a company, get new clients, discover business opportunities, get to know the competition better, or simply make your clients more satisfied (González, 2017). The benefits of this type of marketing are multiple:

- **Interactivity**

One of the main reasons why Digital Marketing is increasingly being adopted compared to traditional channels is interactivity with the public. The focus is no longer on the product but on the user experience in their purchase journey. Companies make campaigns, publications, and actions, and on the other hand, consumers can interact, comment, and indicate to other people with just a few clicks, increasing engagement with brands.

- **Analysis and measurement**

We can say that, until the advent of the Internet, a lot of money was wasted on inefficient actions. In the end, if you cannot measure whether a customer is convinced by your marketing action to buy a product or service, it is hard to say that your strategy was effective. In the world of online marketing, obtaining, and analyzing data is a fundamental process for the continuous improvement of a strategy. Happily, today everything must have a proven return (SEOMaster, 2021).

Metrics such as Return on Investment (ROI) and Cost of Customer Acquisition (CCA) can and should be analyzed in real-time. Companies can quickly identify flaws by putting optimizations into practice, which could not been imagined a few years ago.

- **Greater reach to the target audience**

In addition to all that, the literal reduction of the distances between companies and clients has been a very positive factor. In the end, today small brands can do good campaigns and attract consumers

from across the city, the country, and the world.

With this, consumers win because they have more opportunities to meet companies with which they identify. The same is true for companies that can create a good position online, increasing their sales opportunities through various channels.

- **Personalization and precision**

Many people may think “I’m going to be able to talk to as many people as possible” and yes, that is good. However, one of the great differentials of Digital Marketing is that companies are now managing to take actions to attract and conquer the right people (Mert, 2020). That is, those that have the ideal profile to consume your products and services.

- **Low operating costs**

One of the most attractive attributes of Digital Marketing is that it is an activity that does not need multi-million investments to give good results, due to its multiple characteristics such as segmentation, diversity of channels, different content, and more. Digital Marketing has many means that manage to transmit a message to millions of people, with just one post on a blog, on social networks, or through an email marketing campaign.

- **Flexibility**

One of the most significant differences that Digital Marketing has concerning traditional one is its flexibility when it comes to adjusting or better adapting strategies. On the Internet, being up-to-date can be the big difference between being seen or going unnoticed (SEOMaster, 2021). This allows you to quickly adapt to the needs and tastes of your target audience and offer them more satisfying and personalized materials and experiences.

- **Competitiveness**

A few years ago, competition within the advertising and marketing arena was very uneven. The big ones easily beat the little ones thanks to their influence and money, but this has changed. A well-thought-out and designed Digital Marketing strategy, based on real data about the segments of the public that are to be impacted, tends to produce positive results, no matter how large or small the company (Mert, 2020).

- **Customer retention**

Another of the most relevant and attractive advantages that Digital Marketing has is the possibility of collecting thousands of data about customers, through different automation tools, to retain them

and become an authority. This allows for effective nurturing of the relationship with the customer in the post-sale stage and increases the possibility that this user will return and continue shopping. After all, if you get a customer to reapply for a business or buy your products, the Customer Acquisition Cost (CAC) will go down and, of course, the costs as well. That is incredibly positive for the business (SEOMaster, 2021).

### **2.2.9 Purchase Intention**

Purchase intention is somewhat similar to decision-making (Mirabi, Akbariyeh & Tahmasebifard, 2015), whereby consumers demonstrate their likelihood, willingness, or plan to purchase certain brands. Purchase intention is explained as a component of consumer behavior, i.e., attitudes toward specific products or services (Soebagyo, 2014). It can be identified by several indicators (Putri, 2017) as Transactional: Someone's tendency to purchase the offered item or service. Refractive: A person's tendency to refer products or services to others; Preferential: An interest that defines someone who has the main preference between another product or service's conduct. Alterations to the product or service can substitute this preference, and Explorative: An interest that defines the conduct of someone seeking product or service information that they are drawn to.

### **2.2.10 Customer Engagement**

It has been suggested that customer engagement is an extension of relationship marketing that emphasizes the consumer-service provider exchange. In contrast, customer engagement emphasizes the customer's experience more than emotional connection (Riorini & Widayati, 2015). Customer engagement is a psychological process that builds customer loyalty to the brand and a mechanism for retaining customers (Muchardie, Yudiana & Gunawan, 2016). Customer engagement can be determined using several indicators. Richness: Clarity of information for explaining the offered goods and services. Clear multimedia content that is highly likely to attract consumers' interest are as follows: Interactivity: A high interactivity level can result in greater online participation; Product description: Proper description of the product/service being offered will drive customers' interest; Entertainment: Information presented entertainingly will capture more positive attention; and Content novelty: New and unique information will stimulate more customer interest.

## **2.3 Theoretical Review**

### **2.3.1 Uses and Gratifications Theory**

The Uses and Gratifications (U&G) theory started from the functionalist point of view on mass communications correspondence. It concentrated on the explanations for mass individuals' motivations and associated behaviors. Psychologist Herzog (1944) coined the term gratifications to depict the specific dimensions of usage satisfaction of radio audiences. Following this, mass communication theorists applied the U&G perspective in the context of various mass media such as television and electronic bulletins. For example, Rubin (1994) found that certain kinds of television programs are related to various human needs, including information acquisition, escape, emotional release, companionship, reality exploration, and value reinforcement. The U&G theory has been quite fruitful in explaining consumers' motivations and concerns for continuing the use of various media such as radio, TV, and electronic bulletins (Eighmey & McCord, 1998). This theory assumes that firstly, the media users are very active and make motivated choices based on previous experiences with the media. Secondly, the selection and the use of media are purposive and motivated and people take the initiative in selecting and using communication vehicles to satisfy felt needs and desires (Lim & Ting, 2012). Based on this rationale, the core objective of the U&G theory becomes very legitimate to explain and understand the psychological needs that shape people's reason for using the media. The reasons that influence them to actively engage in certain media use behaviors for gratifications that fulfill their inherent needs, include the identification of the positive and negative attitude of individual media use (Rubin, 1994). Thus, the process of building a positive attitude leads to continual use of that media. As a result, consumers' online engagement behavior is developed. In the context of this study, the content characteristics of the DMA motivate the social media users to click on the content to interact with the brand which leads to building a positive attitude toward the brand and this positive attitude toward DMA helps in influencing long-term consumers' online engagement behaviors. In advertising literature, it has been found that the content-related factors in DMA (the content characteristics) influence users to actively interact with the brand in SNS and this process of interaction is referred to as consumers' online engagement. The positive attitude toward content characteristics of DMA not only engages the consumers but also influences the forwarding of the content to their friends, families, colleagues, and so on. In the literature, the most important and robust dimensions of online consumer engagement include factors relating to content characteristics of the DMA i.e., vividness, interactivity, information, entertainment, and incentive (Chen & Wells, 1999; Cvijikj & Michahelles, 2013; De Vries et al., 2012; Eighmey & McCord, 1998; Rubin, 1994; Sabate et al., 2014).

### **2.3.2 Information Integration Theory**

This theory was developed, and extensively tested through a variety of experiments (Anderson, 1971). Information Integration theory explores how attitudes are formed and changed through the integration (mixing, combining) of new information with existing cognitions or thoughts. Information integration theory considers the ideas in a persuasive message to be pieces of information, and each relevant piece of information has two qualities: value and weight. The value of a bit of information is its evaluation (favorable or unfavorable) and the weight is the information's perceived importance. For example, Steve tells Sarah that Joe has a ponytail. The value of this information is whether Sarah thinks a ponytail (for Joe) is good (attractive) or bad (unattractive or inappropriate). The weight is how much that friend's hairstyle matters to Sarah. If it does matter (has some weight) and if Sarah thinks it is good for Joe to wear a ponytail, then this piece of information inclines Sarah to have a favorable attitude toward this friend (Fishbein, 1967).

If Sarah had a positive opinion of Joe before finding out about his new hairstyle, her opinion would most likely stay positive, or even improve if she considered a person's hairstyle important and if she particularly liked ponytails. However, if Sarah had a negative opinion of Joe before, this new information would likely not change her opinion from negative to positive. It could make her opinion less negative though, particularly if this new information was significant and had a high positive value.

It is possible that Sarah may not approve of men wearing ponytails. This would mean that the new information about Joe having a ponytail would be considered negative. Sarah's new attitude would depend on her original attitude towards Joe, the value of the new information to her, and its significance. If she liked Joe before she knew about his ponytail, she might like him less after. Her attitude is most likely to change if men's hairstyles are important to her and if she has a very unfavorable feeling about ponytails on men. If her initial attitude was unfavorable, finding out about Joe's new hairstyle would make her new attitude more negative. If the weight of this new information was high and the value unfavorable, Sarah's attitude could become noticeably more negative.

This, Information Integration Theory states that when we obtain new information (often from persuasive messages), those new pieces of information will affect our attitudes. They won't replace our existing attitudes: If Sarah began with an unfavorable attitude toward Joe and she likes ponytails

on men, she won't all of a sudden have a strong positive attitude toward Joe. However, when we learn new positive information, negative attitudes tend to become less negative, and positive attitudes are likely to become somewhat more positive.

According to the Information Integration Theory, every piece of information has two crucial attributes: weight and value. These two factors significantly impact our attitudes towards the information presented. Information that is highly favorable or unfavorable and very important to us has more influence on our attitudes than information that is low in value or weight. Conversely, information that is slightly favorable or unfavorable and has low weight will have the least influence on our attitudes.

Therefore, new information is mixed, combined, or integrated with existing information to create a new attitude. However, information can be combined in more than one way. One important question is whether new information is added to existing knowledge, or whether it is averaged into it (See Anderson, 1971, 1981a, 1981b, 1991; see also Fishbein, 1967).

## **2.4 Research Hypothesis and Framework**

Consumers' online engagement is proposed to be influenced by brand-related activities in terms of the content characteristics of DMA (Digital Marketing Ad). Based on an extensive literature review, five important characteristics of the brand post content are identified and proposed as the main antecedents of consumers' online engagement, including vividness, interactivity, information, entertainment, and incentive.

We argue that vividness, interactivity, information, entertainment, and incentive are related to online engagement. Further, we also argue that when these factors are mediated by the consumers' positive attitude, then there is a higher level of consumer online engagement in SNS. Each of these five factors is discussed in the following sections.

### **– Vividness**

Vividness can be defined as “the representational richness of a mediated environment as defined by its formal features; that is, how an environment presents information to the senses.” Vividness consists of two sub-dimensions, breadth and depth i.e., the richness of the message. Breadth is the number of different senses that a medium can engage, and depth is how closely a medium can

replicate parts of the human sensory system (Steuer, 1992). The richness of the message is generally termed as the vividness of the online content including videos, images, statuses, and links (De Vries et al., 2012; Sabate et al., 2014). Vividness can be achieved by incorporating dynamic animation, contrasting colors, or pictures (Lohtia, Donthu, & Hershberger, 2003).

These mechanisms are found to stimulate different senses that increase the user's propensity to look at the content of the message and thus influence consumers' online participation. The increased level of vividness tends to lead to more positive and enduring attitudes toward the website, stronger feelings of telepresence, and greater attitude-behavior consistency (Coyle & Thorson, 2001). More previous studies reveal that in low involvement situations or situations like the favorability of peripheral cues (attention-getting/curiosity-generating visual cues in DMA) people are more likely to click the post. Thus the preceding discussion suggests the following hypothesis:

**H1:** DMA having vivid features in the content significantly influences consumers' purchase intention.

– **Interactivity**

Steuer (1992) defines interactivity as “the extent to which users can participate in modifying the form and content of a mediated environment in real time”. Hoffman and Novak (1996) distinguish two levels of interactivity: person interactivity which occurs between humans through a medium and machine interactivity which occurs between humans and machines accessing hypermedia content.

Interactivity in the online environment is a stimulus-driven variable that influences consumer participation and engagement via computer-mediated communication channels (Bucy, 2004). From the context of this paper, interactivity refers to the extent of two-way communication between business and customers, as well as among customers. This study also suggests that the prime relationship is not between the sender and the receiver, but rather with the mediated environment with which they interact. Moreover, it is that mediated environment also known as Telepresence, which increases the level of both types of interactivity.

Previous studies reveal that the effect of various levels of interactivity of a message on attitudes and behavioral intentions within a web-based advertisement is influenced by social presence, involvement, and arousal (Fortin & Dholakia, 2005). The moderate effects of interactivity have direct effects on social presence, which in turn have a strong effect on involvement and arousal and ultimately advertising effectiveness measures. The increased level of interactivity tends to lead to more positive and enduring attitudes toward the website, stronger feelings of telepresence, and greater attitude-behavior consistency (Coyle & Thorson, 2001). Thus the preceding discussion suggests the

following hypothesis:

**H2:** DMA having interactive features in the content significantly influences consumers' purchase intention.

– **Information**

Information seeking on social networking sites is the key construct among peers as they perceive or experience the product or the brand or the company as useful and enjoyable (Lin & Lu, 2011). The previous studies reveal that the pleasure-oriented information system has social effects and motivates to participate and contribute to brand communities on social networking sites (Park, Kee, & Valenzuela, 2009). When the brand post was posted on brand fan pages that provided informational value or offered social value, consumers appeared more likely to respond favorably toward the ad stimuli themselves. Hence the brand post containing information also works as the key motivational factor to create interaction and engagement with consumers as it provides information about the brand or product. Further research shows that since consumers are provided with useful information, they tend to have positive attitudes toward informative ads on social networking sites (De Vries et al., 2012). Thus the preceding discussion suggests the following hypothesis:

**H3:** DMA having information in the content significantly influences consumers' purchase intention.

– **Entertainment**

The important motivational factors for consumer participation in social networking sites depend upon consumers' interest in experiencing entertaining content in the brand post. The entertainment factor is a novel characteristic of social media brand engagement literature (Enginkaya & Yilmaz 2014). The entertaining content in the brand post creates online consumer involvement with the brand and also buzz among consumers which in turn helps in seeking brand awareness, image building, and leverage. Moreover, the entertaining value was found to be among the main motivations for online engagement over brand-related content in the form of consumption, contribution, and creation (Muntinga, Moorman, & Smit, 2011). The content-driven characteristics of an advertising message that is entertaining content have been identified as determinant influences on consumers' attitudes toward the brand post on brand fan pages (De Vries et al., 2012; Taylor, Lewin, & Strutton, 2011). Thus the preceding discussion suggests the following hypothesis:

**H4:** DMA having entertaining features in the content significantly influences consumers' purchase intention.

– **Incentive**



In economics, one can say that an incentive is a benefit, reward, or cost that motivates an economic action. Shawn Grimsley in his lecture describes that there are two types of incentives namely intrinsic incentive and extrinsic incentive (Economic Incentives). Intrinsic incentives are psychological incentives and are internal to the person. Getting satisfaction from work is an intrinsic incentive. On the other hand, extrinsic incentives include cash rewards, prizes, offers, discounts, etc. (Wang & Fesenmaier, 2003). From the context of this paper, the term incentive has been used for consumers for contribution and creation of brand-related content on social networking sites. Contributing to brand-related content actively involves both user-to-content and user-to-user interactions about brands. People who are influenced by the remuneration tend to make contributions to brand forums and comment on blogs, pictures, videos, and any other brand-related content that others have created (Muntinga et al., 2011). Creating brand-related content actively involves writing brand-related weblogs, posting product reviews, producing and uploading branded videos, music, and pictures, or writing articles on brands (Muntinga et al., 2011). Thus the provision of incentives denotes that social networking site users would expect some remuneration in return for engaging in liking, commenting, and sharing activities towards brand posts. Prior studies have found various types of incentives for promoting engagement and participating in modifying brand-related content. The content driven by remunerative characteristics also influences the attitude of the consumers towards the brand post (Cvijikj & Michahelles, 2013). Thus the preceding discussion suggests the following hypothesis:

**H5:** DMA having incentive features in the content significantly influences consumers' purchase intention.

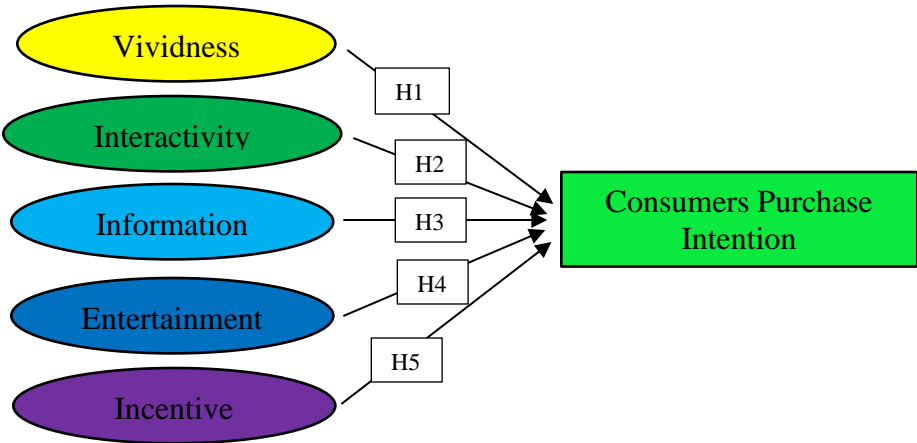


Figure 2-1: Conceptual framework for the research study, Source e Author's Compilation

## Chapter 3

# Research Methodology

### 3.1 Introduction

This chapter addresses the methodological technique that is used in the study. It provides detail information on the research area, research design, research approach, population of the study, sample size, sampling techniques, data collection procedure, and data analysis techniques used for the study and ethical considerations.

### 3.2 Research Approach

#### Quantitative Research

Quantitative research, characterized by statistical analysis and large sample sizes, is employed to test objective speculations by examining relationships among measurable variables (Abbott & McKinney, 2012; Phakiti & Paltridge, 2015). This approach is chosen for its transparency and reproducibility (Daniel, 2016). Whereas, A mixed research approach includes collecting and analyzing both quantitative (numeric) and qualitative (descriptive) forms of primary data in a single study (Creswell, 2014). The study focuses on the collection and analysis of numerical data, aligning to evaluate the impact of digital marketing on Habesha Brewery customers' purchase intention.

### 3.3 Research Design

Research design serves as a structured roadmap to systematically address a research problem, guiding the collection, measurement, and analysis of pertinent data (Polovin, 2023). It aims to transform research questions into analyzable data that can offer meaningful solutions within a constrained budget (Asenahabi, 2019).

#### 3.3.1 Descriptive Research

Descriptive research provides a detailed profile of individuals, events, or situations, offering insights from various perspectives (Saunders, 2009). For this study, employing a descriptive research design enables the collection of data via well-structured questionnaires, assessing the impact of Digital

Marketing (DV) on the Purchase Intention (IV) of Habesha Brewery customers. This approach aligns with the study's focus on understanding the digital marketing dimensions' influence on consumer behavior.

### **3.4 Target Population**

The target population is a determined, conceptually bounded collection of potential respondents who may be accessed by the researcher and represent the features of the sample of interest (Casteel & Bridier, 2021).

The target population comprises Habesha beer consumers in Addis Ababa utilizing digital media. While the total population is unknown due to its dynamic nature, this study specifically targets Habesha beer consumers in all sub-cities of Addis Ababa, aged 21 or above, educated, and aware of digital media.

### **3.5 Sampling Technique and Sample Size**

The term "sampling" refers to selecting a group of individuals or goods from a population. Researchers often use samples to interpret their findings and draw conclusions about entire populations. This study uses simple random sampling as it is the basis of all probability sampling methods, in which every possible sample of size  $n$  is equally likely to be chosen from the population (Lohr, 2021).

The population size of Habesha Brewery customers is unknown. Thus, the sampling of the population could not be random. To decide the sample size, the researcher will use the standard recommendation of Corebetta (2003) for an infinite or unknown population sample size of 385.

### **3.6 Data Type and Source**

Data can be further divided into primary and secondary data. Primary data consists of data collected by the researcher and is collected specially to address the specific research objective (Lundahl & Skärvad, 1992). Primary data collected specifically for the research objective is prioritized over secondary data (Aaker & Day, 1990). Data collection is critical to this research as all data must be analyzed and understood to obtain statistics and facts (Clark & Vealé, 2018).

The primary data collection method involves online survey questionnaires, utilizing a five-item Likert scale for responses. The research aims to analyze these quantitative data to draw meaningful insights.

### **3.7 Data Collection Instrument**

#### **3.7.1 Questionnaire Design**

The survey questionnaire, designed through a comprehensive review of prior studies, observations, and analysis, is structured into three sections: demographics, digital marketing variables (vividness, interactivity, information, entertainment, and incentive), and the dependent variable (purchase intention). An online questionnaire is utilized, prepared in English, and translated to Amharic for respondent convenience.

#### **3.7.2 Pilot Test**

Pilot test is used to test different aspects of the method before applying it to a larger, more thorough, or confirmatory research (Lowe, Partridge, & Davies, 2019). It reduces the likelihood of respondents having difficulty answering questions and allows for some assessment of the convergent validity and authenticity of the information to be obtained (Saunders, Lewis, & Thornhill, 2019).

The pretest for questionnaires were conducted to validate that the instrument content is valid or not in the sense of the respondents' understanding. Hence, content validity (in which the questions are answered to the target without excluding important points), internal validity (in which the questions raised answer the outcomes of researchers' target), and external validity (in which the result can generalize to all the population from the survey sample population) were reflected. It has been proved with this pilot test prior to the start of the basic data collections. Following feedback process, a few minor changes were made to the originally designed data collect tools. The pilot test made for the questionnaire test was on 10 sample sizes selected randomly from the target sectors and experts.

### **3.8 Data Analyzing Techniques**

Data analysis method follows the procedures listed under the following sections. The data analysis part answered the basic questions raised in the problem statement.

### **3.8.1 Quantitative Data Analysis**

Quantitative data were obtained from primary data discussed above in this chapter. This data analysis was based on their data type using Excel, STATA, Office Word format, and other tools. This data analysis focuses on numerical/quantitative data analysis.

Before analysis, data coding of responses and analysis were made. In order to analyze the data obtained easily, the data were coded to STATA software as the data obtained from questionnaires. In this study, all of the responses were pre-coded. They were taken from the list of responses, a number of corresponding to a particular selection was given. This process was applied to every earlier question that needed this treatment. Upon completion, the data were then entered to a statistical analysis software package, STATA Windows 10 for the next steps.

As we have gone over the objectives above, this study proposes to predict or explain the effectiveness of digital marketing on customers' purchase intention in the case of Habesha Brewery. Accordingly, correlation and multiple regressions will be used. The data entry and analysis will be performed by using STATA 17.

### **3.8.2 Data Analysis Software**

STATA software is utilized for data entry, analysis, and result comparison, contributing to the accuracy and validation of findings.

## **3.9 Data Reliability and Validity**

### **3.9.1 Reliability of Data**

The reliability of measurements specifies the amount to which it is without bias (error-free). It hence ensures consistent measurement across time and the various items in the instrument (Sekaran, 2016). In reliability analysis, it has been checked for the stability and consistency of the data. In the case of reliability analysis, the researcher checked the accuracy and precision of the measurement procedure. The measurement fulfills the requirements of reliability when it produces consistent results during the data analysis procedure. The reliability is determined through Cronbach's alpha test.

### 3.9.2 Reliability Analysis

Alpha is defined as the proportion of a scale’s total variance that is attributable to a common source, presumably the true score of a latent variable underlying the items (DeVellis, 2003). In the present study, reliability analysis was conducted to assess the internal consistency of several scales measuring different constructs. The Cronbach's alpha coefficient was employed as a reliability indicator for each scale.

Table 3-0-1: Analysis of Reliability for Each Variable

Variables	Number of Items	Cronbach Alpha	Remarks
IV			
Ad Content Vividness	4	0.7990	Acceptable
Ad Content Interactivity	4	0.7941	Acceptable
Ad Content Information	4	0.7039	Acceptable
Ad Content Entertainment	4	0.7825	Acceptable
Ad Content Incentive	4	0.7429	Acceptable
DV			
Purchase Intention	3	0.8067	Acceptable

Source: Primary data processed, 2024

In the alpha testing phase, the reliability and internal consistency of various scales were assessed. Vividness of ad was evaluated based on the mean of standardized items. The scale demonstrated a high level of reliability, with a coefficient of 0.7990, indicating strong internal consistency. Similarly, ad interactivity, comprising the mean of standardized items, exhibited a reliability coefficient of 0.7941. This result suggests that the interactivity scale is also characterized by a robust level of internal consistency. The ad information, assessed using the mean of standardized items, displayed a reliability coefficient of 0.7039. Although slightly lower than the vividness and interactivity scales, this coefficient still indicates a satisfactory level of internal reliability for the information scale. Moving on to the entertainment dimension of digital ad, the mean of standardized items yielded a reliability coefficient of 0.7825. This result suggests a strong degree of internal consistency within

the entertainment scale. The incentive content of ad, evaluated through the mean of standardized items, demonstrated a reliability coefficient of 0.7429. While slightly lower than some other scales, this coefficient still suggests an acceptable level of internal reliability for the incentive scale. Finally, the dependent variable purchase intention, assessed using the mean of standardized items, displayed a high reliability coefficient of 0.8067. This finding suggests that the purchase intention scale has a robust level of internal consistency, making it a reliable measure within the context of the study.

In summary, the alpha testing phase involved the evaluation of multiple scales, each focusing on different aspects such as vividness, interactivity, information, entertainment, incentive, and purchase intention. The results indicate varying levels of internal consistency across these scales, providing valuable insights into their reliability and potential applications in the study's context. These findings contribute to the understanding of the psychometric properties of the evaluated scales, laying the groundwork for further investigation and refinement in subsequent research stages.

### **3.9.3 Validity**

Validity is the most critical criterion and indicates the degree to which an instrumentation measures what it is supposed to measure (Kothari, 2004). Face validity is an indicator that makes it seem a reasonable measure of some variables (Babbie, 2010), and it is the subjective judgment that the instrument measures what it intends to measure in terms of relevance (Polit, 2008). Thus, the researcher ensured, in this study, when developing the instruments that uncertainties were eliminated by using appropriate words and concepts to enhance clarity and general suitability. Furthermore, the researcher submitted the instruments to the research advisor to ensure the validity of the measuring instruments and determine whether the instruments could be considered valid at face value.

In this study, the researcher was guided by reviewed literature related to compliance with the marketing thoughts and data collection methods before he could develop the measuring instruments. In addition, the pretest study that was conducted before the main study assisted the researcher in avoiding uncertainties of the contents in the data collection measuring instruments. A thorough inspection of the measuring instruments by the researcher's advisor, to ensure that all concepts about the study were included, ensured that the instruments were enriched.

### **3.10 Ethical Considerations**

As of academic institution, the proposed research thesis was reviewed by St Mary's University School of Graduate Studies department of Marketing Management to ensure those study procedures are appropriate. The study subjects were told that the information they provided was kept confidential and that their identities would not be revealed in association with the information they provided. Informed consent was secured from each participant. The respondents' privacy and their responses were not individually analyzed and included in the report.

Moreover, high care was taken to not use offensive, discriminatory, or other unacceptable language in the formulation of the questionnaire. Privacy and anonymity of respondents are of paramount importance to this thesis. It mostly acknowledged works of other authors used in any part of the thesis with the use of the referencing system. Similarly, it also determines that appropriate sample sizes and procedures are used in the analysis and that respondents were given proper care.

Thus, the above ethical guidelines are used to address the ethical considerations aspect of this thesis effectively. In addition, the voluntary participation of respondents in this thesis was the main input of the thesis.



## Chapter 4

### Data Presentation, Analysis and Interpretation

#### 4.1 Samples and Response rate

A total of 384 questionnaires were distributed out of which 342 were received back. This implies little more than 89% of the respondents' submitted valid questionnaires. The rest were invalid responses and hence excluded from the analysis.

#### 4.2 Demographic profile of respondents

The below tables present the statistical data of the 342 respondents. It presents gender, age, employment status, and social media usage.

##### 4.2.1 Gender of the Respondents

Table 4-1: Frequency of Gender

Gender	Frequency	Percent
Male	223	65.20
Female	119	34.80
Total	342	100.00

The provided frequency table presents data on the gender distribution within a sample population, encompassing a total of 342 individuals. The majority of the respondents identify as male, constituting 223 (65.20%) of the total sample 342, while females account for the remaining 119 (34.80%). This gender breakdown provides a clear overview of the distribution and allows for a comprehensive understanding of the sample composition within the context of the thesis.

### 4.2.2 Age Distribution of the Respondents

Table 4-2: Frequency Distribution of Age

Age	Frequency	Percent
21 - 29 years	105	30.70
30 - 39 years	147	42.98
40 - 49 years	41	11.99
50 – 59 years	39	11.40
60 years and above	10	2.92
Total	342	100.00

The provided frequency table outlines the distribution of respondents across different age groups within a sample of 342 individuals for a thesis. The majority of participants fall within the age range of 30 to 39 years, constituting 42.98% of the total. The second-largest group is in the 21 to 29 years bracket, accounting for 30.70%. Participants aged 40 to 49 years represent 11.99%, while those in the 50 to 59 years category constitute 11.40%. The smallest proportion is observed in the 60 years and above group, with 2.92%. This comprehensive breakdown of age demographics provides valuable insights into the composition of the study's participants, aiding in the contextualization of findings within specific age cohorts.

### 4.2.3 Hours Spent

Table 4-3: Frequency Distribution of Hours Spent on Social Media

Hours Spent	Frequency	Percent
1 to 2 hours	142	41.52
2 to 4 hours	97	28.36
4 to 8 hours	103	30.12
Total	342	100.00

In the examined dataset of 342 participants, Hours Spent illuminates the distribution of time spent on social media per day. Respondents reported engaging with social media for varying durations, with 41.52% indicating spending 1 to 2 hours, 28.36% allocating 2 to 4 hours, and 30.12% dedicating 4 to 8 hours daily. These findings underscore the diverse digital media usage patterns within the sample.

Understanding the distribution of time spent on social media is essential for contextualizing subsequent analyses within the thesis, as it unveils distinct patterns of online engagement that may influence user behaviors and perceptions.

### 4.3 Descriptive Statistics for Variables

#### 4.3.1 Vividness of DMA

In this study, Likert scale variables were utilized to gauge respondents' perceptions across four questions. The table below provides a summary of the central tendency measures for each variable, including the number of observations (Obs), mean, and standard deviation (Std. Dev.).

Table 4-4: Central Tendency for Vividness of DMA

Variables	Obs	Mean	Std. Dev.
I am more likely to engage with ad content that have striking features.	342	4.01462	.8085447
I am more responsive to ad content that have a number of different senses.	342	3.409357	.8081151
I am more responsive to ad content that have close senses.	342	3.444444	.7433862
I am more likely to engage with ad content that combine video, image, and contrasting colors.	342	3.587719	.8813287

As seen in Table 4-4, respondents tended to exhibit a positive inclination toward ad content that has striking features, with a mean of 4.01 (SD = 0.81), indicating a tendency towards agreement or strong agreement. In contrast, ad content that has a number of different senses demonstrated a lower mean of 3.41 (SD = 0.81), suggesting a more neutral stance. Both ad content that has close senses and ad content that combines video, image, and contrasting colors exhibited mean scores of 3.44 (SD = 0.74) and 3.59 (SD = 0.88), respectively, reflecting respondents' moderately agreeable perceptions.

The number of observations (Obs) for each variable is consistent at 342, indicating a uniform sample size across all Likert scale items. These findings provide valuable insights into the central tendencies of respondents' attitudes within each domain, contributing to a comprehensive understanding of the study variables.

### 4.3.2 Interactivity of DMA

Table 4-5: Central Tendency for Interactivity of DMA

Variables	Obs	Mean	Std. Dev.
My participation in modifying the ad content significantly affects my engagement with it.	342	3.967836	.8539132
The level of interaction allowed by the ad content significantly affects my engagement with it.	342	3.684211	.8526219
The level of interaction allowed between customers influences my engagement with it.	342	3.654971	.8753492
An increased level of interactivity allowed tends to lead to a more positive attitude to the ad content.	342	4.064327	.8042862

The sample size for each variable is 342. The mean values for ad Interactivity are 3.967836, 3.684211, 3.654971, and 4.064327, respectively. These means represent the average level of interactivity across the digital ad content, with higher values indicating greater interactivity. Standard deviations for the variables are also provided as measures of variability around the mean, with values of .8539132, .8526219, .8753492, and .8042862 for the interactivity dimensions, respectively. The standard deviations quantify the extent to which the interactivity scores deviate from their respective means. This dataset provides a comprehensive overview of the central tendency of digital ad content interactivity, aiding researchers and marketers in understanding the average engagement levels and the degree of variability within each variable.

### 4.3.3 Information on DMA

Table 4-6: Central Tendency for Information of DMA

Variables	Obs	Mean	Std. Dev.
I get more engaged with ad content that provides enjoyable information about the brand.	342	4.383041	.6516877
I am more likely to consume and contribute if ad content provides pleasure-oriented information.	342	4.023392	.6973197
I am more likely to respond favorably to ad content that provides informational value.	342	4.064327	.6466353
I tend to have a positive attitudes to ad content that provides informational value.	342	4.166667	.6796152

The above table encompasses four questions for information variables, each with a sample size of 342. The mean values of the four dimensions are 4.383041, 4.023392, 4.064327, and 4.166667, respectively. These means signify the average scores of the observed data points within each variable, where higher values indicate higher levels of the measured construct. Standard deviations, serving as indicators of variability around the means, are also provided with values of .6516877, .6973197, .6466353, and .6796152 for the dimension of information respectively. The standard deviations quantify the dispersion of data points around their respective means, providing insight into the consistency or variability of the measurements. This dataset contributes to a comprehensive understanding of the central tendency and variability of the four questions for information variables valuable for researchers and practitioners in the field.

#### 4.3.4 Entertainment of DMA

Table 4-7: Central Tendency for Entertainment of DMA

<b>Variables</b>	<b>Obs</b>	<b>Mean</b>	<b>Std. Dev.</b>
I tend to participate in the brand’s digital marketing if the ad content is entertaining.	342	3.821637	.9318727
An entertaining online consumer involvement helps in creating brand awareness and image building.	342	3.74269	.7760278
Entertaining value in ad content is the main motivation for consumption and contribution.	342	3.766082	.8091967
Entertaining ad content has a determinant influence on consumer’s attitudes toward the brand.	342	4.260234	.6672902

The dataset consists of four variables within the category of Entertainment, each with 342 observations. The mean values for the Entertainment variables are 3.821637, 3.74269, 3.766082, and 4.260234. These means represent the average scores for the respective Entertainment variables, with higher values indicating greater levels of the measured construct. Standard deviations are also provided, yielding values of .9318727, .7760278, .8091967, and .6672902 for the four variables, respectively. Standard deviations serve as indicators of variability around the means, providing insights into the spread of scores within each Entertainment variable. Additionally, the minimum and maximum values for each variable are presented, offering a range of scores observed in the dataset. This information contributes to a comprehensive understanding of the central tendency and variability in the Entertainment domain, facilitating further analysis for researchers and practitioners.

### 4.3.5 Incentive of DMA

Table 4-8: Central Tendency for Incentive of DMA

Variables	Obs	Mean	Std. Dev.
I get motivated to engage with ad content that provides incentives	342	4.160819	.7308754
I expect to receive an incentive for engaging with ad content through likes, comments, and shares.	342	3.760234	.6814233
Incentive-driven ad content influences my attitude toward the brand.	342	3.751462	.8029898
Incentive-driven ad content encourages me to engage and participate in modifying the ad content.	342	4.324561	.5856888

The dataset comprises four variables categorized under Incentive, each with 342 observations. The mean values for the Incentive variables are 4.160819, 3.760234, 3.751462, and 4.324561, respectively. These means reflect the average scores within each Incentive variable, indicating the central tendency of the measured construct. The standard deviations are also provided, with values of .7308754, .6814233, .8029898, and .5856888 for the four variables, respectively. Standard deviations offer insights into the variability around the means, illustrating the extent to which data points deviate from their respective averages. Additionally, the minimum and maximum values for each variable are reported, providing a range of scores observed in the dataset. This information contributes to a comprehensive understanding of the central tendency and variability of the Incentive variables, facilitating further analysis for researchers and practitioners.

### 4.3.6 Purchase Intention of DMA

Table 4-9: Central Tendency for Purchase Intention of DMA

Variables	Obs	Mean	Std. Dev.
I find that digital marketing ads have a positive impact on my purchasing experience.	342	4.283626	.6665187
I enjoy using and viewing digital media platforms.	342	4.248538	.7343165
I will keep using digital media in the future.	342	4.444444	.5992284

The dataset consists of three observations within the variable Purchase Intention, each with 342 data points. The mean values for the Purchase Intention variable are 4.283626, 4.248538, and 4.444444, reflecting the average scores for each observation. These means serve as measures of central

tendency, indicating the typical level of purchase intention within the dataset. Standard deviations, with values of .6665187, .7343165, and .5992284, are also provided for each observation, representing the extent of variability around the respective means. The standard deviations offer insights into the dispersion of data points and the degree of consistency or variability within the Purchase Intention variable. This dataset provides valuable information for researchers and practitioners seeking to understand and analyze the central tendency and variability of purchase intention in the given context.

### 4.4 Assumptions of Linear Regression Analysis

#### 4.4.1 Normality

Table 4-10: Shapiro-Wilk W test for normal data

Variables	Obs	W	V	z	Prob>z
Vividness	342	0.99041	2.296	1.964	0.02478
Interactivity	342	0.98010	4.763	3.687	0.00011
Information	342	0.99249	1.797	1.385	0.08309
Entertainment	342	0.95280	11.296	5.727	0.00000
Incentive	342	0.99531	1.123	0.274	0.39194
Purchase Intention	342	0.97838	5.174	3.882	0.00005

Source: Primary data processed, 2024

The normality of data for six variables in the above table was assessed using the Shapiro-Wilk W test. For Vividness, Interactivity, and Purchase Intention, the W statistics were 0.99041, 0.98010, and 0.97838, respectively. These values correspond to critical values of 2.296, 4.763, and 5.174, and z-scores of 1.964, 3.687, and 3.882, respectively. The p-values associated with these z-scores were 0.02478, 0.00011, and 0.00005, indicating statistically significant departures from normality. In contrast, Information, Incentive, and Entertainment exhibited W statistics of 0.99249, 0.99531, and 0.95280, respectively. Despite the smaller W statistics for Information and Incentive, their corresponding p-values (0.08309 and 0.39194) suggest no significant departure from normality. However, the W statistic for Entertainment (0.95280) was associated with a highly significant p-value of 0.00000, indicating a substantial departure from normality.

In summary, while Information and Incentive suggest approximately normal distributions, Vividness, Intensity, Entertainment, and Persuasiveness show evidence of non-normality based on the Shapiro-

Wilk W test. Researchers should interpret these results cautiously and consider alternative distributional assumptions in subsequent analyses.

#### 4.4.2 Linearity

The linearity between the dependent and independent variable assumed to be linear. In order to test the assumption, generating a scatter plot of x vs y is the best one. This allows to visually see the linearity between the two variables. If it looks like the points in the plot could fall along a straight line, then there exists some type of linear relationship between the two variables and this assumption is met. (Zach, 2020).

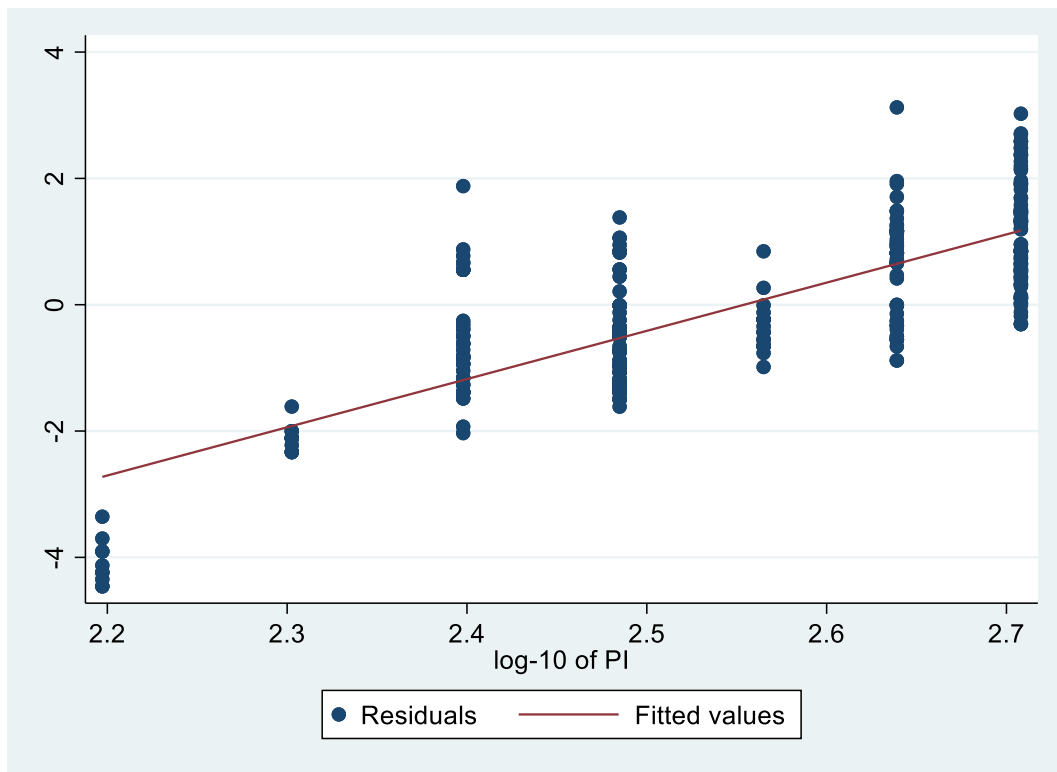


Figure 4-1: Response Predictor Two-way Scatter Plot

Source: Primary data processed, 2024

#### 4.4.3 Homoscedasticity

Breusch-Pagan / Cook-Weisberg test for heteroscedasticity

Ho: Constant variance

Variables: fitted values of PI



chi2 (1) = 3.91

Prob > chi2 = 0.0481

The homoscedasticity of the dataset was assessed using the Breusch-Pagan / Cook-Weisberg test, which evaluates the null hypothesis that the variance of the residuals is constant across all levels of the independent variable. In this analysis, the fitted values of the variable Purchase Intention were considered. The test yielded a chi-square statistic of 3.91 with 1 degree of freedom, resulting in a p-value of 0.0481. Given that the p-value is less than the conventional significance level of 0.05, there is evidence to reject the null hypothesis. Therefore, the findings suggest the presence of heteroscedasticity in the dataset, indicating that the variance of residuals is not constant across the range of fitted values for the variable Purchase Intention. Researchers should interpret the regression results with caution, considering the potential impact of heteroscedasticity on the reliability of parameter estimates and statistical inferences. Further diagnostic checks and potential model adjustments may be warranted to address the identified heteroscedasticity.

#### 4.4.4 Multi-collinearity

Table 4-11: Multi-collinearity Analysis

Variable	VIF	Tolerance
Entertainment	4.03	0.247838
Interactivity	2.54	0.393416
Incentive	2.29	0.435916
Vividness	1.58	0.633221
Information	1.37	0.731424
Mean VIF	2.36	

Source: Primary data processed, 2024

In the evaluation of multi-collinearity using Variance Inflation Factors (VIF) and tolerance values, the variables Entertainment, Interactivity, Incentive, Vividness, and Information were examined. VIF values, ranging from 1.37 to 4.03, were obtained, with Entertainment exhibiting the highest VIF of 4.03, followed by Interactivity (2.54) and Incentive (2.29). Tolerance values were correspondingly computed, ranging from 0.247838 to 0.731424. The mean VIF across all variables was 2.36.

Generally, VIF values below 5 and tolerance values above 0.1 are considered acceptable, indicating that the level of multi-collinearity in this model is within reasonable limits. Specifically, the findings suggest that the variables do not exhibit severe inter-correlation issues, allowing for the reliable interpretation of their contributions to the model. The results indicate that the presence of multi-collinearity is not a major concern, supporting the validity of the regression analysis.

## 4.5 Inferential Analysis

### 4.5.1 Pearson Correlation Analysis

Table 4-12: Inter-Construct correlations

	Vividness	Interactivity	Information	Entertainment	Incentive	PI
Vividness	1.0000					
Interactivity	0.3886*	1.0000				
Information	0.3937*	0.4015*	1.0000			
Entertainment	0.5797*	0.7700*	0.4616*	1.0000		
Incentive	0.4435*	0.6182*	0.4534*	0.7368*	1.0000	
Purchase Intention	0.4575*	0.3052*	0.5392*	0.4716*	0.4410*	1.0000

Source: Primary data processed, 2024

The Pearson correlation matrix presented above illustrates the bivariate relationships among the independent variables in the dataset, including Vividness, Interactivity, Information, Entertainment, Incentive, and the dependent variable Purchase Intention. The correlations range from -1 to 1, with positive values indicating positive associations and negative values indicating negative associations. The sample size for all variables is 342.

The correlation coefficient between vividness and interactivity was found to be  $r = 0.3886$ , indicating a positive but moderate correlation ( $p < 0.05$ ). Similarly, information showed a positive and moderate correlation with both vividness ( $r = 0.3937$ ) and interactivity ( $r = 0.4015$ ), both significant at the 0.05 level. Furthermore, entertainment exhibited positive correlations with vividness ( $r = 0.5797$ ) and interactivity ( $r = 0.7700$ ), as well as information ( $r = 0.4616$ ), all statistically significant ( $p < 0.05$ ).

Additionally, incentive displayed positive correlations with vividness ( $r = 0.4435$ ), interactivity ( $r = 0.6182$ ), information ( $r = 0.4534$ ), and entertainment ( $r = 0.7368$ ), all of which were statistically significant at the 0.05 level. Purchase intention, demonstrated positive correlations with vividness ( $r = 0.4575$ ), interactivity ( $r = 0.3052$ ), information ( $r = 0.5392$ ), entertainment ( $r = 0.4716$ ), and

incentive ( $r = 0.4410$ ), all of which were statistically significant.

These correlation coefficients provide a quantitative summary of the linear relationships between the predictor variables, offering insights into potential multi-collinearity or shared variance among them. The moderate and weak correlations suggest some degree of independence among the predictors, but careful consideration is warranted when interpreting the results of subsequent regression analyses to ensure that multi-collinearity does not unduly influence the estimation of coefficients.

## 4.6 Multiple Regression Analysis

To find relationship between consumer purchase intention (dependent variable) and vividness, interactivity, information, entertainment, and incentive (independent variables) regression analysis was done.

The general linear regression model used is of the following form:

$$Y = \beta_0 + \beta_1x_1 + \beta_2x_2 + \beta_3x_3 + e$$

Where Y is the dependent variable, the  $\beta$ 's are the parameter estimates, the x's are the independent variables, and e is the residual term. Y-variable is consumer's purchase intention on digital marketing. Here the vividness, interactivity, information, entertainment, and incentive act as independent variables.

### 4.6.1 R squared

Model Evaluation

Table 4-13: Model Summary

Model	R	R Square	Adj. R Square	Std. Err. Of Estimate
1	.631 <sup>a</sup>	.3981	.3891	1.3262

a. Predictors: (constant), Vividness, Interactivity, Information, Entertainment, and Incentive

Source: Primary data processed, 2024

In the presented regression model, the correlation coefficient (R) is 0.631, indicating a moderate positive linear relationship between the dependent variable and the combination of predictors. The coefficient of determination (R Square) is 0.3981, signifying that approximately 39.81% of the variance in the dependent variable is explained by the predictors. The adjusted R Square, accounting for the number of predictors, is 0.3891. The standard error of the estimate, or root mean squared error

(Std. Err. of Estimate), is 1.3262, representing the average deviation of observed values from the predicted values. The predictors include a constant term along with the variables Vividness, Interactivity, Information, Entertainment, and Incentive. Overall, the model suggests a moderate explanatory power, but further evaluation may be necessary to assess the practical significance and generalizability of the findings.

#### 4.6.2 ANOVA

The ANOVA (Analysis of Variance) table summarizes the sources of variation in the regression model. Here's the ANOVA table based on the regression results:

Table 4-14: Test of Model Adequacy

Source	SS	df	MS	F	Prob > F
Model	390.827	5	78.1654	44.44	0.0000
Residual	590.986	336	1.75889		
Total	981.813	341	2.87922		

Source: Primary data processed, 2024

In the regression analysis, an analysis of variance (ANOVA) was conducted to examine the overall fit of the model. The model demonstrated a statistically significant contribution to the variability in the dependent variable ( $F(5, 336) = 44.44, p < 0.001$ ). The sum of squares for the model was 390.827, with 5 degrees of freedom, resulting in a mean square of 78.1654. The residuals, representing unexplained variability, had a sum of squares of 590.986 with 336 degrees of freedom and a mean square of 1.75889. The total sum of squares, encompassing all variability in the dependent variable, was 981.813 with 341 degrees of freedom and a mean square of 2.87922. The results indicate that the model significantly explains a substantial proportion of the variability in the dependent variable, as evidenced by the low probability associated with the F-statistic ( $p < 0.001$ ).

### 4.6.3 Coefficients

Table 4-15: Coefficients Analysis of the Study

Variables	Unstandardized Coefficient		Standardized Coefficient	t	Sig.
	Coefficients	Std. Err.	Beta		
Constant	3.400872	.6949985		4.89	0.000
Vividness	.1249879	.0352075	.1888249	3.55	0.000
Interactivity	-.1104234	.0430189	-.1732131	-2.57	0.011
Information	.3230526	.0431583	.3704494	7.49	0.000
Entertainment	.1594143	.0583465	.2322917	2.73	0.007
Incentive	.1004004	.0514042	.1252103	1.95	0.052

Source: Primary data processed, 2024

Vividness shows a significant positive association with the dependent variable (Coef. = 0.1249879,  $p < 0.001$ , Beta = 0.1888249), indicating that an increase in vividness is associated with a corresponding increase in the purchase intention. Conversely, Interactivity demonstrates a significant negative relationship with the dependent variable (Coef. = -0.1104234,  $p = 0.011$ , Beta = -0.1732131), suggesting that higher interactivity is linked to a decrease in the purchase intention. Information exhibits a substantial positive association (Coef. = 0.3230526,  $p < 0.001$ , Beta = 0.3704494), indicating that higher levels of information are associated with an increase in the purchase intention. Entertainment also shows a positive relationship (Coef. = 0.1594143,  $p = 0.007$ , Beta = 0.2322917), suggesting that higher entertainment values correspond to an increase in the purchase intention. Incentive displays a marginally significant positive relationship (Coef. = 0.1004004,  $p = 0.052$ , Beta = 0.1252103), suggesting that higher incentive levels may be associated with a modest increase in the purchase intention. The intercept (\_cons) represents the estimated dependent variable value when all predictor variables are zero, and it is statistically significant (Coef. = 3.400872,  $p < 0.001$ ). Overall, the standardized beta coefficients offer insights into the relative importance of each predictor in explaining the variance in the purchase intention, providing a comprehensive understanding of the regression results.

In the present dataset, the Beta coefficients represent the standardized coefficients derived from a multiple regression analysis, offering insights into the relative importance and direction of influence of the predictor variables on the dependent variable. These standardized coefficients are particularly valuable for comparing the impact of each predictor on a common scale, allowing for a more robust assessment of their contributions to the model.

Regarding the specific predictor variables, higher levels of Vividness are associated with a standardized increase of approximately 0.1888 units in the purchase intention, while higher Interactivity is linked to a standardized decrease of about 0.1732 units. Information demonstrates a notable positive influence, with a one-standard-deviation increase resulting in a standardized rise of approximately 0.3704 units in the purchase intention. Similarly, Entertainment exhibits a positive impact, leading to a standardized increase of around 0.2323 units. Marginally, higher Incentive levels are associated with a standardized increase of approximately 0.1252 units in the purchase intention. These Beta coefficients provide a comprehensive understanding of the relative magnitudes and directions of influence of each predictor, aiding in the interpretation of their significance in the context of the regression model.

### 4.7 Hypothesis Test Results

Table 4-16: Result of the Hypotheses Test

Hypothesis	Regression Weights	Beta	P Value	Result
H1	Purchase Intention ← Vividness	.1888249	0.000	Accept H1
H2	Purchase Intention ← Interactivity	-.1732131	0.011	Accept H2
H3	Purchase Intention ← Information	.3704494	0.000	Accept H3
H4	Purchase Intention ← Entertainment	.2322917	0.007	Accept H4
H5	Purchase Intention ← Incentive	.1252103	0.052	H5 Questionable

Source: Primary data processed, 2024

## **Findings**

### **Hypothesis 1:**

Reject H<sub>0</sub>, if  $p < 0.05$

The p-value for the vividness is 0.000, which is lower than the significance level of 0.05, according to Table 4.17. Therefore, H<sub>1</sub>: DMA having vivid features in the content significantly influences consumers' purchase intention is accepted.

### **Hypothesis 2:**

Reject H<sub>0</sub>, if  $p < 0.05$

Table 4.17 indicate that the significant value of interactivity ( $p < 0.011$ ) is lower than 0.05, which shows that H<sub>2</sub>: DMA having interactive features in the content significantly influences consumers' purchase intention is accepted.

### **Hypothesis 3:**

Reject H<sub>0</sub>, if  $p < 0.05$

Table 4.17 shows the significant value of information ( $p = 0.000$ ) is lower than the 0.05. This indicates that H<sub>3</sub>: DMA having information in the content significantly influences consumers' purchase intention is supported.

### **Hypothesis 4:**

Reject H<sub>0</sub>, if  $p < 0.05$

Entertainment had a p-value of less than 0.007, which is less than the level of significance of 0.05, according to Table 4.17. H<sub>4</sub>: DMA having entertaining features in the content significantly influences consumers' purchase intention is accepted.

### **Hypothesis 5:**

Reject H<sub>0</sub>, if  $p < 0.05$

Incentive had a p-value of less than 0.052, which is slightly higher than the level of significance of 0.05, according to Table 4.17. H<sub>5</sub>: DMA having incentive features in the content significantly influences consumers' purchase intention is questionable.

## **Conclusion**

Overall, the goal of this chapter is to assess, analyze, and synthesize the information gathered from chosen respondents. The researchers focused first on the statistics of the data collected and then utilized reliability tests to ensure that each variable in this study was reliable. Using Pearson correlation, the strengths of the IV (Vividness, Interactivity, Information, Entertainment, and Incentive) and DV (Purchase Intention) were examined, and multiple regression was used to test for significance between the two variables. Results of hypothesis testing suggest most of the digital marketing dimensions significantly influence purchase intention, as indicated by their low p-values, leading to the acceptance of hypotheses.



## Chapter 5

### **Conclusion and Recommendation**

#### **5.1 Conclusion**

This study aimed to investigate the impact of digital marketing on the purchase intention of Habesha Brewery customers, focusing on the five dimensions of digital marketing: vividness, interactivity, information, entertainment, and incentive. The results from the alpha testing phase revealed strong reliability and internal consistency for each dimension, with coefficients ranging from 0.7039 to 0.8067. Subsequent analyses, including Pearson correlation matrix and regression analysis, provided insights into the relationships among these dimensions and their collective influence on Habesha beer consumers purchase intention.

The Pearson correlation matrix illuminated positive associations among the dimensions, indicating that customers respond favorably to ads that exhibit higher levels of vividness, interactivity, information, entertainment, and incentive. The regression analysis further strengthened these findings, showing that these dimensions collectively explain approximately 39.81% of the variance in purchase intention. Notably, vividness, information, and entertainment had significant positive associations, while interactivity demonstrated a significant negative relationship. Incentive, although not statistically significant, exhibited a positive trend.

The study's regression model significantly contributed to explaining the variability in purchase intention, as evidenced by the ANOVA results. Standardized beta coefficients offered insights into the relative importance of each predictor, with vividness and information having the most substantial positive impacts, while interactivity had a negative influence.

The findings of the hypothesis testing provide valuable insights into the relationship between digital marketing dimensions and consumers' purchase intention. The results support the acceptance of Hypotheses 1, 2, 3, and 4, indicating that vividness, interactivity, information, and entertainment features in digital marketing content significantly influence consumers' purchase intention. These

robust findings underscore the importance of carefully crafting digital marketing strategies that incorporate visually appealing, interactive, informative, and entertaining elements to enhance consumer engagement and stimulate purchase intentions.

However, Hypothesis 5, focusing on the impact of incentive features in digital marketing content, presents a significance interpretation. While the p-value is slightly higher than the conventional significance level ( $p=0.052$ ), the influence of incentives on consumers' purchase intention remains questionable. Future research may delve deeper into the specific types and structures of incentives to gain a more significance understanding of their effectiveness in influencing consumer behavior. Additionally, exploring potential moderating factors that may influence the impact of incentives could provide further insights for marketers seeking to optimize their incentive-based digital marketing strategies.

## **5.2 Recommendations**

Based on the findings, several recommendations can be made for digital marketing strategies at Habesha Brewery. Firstly, emphasizing vivid features in ad content is crucial, as it positively influences purchase intention. Additionally, incorporating interactive elements, although negatively associated with purchase intention, should be balanced to engage customers effectively without overwhelming them. Information-rich content and entertaining features positively impact purchase intention, suggesting that marketers should prioritize these aspects in their campaigns.

Moreover, marketers should carefully assess the effectiveness of incentive features, as the results indicated a positive trend without achieving statistical significance. Further research may be warranted to explore the nuances of incentives in influencing customer behavior. Lastly, considering the positive but marginal association between incentive and purchase intention, targeted marketing strategies tailored to different gender or age groups may be explored for enhanced effectiveness.

Based on the findings, it is recommended that marketers prioritize the incorporation of vivid, interactive, informative, and entertaining elements in their digital marketing content. Ensuring visual appeal and engagement through these dimensions can positively impact consumers' purchase

intentions. Moreover, while the impact of incentives is not conclusively established, marketers are encouraged to experiment with various incentive structures, closely monitoring consumer responses. Conducting A/B testing or targeted surveys to understand consumer preferences regarding incentives could assist in refining strategies and maximizing their effectiveness.

Furthermore, marketers should consider tailoring digital marketing content based on demographic and cultural factors, as these variables may moderate the observed relationships. Future research exploring these moderating effects can provide a more comprehensive understanding of the diverse factors influencing consumer responses to digital marketing.

This study contributes valuable insights to the field of digital marketing by affirming the significance of vividness, interactivity, information, and entertainment in influencing purchase intention. The significance interpretation of the incentive dimension highlights the need for ongoing exploration and refinement in this aspect. Marketers are encouraged to leverage these findings to enhance the effectiveness of their digital marketing campaigns and to remain adaptive in response to evolving consumer preferences and market dynamics.

In conclusion, this study provides valuable insights into the dynamics of digital marketing dimensions and their impact on customer purchase intention. Implementing the recommended strategies can contribute to the optimization of digital marketing efforts at Habesha Brewery and potentially lead to increased customer engagement and satisfaction.

### **5.3 Future Research Directions**

This study has made significant contributions to understanding the impact of digital marketing on consumers' purchase intention, particularly focusing on vividness, interactivity, information, entertainment, and incentives. However, there are several avenues for future research that could enhance and expand upon the current findings.

Firstly, future research could explore the moderating effects of demographic variables on the

relationships identified in this study. Examining how factors such as age, education, and digital media literacy may influence the observed associations between digital marketing dimensions and purchase intention could provide a more significance understanding of consumer behavior.

Secondly, investigating the role of cultural differences in the effectiveness of digital marketing strategies could be a valuable direction. Given the global nature of digital marketing, understanding how cultural factors shape consumers' responses to vividness, interactivity, information, entertainment, and incentives in digital advertising could contribute to the development of more culturally tailored marketing approaches.

Thirdly, the study primarily focused on the Habesha Brewery customers in Addis Ababa. Future research could extend the geographical scope to encompass diverse regions, allowing for a broader understanding of the generalizability of the findings across different consumer segments and markets.

Additionally, considering the dynamic nature of digital marketing platforms, future research could explore emerging technologies and their impact on consumer responses. Investigating the influence of virtual reality, augmented reality, or interactive social media features on purchase intention could provide insights into the evolving landscape of digital marketing.

Furthermore, examining the long-term effects of digital marketing on consumer behavior and purchase intention would contribute to a more comprehensive understanding of the sustainability and durability of the observed relationships over time.

Lastly, future research could delve into the effectiveness of different types of incentives in digital advertising. Exploring the preferences and responses of consumers to various incentive structures, such as discounts, promotions, or loyalty programs, would provide marketers with valuable insights for optimizing their digital marketing strategies.

In conclusion, while this study has shed light on the relationships between digital marketing dimensions and purchase intention, there are numerous opportunities for future research to explore

additional dimensions, moderators, cultural influences, and emerging technologies to further advance the field of digital marketing and consumer behavior. These research directions would not only contribute to academic knowledge but also offer practical implications for marketers seeking to enhance the effectiveness of their digital advertising campaigns.

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## Appendix A

### Survey Questionnaire Sheet

#### Thesis Title:

**The Impact of Digital Marketing in the Purchase Intention:**

**The Case of Habesha Brewery**

#### Dear Respondent,

This questionnaire is developed by Bereket Gezu a B. Sc. Student at St. Mary's University. I am currently conducting research for the partial fulfillment of my Degree of Master's in Marketing Management. The questionnaire is to collect primary data for a thesis titled: "The Impact of Digital Marketing on the Purchase Intention of Habesha Brewery Customers".

I kindly ask you to answer all questions stated below with full honesty. Your correct and honest opinion is precious for the success of this study.

I am very thankful for the support you are giving me and I assure you that all your responses will be kept confidential and only be used for research purposes.

I want to extend my gratitude in advance!

#### Section A: Demographic Information

Please put ✓ mark in the box witch best describe your answer

What is your Gender?

Male  Female

What is your Age?

21 - 29 years  30 - 39 years  40 - 49 years  50 – 59 years

60 years and above

What is your current employment status?

Employed  Unemployed  Student  Retired

Do you have a social media account?

Yes  No (Stop the survey here)

**On average, how many hours do you spend on digital media per day?**

- None     1 to 2 hours     2 to 4 hours     4 to 8 hours

**Which of the following digital media platforms do you frequently use?**

- YouTube     Facebook     Instagram     Telegram  
 Google     TikTok     WhatsApp     Others

**Do you follow any Habesha Brewery social media brand page?**

- Yes     No

**Section B: The Impact of Digital Marketing**

Rate the following scale by assigning a numerical rating according to the following key:

1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree

Variables	Codes	Question	1	2	3	4	5
Ad Content Vividness	VIV1	1. I am more likely to engage with ad content that have striking features.					
	VIV2	2. I am more responsive to ad content that have a number of different senses.					
	VIV3	3. I am more responsive to ad content that have close senses.					
	VIV4	4. I am more likely to engage with ad content that combine video, image, and contrasting colors.					
Ad Content Interactivity	INT1	1. My participation in modifying the ad content significantly affects my engagement with it.					
	INT2	2. The level of interaction allowed by the ad content significantly affects my engagement with it.					
	INT3	3. The level of interaction allowed between customers influences my engagement with it.					
	INT4	4. An increased level of interactivity allowed tends to lead to a more positive attitude to the ad content.					

Ad Content Information	INF1	1. I get more engaged with ad content that provides enjoyable information about the brand.					
	INF2	2. I am more likely to consume and contribute if ad content provides pleasure-oriented information.					
	INF3	3. I am more likely to respond favorably to ad content that provides informational value.					
	INF4	4. I tend to have a positive attitudes to ad content that provides informational value.					
Ad Content Entertainment	ENT1	1. I tend to participate in the brand's digital marketing if the ad content is entertaining.					
	ENT2	2. An entertaining online consumer involvement helps in creating brand awareness and image building.					
	ENT3	3. Entertaining value in ad content is the main motivation for consumption and contribution.					
	ENT4	4. Entertaining ad content has a determinant influence on consumer's attitudes toward the brand.					
Ad Content Incentive	INC1	1. I get motivated to engage with ad content that provides incentives					
	INC2	2. I expect to receive an incentive for engaging with ad content through likes, comments, and shares.					
	INC3	3. Incentive-driven ad content influences my attitude toward the brand.					
	INC4	4. Incentive-driven ad content encourages me to engage and participate in modifying the ad content.					

**Section C: Purchase Intention**

Rate the following scale by assigning a numerical rating according to the following key:

1 = Strongly Disagree, 2 = Disagree, 3 = Neutral, 4 = Agree, 5 = Strongly Agree

Variable	Codes	Question	1	2	3	4	5
Purchase Intention	PI1	1. I find that digital marketing ads have a positive impact on my purchasing experience.					
	PI2	2. I enjoy using and viewing digital media platforms.					
	PI3	3. I will keep using digital media in the future.					

**Thank You for Your Time!**