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**SCHOOL OF GRADUATE STUDIES**

**THE EFFECT OF PROMOTION MIX ELEMENTS  
ON CONSUMER PURCHASE DECISION: THE CASE  
OF NOAH REAL ESTATE  
ADDIS ABABA**

**By: Birhane Getachew**

**ID: SGS/0417/2015A**

**June, 2024 ADDIS ABABA, ETHIOPIA**

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PURCHASE DECISION: THE CASE OF NOAH REAL ESTATE ADDIS  
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**ID: SGS/0417/2015A**

**THIS THESIS IS SUBMITTED TO ST. MARY UNIVERSITY, SCHOOL OF  
GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENT  
FOR THE AWARD OF MASTER OF ART IN MARKETING MANAGMENT**

**Advisor: - Mohammed Mohammednur (Assistant Professor)**

**June, 2024**

**ADDIS ABABA, ETHIOPIA**

## **Endorsement**

THE EFFECT OF PROMOTION MIX ELEMENTS ON CONSUMER PURCHASE  
DECISION: THE CASE OF NOAH REAL ESTATES IN ADDIS ABABA

This Thesis paper has been submitted to St. Mary University, school of graduate  
studies.

Mohammed M. (Asst. Prof.) .....

Advisor

Signature

St. Mary's University

Addis Ababa

June, 2024

## **Declaration**

I declare that this Thesis is my original work, prepared under the guidance of my advisor. All sources of materials used for the proposal have been duly acknowledged. This proposal is submitted in partial fulfillment of the requirement for the award of Master of Arts Degree in Marketing Management and it has not been previously submitted to any diploma or degree in any college or university.

Birhane Getachew

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St. Mary's University

June, 2024

Addis Ababa

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## **Abstract**

*This study aims to evaluate the effect of promotional mix practice on consumer purchase decision, in the case of Noah real estate plc, Addis Ababa Ethiopi,.the study is guided by a conceptual framework that integrates theoretical perspectives on consumer behavior and marketing strategies.*

*The research methodology involves obtaining data from customers of the real estate, using a quantitative research approach and by analyzing primary data collected from participants, the research explores the relationship between promotional strategies and consumer purchase decisions.*

*In conclusion, the study revealed valuable insights into the impact of promotional mix elements on consumer purchase decisions. The findings underscore the significance of advertising, public relations, sales promotion, and personal selling, in influencing consumer buying behavior in the real estate sector. Despite limitations such as sample size constraints and potential response biases, the study provides a comprehensive understanding of how promotional strategies can shape customer choices. Moving forward, Noah Real Estate can leverage these insights to enhance its promotional efforts, engage with customers through social media and e-marketing, and tailor marketing strategies to meet evolving customer demands.*



## KEY WORDS

- **Promotion Mix:** The combination of promotional elements, including advertising, sales promotion, personal selling, public relations, and direct marketing, used by organizations to communicate with target audiences and achieve marketing objectives effectively.
- **Advertising:** Paid, non-personal communication through various media channels to promote products, services, or ideas to a wide audience.
- **Sales Promotion:** Short-term incentives or activities designed to stimulate immediate sales or encourage customer engagement.
- **Personal Selling:** Direct interaction between a salesperson and a potential customer to communicate product benefits and facilitate a purchase.
- **Public Relations:** Strategic communication efforts aimed at building and maintaining positive relationships with the public, media, and other stakeholders.
- **Direct Marketing:** Targeted marketing efforts that deliver promotional messages directly to individual consumers through channels like email, mail, or social media.
- **Noah Real Estate:** A real estate company based in Addis Ababa, Ethiopia, that engages in property development, sales, and related services.

## **ACRONYMS**

ETB - Ethiopian Birr (currency of Ethiopia)

SPSS - Statistical Package for the Social Sciences

MA - Master of Arts

CEO - Chief Executive Officer

GDP - Gross Domestic Product

MBA - Master of Business Administration

PhD - Doctor of Philosophy

ROI - Return on Investment

KPI - Key Performance Indicator

SWOT - Strengths, Weaknesses, Opportunities, Threats

CRM - Customer Relationship Management

B2B - Business-to-Business

B2C - Business-to-Consumer

ICT - Information and Communication Technology

CSR - Corporate Social Responsibility

HR - Human Resources

R&D - Research and Development

SME - Small and Medium-sized Enterprises

CEO - Chief Executive Officer

CMO - Chief Marketing Officer

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## **CHAPTER ONE**

### **1. INTRODUCTION**

#### **1.1 Background of the study**

The main goal of every business is to grow sales of the products or services it offers (Kotler, 2016). According to Kotler (2016), promotion has the essential factors related to the required business result in an aggressive marketplace and is an essential factor required to produce sustainability in a competitive marketplace.

Business uses a combination of one or more promotional mix elements to achieve high performance. Aaker (2016) defined promotional mix as —any marketing effort whose function is to inform actual or potential consumers about the merit a product possesses for the purpose of inducing a consumer to either start buying or continue to purchase the firms product.

These promotional mix elements are advertising, sales promotion, personal selling, public relation and direct marketing (Belch & Belch, 2018). These promotional mix elements are considered being the most effective tools that guide the consumers to make a decision to try a service or purchase a product. (Neha and Manoj, 2013).

According to Onditi, (2012) the need of promotion arises because of the presence of information gap between producers (of goods, services and ideas) and potential customers. The customers need information to be aware of the existence of substitute products, its prices, availability of supply, location, etc. Abhijit (2012) agreed that Company uses promotional tools to inform, reach and persuade the existing and potential customers to buy the product for resale or ultimate consumption.

Real estate companies in developing countries are basically characterized by poor practices regarding the use of promotional mix elements. This is for the fact that, the real estate industry in third world countries is so lucrative investment due to corruption, governmental officials' involvement, political interference as well as artificial shortage of land plots for real estate investment (Odhiambo, 2012). However, the emergence of new entrants to market escalates the competition which bitterly forces them to utilize every promotional platform, be it

traditional or digital marketing. Failure in doing so, literally aggravates the companies to bankrupt or divest to other businesses forcefully.

Real estate development in Ethiopia has taken various shapes and evolved into what we nowadays experience. The long-established practice is development of residential houses by home owners themselves. During the Derg regime and afterwards, residential house development through housing cooperatives was highly dominant. Since the last couple of decades, however, real estate development took a mix of shapes wherein government took the lion's share of housing development in what is called "condominium development scheme and aimed at fulfilling the housing demand of the lower-income groups (Mulugeta, A. 2018).

Despite being relatively new to Ethiopia, real estate development is being reinforced by the emergence of developers from private sector developers of both domestic and foreign investors. (Alemayehu Wendafrash, 2021)

The growth of real estate development in Ethiopia has a positive impact over the general economy of the country, in which case one author puts this in this way, "Real estate generally contributes to a country's economic development as a result of a corresponding growth in the demand for materials, labor inputs and backward and forward linkage effects in the economy". According to a review made by Access Capital an independent consultant group, (2010) had it not been for the expansion of the real estate sector and the closely affiliated construction sector, Ethiopia would not have registered double digit economic growth in the past five years.

Noah Real Estate is a real estate developer and property management company located in Addis Ababa, Ethiopia. The company was established in 2010 and has since been involved in the development of residential, commercial, and industrial properties in various parts of Ethiopia. (noahrealestateplc.com)

According to the company's website, their mission is "to provide quality and affordable housing to the Ethiopian people and beyond, while contributing to the development of the country's real estate industry." They also aim to provide exceptional customer service and ensure the satisfaction of their clients.

Noah real Estate has completed several projects in Ethiopia, including the Noah Tower, a 20-story mixed-use building located in Addis Ababa. The building includes residential apartments, office spaces, and retail shops.

In 2018, the company was awarded the "Best Developer of the Year" award at the Ethiopia Property Expo. (noahrealestateplc.com)

This study seeks to evaluate the effect of promotional mix practice on customer purchase

decision, the case of Noah real estate plc, Addis Ababa Ethiopia.

## **1.2 Statement of the Problem**

Promotion brings an interactive dialogue between an organization and its customers and it takes place during the pre- selling, selling, consuming and post- consuming stage.

Promotional elements such as sales promotion, advertising, personal selling, public relations, and direct selling are vital components of the marketing mix. In fact, promotion is the backbone of running a business successfully in the current market for many local and international organizations (Kotler 2016).

The main reason that triggered the researcher to conduct this research is the need to understand and examine the way of using promotional mix elements in the real estate sector and to check to its effect on consumer decision.

When the sale of a flat of a certain building happens, companies tend to apply different techniques to achieve their goals. The process of making a decision regarding a purchase is quite slow and will also be associated with data collection and comparison to realize the purchase. Since there is stiff competition in the real estate industry, investors and real estate companies use various strategies and techniques to inform their consumers and conduct a sale.

## **1.3 Research Questions**

The study tried to answer the following specific research questions:

- 1: To what extent does advertising programs of Noah real estate company affect consumer purchase decision?
- 2: What is the effect of the personal selling programs of Noah real estate company on consumer purchase decision?
- 3: What effect do public relation programs at Noah Real Estate Company have on consumer purchase decisions?
- 4: To what extent dose sales promotion practice of Noah Real Estate Company affect consumer purchase decisions?

## **1.4 Objective of the Study**

### **1.4.1General Objective**

To assess the effect of promotional mix elements on consumer purchase decision in the case of Noah real estate Addis Ababa.

#### **1.4.2 Specific Objectives**

- I. To examine the effect of advertising practice on consumers purchase decision in Noah real estate company.
- II. To examine the effect of sales promotion on consumers purchase decision in Noah real estate company.
- III. To evaluate the effect of personal selling practice on consumers purchase decision in Noah real estate company.
- IV. To evaluate the effect of publicity on consumers purchase decision in Noah real estate company.
- V. To examine the effect of direct marketing on consumers purchase decision in Noah real estate company.

#### **1.5 Significance of the Study**

The findings from this study are helpful:

##### **For Noah Real Estate company:**

- Understanding the most effective promotion mix elements is crucial for real estate companies. By analyzing the findings, organizations can optimize their marketing strategies.
- Clear insights into which promotional tools (such as advertising, personal selling, public relations, etc.) yield the best results can enhance their competitive edge.
- Efficient allocation of resources toward the most impactful promotion mix elements can lead to better customer engagement and increased sales.

##### **For Managers and Decision-Makers:**

- Managers can use the study's recommendations to allocate budgets effectively. They can focus on the promotion mix elements that yield the highest return on investment.
- Identifying the most effective channels (online, offline, social media, etc.) ensures targeted marketing efforts.



- Informed decisions about resource allocation can lead to better overall business performance.

#### **For Academicians and Researchers:**

- Insights from this study contribute to the body of knowledge in real estate marketing.
- Academicians can use these findings as a reference for future research. It provides a stepping stone for further exploration of promotion mix dynamics.
- The study may inspire new research questions and methodologies.

#### **For Business Consultants and Advisors:**

- Business consultants can leverage the study's insights to provide informed advice to real estate clients.
- Recommendations based on empirical evidence can guide clients toward successful marketing strategies.
- Consultants can tailor their guidance to specific contexts and market conditions.

### **1.6 Scope of the Study**

The scope of this study remained geographically within Addis Ababa, the capital city of Ethiopia. This choice is significant because Addis Ababa represents a unique urban environment with distinct real estate dynamics, market conditions, and buyer behaviors.

Conceptually, despite other significant factors within the marketing mix like product, promotion, price and placement, this research tried to investigate only how the real estate buyers purchase intention is affected by application of promotional mix practice. This focused approach allows for a deeper exploration of promotional practices and their direct effects on buyer decision-making.

### **1.8 Definition of Basic Terms**

- **Promotion Practices:** Refers to the various marketing activities and strategies employed by real estate companies to attract and engage potential buyers
- **Sales Promotion:** Activities designed to stimulate immediate sales by offering incentives or discounts to potential buyers. Examples include special offers, discounts, or limited-time promotions.
- **Personal Selling:** The process of direct communication between a salesperson and a potential buyer.

- **Direct Marketing:** Marketing efforts that directly target individual consumers through channels such as email, direct mail, or telemarketing. It aims to create a direct response from the recipient.
- **Advertising:** Paid communication through various media (e.g., TV, radio, print, online) to promote products or services.
- **Public Relations (PR):** Strategic communication efforts to maintain a positive image of the company or brand.
- **Purchase Decision:** The final choice made by a consumer to buy a product or service.
- **Consumer Behavior:** Refers to the actions, decisions, and processes that individuals go through when selecting, purchasing, and using products or services.
- **Real Estate Market:** The real estate market encompasses the buying, selling, and renting of properties (such as houses, apartments, commercial spaces) and the associated financial transactions.

## 1.9 Organization of the Paper

The study is divided into five chapters. The first chapter includes the background of the study, research objectives, research questions and hypotheses, significance of the study, and scope of the study. Chapter two focuses on reviewing related literature. The third chapter describes the methodology of the study. Chapter four mainly deals with data analysis. The final chapter, chapter five, presents the conclusion and recommendations drawn from the findings of the data, as well as implications for further research.

## CHAPTER TWO

### 2. LITERATURE REVIEW

#### 2.1 Conceptual and theoretical literature review

Promotion can be defined as a marketing activity that involves the persuasion contracting process through which the sender defines a commodity, service, idea, place, person, or pattern of behavior to influence the members of a particular audience's concentrations, to request to their answer behavioral about what promotes (Mualla, 2006).

It is also a process of influencing and persuading prospective target customers to make them want to buy or divert purchases on products produced by the company. The right way of promotion would influence the customer's decision to purchase the product offered by the company. (Soegoto 2015).

There are several promotional goals, and the most three main objectives the company seeks to achieve through the promotion are: (1) Forming the appropriate mental image for the company: When the company marketed its products, seek to form a consumer mental image about the company by defining itself, and its goals in the early stages of the company's entry to the market (Abu kahaf, 2001). (2) Defining of the company's product: in general, the main task of the promotion is to define the product, specifications, price, places of distribution, how to use it, and places of service centers and maintenance, besides, trying to convince consumers of its benefits (Abdul Hamid, 1990). (3) The development of the company's market share: promotion is considered one of the main tools the company relies upon to develop its market share, where consumers could be convinced with the available features in the company's product, thus the consumers demand on the company's product is increased. In addition to, some consumers turning into buying the company's product instead of buying competing products, which means an increasing in the company's market share (Ansari, 1988).

Promotional mix is defined as, information flows or one way persuasion which directing someone, people, or organization to make a demand. (Swastha and Irawan, 2008) Adebisi (2006) defined promotion mix as "any marketing effort whose function is to inform present or potential consumers about the benefits of product possess for the purpose of inducing a consumer to either start buying or continue to buy the company product or service.

There are several factors that might influence selection of promotional mix such as budget, product life cycle, product and type of purchase decision, target market characteristics and

consumer's readiness to purchase, what way consumer wants to be reached, the regulations, competitors and environmental factors and the last is the availability of media. In order to be able to market the product, budget that available in the firm should be considered. Budget that is available could influence number of people who got influence by the promotion and how often the promotion influences the people. Furthermore, each product that usually has different life cycle, thus it will result in different promotion. Products that have high quality or require technical procedure should be promoted by personal selling, thus customeris more understand on how to operate and maintain the products. At last, a company could use all kind of media for one product at the same time. (Tanner and Raymond, 2012)

Promotional mix consists of Five variables, there are; firstly, advertising is an activity that involves identification spreading of a brand using different medium at the same time during the promotion period. Secondly, personal selling is an activity that involves interaction between buyers and seller. Thirdly, sales promotion which has to be done in order to get quick response, huge number of sales and repeating purchases. Fourthly, Publicity is a way to promote and improve image of a company by putting positive perception by public relations. The last, is direct marketing which involves the delivering of personal promotion material directly to individual customer through mail, catalogs, internet, e-mail, telephone, or direct response advertising Internet Marketing. (Tanner and Raymond,2012)

## **2.2 Promotional mix elements**

### **2.2.1 Advertisement:**

Advertisement is any sort of non-personal, paid communication by an identified sponsor regarding a company, product, service, or idea (Berkowitz, K. et al, 2000). The paid aspect of this definition is important because the space for the advertising message normally must be bought. The non-personal component of advertising is also important as it involves mass media such as (TV, Radios and Magazines) which are non-personal and do not have an immediate feedback loop as does personal selling (McCarthy, 1996). The majority of people grow up in a society that is saturated with mass media, including television, advertising, movies, television shows, billboards, magazines, movies, music, newspapers, and the internet (Latif, 2011). Advertisements are a powerful means of communication media to convey information to the target group of customers (Prasanna K et al., 2012) Lodhi (2015) revealed that advertisement allows the business to raise client awareness, and the ingredients of the advertisements influence how customers see the company either favorably or unfavorably.

### **2.1.1 Personal selling:**

Personal selling is a spoken presentation in a discussion with one or several potential buyers to make a sale (Kotler, 2007). Kotler (2003) noted that personal selling is a useful tool to communicate with present and prospective buyers. Personal selling involves two ways flow of communication between a buyer and seller designed to influence consumers buying decisions. Unlike advertising, personal selling involves direct contact between buyer and seller, either face-to-face or through some form of telecommunications such as telephone Sales. This interaction gives the marketer communication flexibility; the seller can see or hear the potential buyer's reactions and modify the message accordingly. The personal, individualized communication in personal selling allows the seller to tailor the message to the customer's specific needs or situation. Negussie, (2018).

The purpose of personal selling is to build preferences, beliefs, and actions of buyers to decide to buy a product or service from the company. Sales has several stages namely finding potential customers, approaches, preseasons and demonstrations, overcoming complaints, closures, follow-up, and maintenance (Kotler, 2003).

### **2.1.2 Sales promotion:**

Sales promotions are described as overt encouragements that act as a further stimulant to speed up the sale or distribution of the products. (Belch, 2019). Similarly, The American Marketing Association (AMA) defined it as, sales promotion is a non-media marketing pressure applied for a predetermined, limited period of time in order to stimulate trial, increase consumer demand or improve product quality. Sales promotions attempt to turn positive attitudes into behavioral responses, such as product trials, repeat purchases and increased product usage (O'Guinn et al., 2009:563).

Sales promotion has evolved into a crucial component of consumer marketing over time. Today's marketers, however, are beginning to place more emphasis on sales promotion and progressively moving away from the conventional form of advertising (Cummins, 2008).

**The major techniques of sales promotions are;**

**Coupon:** is a certificate with a stated value, presented to the retail store for a price reduction on a specific item (Arens, Weigold&Arens, 2011), which is granted immediately at the time of purchase (Lamb, Hair & McDaniel, 2009).

**Discount:** is a short-term price reduction of the regular price of a product (Belch & Belch, 2012) and has several synonyms, namely price-off vouchers (Shimp, 2010), money-off vouchers (Pickton & Broderick, 2005), cents-off vouchers (Semenik, 2002) and price incentives (Du Plessis, Cook, Van Heerden, Van Rooyen, Mulder, Du Plessis, Franck & Muir, 2010).

**Free Sample:** is a trial-size version of a product that is given to the consumer at no extra cost (Belch & Belch, 2012) in order to encourage product trial; for example, a small container of body lotion included when purchasing a magazine (Pickton & Broderick, 2005).

**Premiums or bonus packs:** are defined as a sales promotion technique offering items, either free or at

a small cost, as an incentive for consumers to purchase a product (Pride & Ferrell, 2010). Premiums can include more of the product (multiple units) offered at the regular price, such as \_buy one and get one free,, also referred to as \_two-for-the-price-of-one,, (Lamb et al., 2010) packages that include more of the product (Du Plessis et al., 2010), or a bonus pack with a different product (Yeshin, 2006).

**Rebate:** are popular with both consumers and the manufacturers that provide them. When you get a rebate, you are refunded part (or all) of the purchase price of a product back after completing a form and sending it to the manufacturer with your proof of purchase. The trick is completing the paperwork on time. Many consumers forget or wait too long to do so. Consequently, they do not get any money back. This is why rebates are also popular with Manufacturers Rebates sound great to consumers until they forget to send it back (Belch & Belch, 2012).

**Fairs and exhibitions:** Trade shows, fashion shows or parades, fairs and exhibitions are important technique/tools of sales promotion. They provide a forum for the exhibitions or demonstration of products. (Gednek et al. 2002).

### **2.1.3 Public relations or publicity:**

Public relation includes all activities used by the organization to improve its image in the community such as supporting and participating positively in social, environmental, health activities, and public issues. Lovelock & Wirtz, (2004). According to (Chuna walla, 2016) Publicity and Public Relations stimulate demand in a non- personal way. Public relations maintain effective relations of the organization with different publics like employees, customers, shareholders, suppliers, dealers, government, media and so on. Public relations put commercially significant news in media or get a favorable coverage on radio, television or

stage. As media costs of this promotion are not paid for by the sponsor, it is called publicity. Publicity is “any form of non-paid commercially significant news or editorial comment about ideas, products and institutions”.

The public relation is a powerful tool in consumer behavior. Journalists and reporters claim that public relations increase good will between organizations and the public (Clarissa, 2014). Public relations can help an organization maintain and grow a successful customer relationship. Utilizing well-managed publicity will result in less expensive product promotion than using commercials (Rivero, 2014). And A positive perception of a company or non- profit can increase its sales and improve its bottom line. Public relations build up credibility and boost an organization’s credibility because it will operate through trusted intermediaries. ( Meidan, 1996)

#### **2.1.4 Direct marketing:**

Direct marketing refers to all activities done by the marketer to attract potential clients, which are aimed to increase the process of buying products of the organization or specific seller (Stone B., and Jacobs, 2007). Direct marketing types involve utilizing some tools such as e-mail, post, fax, phone, Internet, and others for making direct communication with specific clients as well as potential clients and inducing them to direct response (Kotler, 2006). The purposes of direct marketing are intended to measure customer response to promotional offers provided by the sellers and also aimed to build long-term relationships with customers (Al-Bakii, 2006).

#### **Major forms of direct marketing**

- **Direct mail:** -Direct mail is posted mail that advertises about business and its products and services. There are several different types of direct mail (e.g., catalogues, postcards, envelope mailers). Direct mail campaigns are usually sent to all postal customers in an area or to all customers on a marketing list. Lewison, D. (2007)
- **Telemarketing:** -Telemarketing involves contacting potential customers over the phone to sell products or services. It is capable of generating new customer prospects in large volumes and is also a useful tool for following up on direct marketing campaigns. Lewison, D. (2007)
- **Email marketing:** -Email marketing is a simple, cost-effective and measurable way of reaching customers. It can include newsletters, promotional emails to generate new

leads or offers for existing customers, or advertisements that can appear in other business's emails. Lewison, D. (2007)

- **Text (SMS) marketing:** -Text messaging allows businesses to reach individual customers and send messages to large groups of people at a low cost. Many leading business firms send short message service (SMS) to customer's sales alerts, links to website updates, appointment or delivery reminders. Lewison, D. (2007)

**Leaflet marketing using letterbox drops and handouts:** -Distributing well-designed leaflets or flyers through letterbox drops and handouts can work well for a local business whose products or services appeal to a broad audience. It is a simple, inexpensive and effective way of reaching customers, although it is a less targeted form of direct marketing. Social media marketing: -social media can be used effectively as a marketing tool for business as it gives the opportunity to interact directly with customers and regularly share relevant product or service information. Social media platforms also make it very easy for customers to share the content with their entire network, increasing the firms reach exponentially. Lewison, D. (2007)

**Direct response marketing:** - Direct response marketing is meant to compel people to take an immediate action from an advertisement while offering a measurable response from that action. These advertisements are given in print and electronic medias. Lewison, D. (2007)

**Kiosk Marketing:** - Kiosks are machines kept in shopping malls and other such places by organizations to spread the information and generate orders from customers who visit such malls. The objective of the campaign was to create awareness about the product among the target consumers, mainly the households. Lewison, D. (2007)

## 2.2 Consumer purchase Decision

The Consumer Buying Decision Process is a series of stages that customers go through when and after buying a product. According to Pride and Ferrell (2012), to understand customers' purchasing decisions, marketers must understand the consumption process and the utility of products in customers' perceptions. The process goes through five common steps:

**1. Need/Problem Recognition:** This is a crucial and important stage because if the need is not recognized, then the purchase process will not happen. Marketers usually use different tools such as advertising, salespeople, and packaging to stimulate needs or wants.

**2. Information Search:** This stage can be classified as internal and external sources. Internal search refers to the buyer searching for information from their memory and is determined by consumer existing knowledge about the products. External search is applied when the internal



search is not sufficient, such as friends, relatives, different media, salespeople, website, packaging label, and exhibit. The nature of information needed by the buyer is related to the quality of the product, its certain characteristics, price, and methods of payment, etc.

**3. Evaluation of Alternatives:** In this stage, the buyer will establish a set of criteria in the evaluation process. This criterion differs from buyer to buyer depending on demographic and psychological variables as well as their purchasing power.

**4. Purchase Decision:** This is a result of the evaluation process and the choice among available alternatives to choose the appropriate item that satisfies buyers' needs and desires. It can be affected by two factors: negative feedback from other customers and the level of motivation to refuse or accept the feedback.

**5. Post-Purchase Behavior:** After purchasing a product, buyers compare it with their previous experience. If the product corresponds and comes according to their expectations, they are satisfied, and vice versa.)

## 2.3 Empirical Studies

In this section empirical studies from different countries are reviewed by the researcher. Promotion is one of the strategies to attract customers to buy more or try a product or service. The results of promotions include increased sales, the amount of material used, and attracting new consumers. For example, promotional prices refer to temporary price reductions offered to consumers. It is a feature of the seller or the profitability of cash for products or services.

Shahriar and Tahmores (2012) conducted a study on the effect of sales promotion as a tool on customer attention on purchase in the case of an auto maker company in Tehran University, Iran. The study found that sales promotion has become a vital tool for marketing and its importance has been increasing significantly over the years. One of the purposes of a sales promotion is to elicit a direct impact on the purchase behavior of the company's customers. In addition, they found that sales promotions have a positive effect as a tool on customers' attention to purchase.

Ajan (2015) conducted research on the effect of sales promotion on consumer purchasing decisions of Baskin Robbins Ice-Cream franchise Thailand. The research found that sales promotion plays a vital role in marketing in any business nowadays. This situation is becoming more apparent in Thailand after the political and economic crisis in 2014. As such, the result of this research proves that sales promotion tools such as price discounts, coupons, sampling, and point of sale display play a key role in influencing the consumer's purchase decision.

Mahsa F et al. (2015) conducted a study on the impact of promotion elements on customer purchase decisions. This study was conducted in Iran at the Islamic Azad University Hamadan

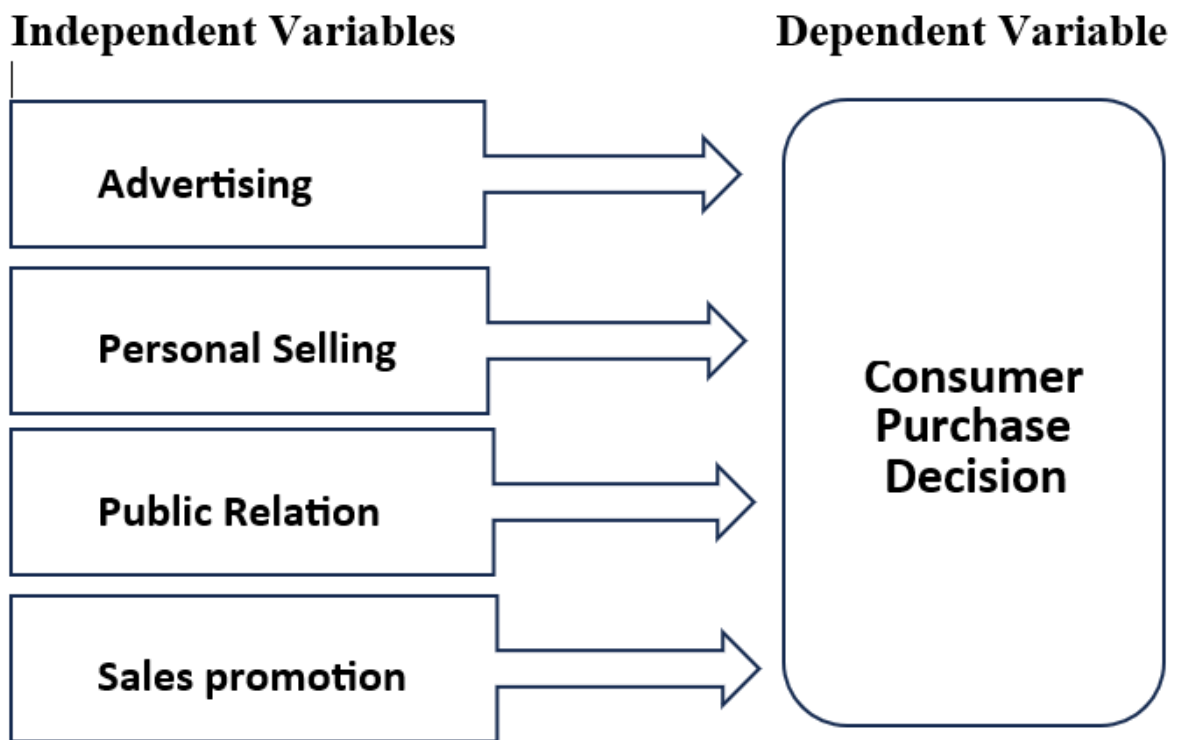
branch by the social humanity and management faculty. The study stated that today's marketing is not based on producing facilities but rather on providing appropriate information channels for consumers. In other words, modern marketing is more than just producing good products, suitable pricing, and easy access to them. In today's world, companies have introduced various strategies such as "promotional mix" which includes advertising, sales promotion, direct marketing, personal selling, and public relation/publicity in accordance with changes in consumers' socio-economy, technology, and competition aspects. Nevertheless, the success of these strategies is vague. Considering the high competition between companies and rapid growth of markets and also rapid changes in consumers' behaviors, choosing a good promotional mix and prioritization of its tools help the promotion of marketing goals. The study explained the impact of promotional activities on consumers' purchasing decisions.

Dong-Jenn and Lee (2015) studied the in-store promotion mix and the effect on female consumer buying decision in relation to cosmetics products in Taiwan. The study was conducted to ascertain the relationship between the females' in-store purchasing decision process and the promotional mix. They concluded that customers have the possibility to buy products because of the promotional strategy with or without buying intention at the beginning. According to this study, the most popular promotional strategies were store layout, buy one get one free, price discount, gifts, store points, brand of the day, special promotional events, seasonal promotions, sample products, and sales representatives.

Negesse (2018) conducted a study in 2015 that examined the effect of promotion mix on consumers' purchase decisions using AIDA models. The research found that promotion can be a powerful tool to persuade consumers and lead to an increase in sales and profits. One of the main aims of implementing promotional plans is to increase sales and profits. By prioritizing the promotional tools from the most effective one to the least effective one, a proper procedure for good utilization of each one of these tools was highlighted. Compared to other research works conducted in this regard, the present research resulted in different findings.

## **2.4 Conceptual Framework**

Based on the previous literature, the possible effect of promotion mixes on customer purchase decision is conceptualized as below.



**Figure 2-1: Conceptual Framework**

## **CHAPTER THREE**

### **RESEARCH DESIGN AND METHODOLOGY**

#### **3.1 Research Design**

A Research design is the master plan for collection and analysis of data which aids in answering the research questions. (Orodho, 2004) Research design is the general plan of how the researcher is goes about answering research questions. It specifies the sources from which the researcher intends to collect data, measurement and analysis of data, (Saunders, Lewis and Thornhill, 2009). A Descriptive research type is be used because it involves investigation which provides detailed picture of the situation and detail description of the findings as well as to develop inferences on the relationship between promotion mix and consumer purchase decision.

Explanatory type of research was also applied since it enriches and supports the previous theories through comparing the findings with research questions.

#### **3.2 Research Approach**

This study applied a quantitative research approach because it is used to quantify the problem by way of generating numerical data or data that can be transformed into usable statistics. quantitative approach was applied for the data collected from respondents through structured questionnaire. The goal of this study is to determine the relationship between an independent variable (promotion mix) and a dependent variable (customer purchase decision) within a population.

#### **3.3 Target population, Sample Size and Sampling Techniques**

##### **3.3.1 Target Population**

The target population of this research includes Noah real estate house owners and customers of Noah real-estate company offices during the study period.

### 3.3.2 Sample Size

The sample size for this study is determined by using the formula developed by Cochran (1963:75). Sample size from the customers is calculated as follows:

$$n_0 = \frac{z^2 p q n}{e^2}$$

Where:  $n_0$  = the sample size

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

$e$  = the desired level of precision

$p$  = the estimated proportion (standard deviation) of an attribute that is present in the population, and  $q$  is  $1-p$ .

The value for  $Z$  is found in statistical tables which contain the area under the normal curve.

$$n_0 = \frac{(1.96)^2 (0.5)(0.5)^2}{(0.05)^2}$$

$$384.836052 \approx \mathbf{385}$$

So, the sample would be more than 385 and the researcher planned to distribute **385** questionnaires.

### 3.3.3 Target population

Continence sampling method is used until the researcher meet the calculated sample size; where the process continues until the calculated sample size is reached. Specifically, the questionnaires are distributed to visitors of Noah real-estate offices during the study period until the sample size is reached. This approach aims to capture a comprehensive view of the population visiting these offices, ensuring a representative sample for the study

### **3.4 Source and Tools of Data Collection**

#### **3.4.1 Source of Data Collection**

The data for this study was generated from primary sources which was gathered through the distributed questionnaires for customers of the company.

#### **3.4.2 Method of Data Collection**

For the proper achievement of the objectives of the study; the researcher uses primary data source. Primary data is collected using 385 questionnaires. where the questioner is be given to all visitors of Noah real-estate offices within the study period.

### **3.5 Data Analysis Method**

After the data is collected and carefully checked for errors, the data must be analyzed and interpreted. Data collected from primary source is analyzed by using descriptive statistics (frequency and percentage) to describe and analyze demographic data and inferential statistics such as multiple linear regressions is used to determine the effect of promotion elements on customer purchase decision. Correlation is undertaken to determine the relationship between the dependent (consumer purchase decision) and independent variables (Advertising, Sales Promotion, Personal Selling, publicity, and Direct Marketing). The Statistical Package for Social Sciences (SPSS) is used as an aid in the analysis.

### **3.6 Reliability and Validity**

#### **3.6.1 Reliability**

A pilot study is conducted to refine the methodology and test instrument such as a questionnaire before administering the final phase. Sample Questionnaires is distributed and filled before by potential respondents to make the data collecting instrument's objective, relevant, suitable to the problem and reliable Issues raised by respondents is corrected and questionnaires is refined.

#### **3.6.1 Validity**

Besides, proper detection by an advisory also taken to ensure validity of the instruments. Finally, the improved version of the questionnaires is printed, and used for the study.

#### **3.6.1 Ethical Considerations**

The research proposal was approved by be the ethical board of St. Mary's university and the

study started after ethical clearance is obtained from the board.

Since the study requires primary data from participants, a written consent was taken by the investigator from participants during the survey and data is handled with high confidentiality. The study is also checked to be free from plagiarism and all the sources and references are mentioned.

## **CHAPTER FOUR**

### **4. DATA ANALYSIS AND PRESENTATION**

#### **Introduction;**

This chapter presents the findings and their interpretation based on the main objective of the study which was, to establish the relationship promotional mix elements and customer purchase decision Noah real-estate.

In this study, 385 questionnaires were distributed, and 305 were returned. After excluding 21 invalid questionnaires, a total of 284 valid questionnaires were accepted, resulting in a response rate of 72.21%. Therefore, out of the 385 questionnaires distributed, 72.82% of the subjects returned valid responses.

#### **4.1 Demographic Profile of respondents**

The respondents were asked to respond to a series of questions about themselves and the results are summarized below:

Even though the researcher aimed to achieve a balanced gender composition among the respondents, the majority (69.31%) were male. This finding suggests that there are more male visitors in Noah real estate. Regarding academic qualifications, 26 respondents (9.15%) had education below a bachelor's degree, 123 (43.31%) held a degree, 116 (40.85%) had a master's degree, and 19 (6.7%) were doctors, indicating a well-educated respondent group. In terms of average monthly income, out of 284 respondents, 8 (2.82%) earned less than 3000 ETB, 27 (9.51%) fell between 3001-7000 ETB, 35 (12.35%) were in the 7001-10500 ETB range, and a significant majority (214 or 75.35%) earned more than 10500 ETB per month. Occupation-wise, 103 (36.27%) were business owners, 74 (26.06%) worked for international organizations, 80 (28.17%) were employed in private organizations, and the remaining 27 (9.5%) were public employees.



	Frequency	Percent
<b>Gender</b>		
Male	194	68.31
Female	90	31.69
<b>Edu level</b>		
Below Bachelor Degree	26	9.15
Bachelor Degree	123	43.31
Master's Degree	116	40.85
Doctorate	19	6.7
<b>Month Income</b>		
Less 3000	8	2.82
3000-7000	27	9.51
7001-10500	35	12.32
> 10500	214	75.35
<b>Occupation</b>		
Business Owner	103	36.27
International Employee	74	26.06
Private Employee	80	28.17
Public	27	9.5

Table 4.1 Demographic profile of respondents

source: Survey result 2024

## 4.2 Descriptive Analysis

Descriptive analysis techniques, including frequencies, percentages, means, and standard deviations, were utilized to summarize and present the data. Additionally, the Pearson correlation coefficient was employed to demonstrate the relationship between the independent and dependent variables. In this section, the collected data was entered and reported using SPSS. The mean value of each performance factor concerning the respondents' categories is analyzed and presented below.

Variables	Mean	Std. Deviation
Customer Purchase Decision	3.22	0.98
Advertising	3.665	0.7601
Sales Promotion	4.59	0.8023
Public Relation	2.965	0.6278
Direct Marketing	3.3401	0.7102
Personal Selling	3.738	0.8314

Table 4-2: Descriptive Statistics of variables

The table presented the means and standard deviations of performance variables, both dependent and independent, such as advertising, sales promotion, personal selling, public relations, direct marketing, and consumer purchase decision, as rated by respondents. Descriptively, the average or mean level of consumer purchase decision was  $M=3.22$ ,  $SD=0.98$  on a five-point Likert Scale. This indicates that, on average, consumer purchase decisions were above average in response to advertising, public relations, and direct marketing. The findings of this study reveal above moderate mean scores for advertising ( $M=3.665$ ,  $SD=0.76$ ), sales promotion ( $M=4.59$ ,  $SD=0.8023$ ), The public relations demonstrated average mean scores of ( $M=2.965$ ,  $SD=0.6278$ .) Direct marketing along with Personal Selling resulted in above average mean scores of 3.3401 and 3.738 respectively with SDs of = 0.7102 and 0.8314. From the table, it is evident that sales promotion had above-average scores, while direct marketing and personal selling had close mean values. This indicates that all the aforementioned factors are important contributors to consumer purchase decisions.

### 4.3 Inferential statistics

The Pearson correlation test was utilized to measure the strength and direction of the relationship between the independent variables—advertising, public relations, personal selling, sales promotion, and direct marketing—and the dependent variable, customer purchase decision. The correlation coefficient ( $r$ ) ranges from -1 to +1. A value of -1 indicates a perfectly negative correlation, 0 indicates no relationship, and +1 indicates a perfectly positive relationship. For values between +1 and 0, or between 0 and -1, various scholars have proposed slightly different

interpretations.

The significance level (p-value) was set at  $\leq 0.05$  at a 95% confidence interval. The magnitude of correlation was evaluated using the measure of association developed by MacEachron (1998), which is presented below:

#### Interpretation of R value

1. **Very weak or very low (0.00 to 0.20; <0.00 to -0.20):** This suggests an extremely weak linear relationship. The variables are not strongly related.
2. **Weak or low (0.20 to 0.40; <-0.20 to -0.40):** The correlation is still weak, but there's some association between the variables.
3. **Moderate (0.40 to 0.60; <-0.40 to -0.60):** The correlation is moderate, indicating a reasonably strong linear relationship.
4. **Strong or high (0.60 to 0.80; <-0.60 to -0.80):** The variables are strongly related. Changes in one variable are likely to correspond to significant changes in the other.
5. **Very high or very strong (0.8 to 1.0; <-0.80 to -1.0):** This represents an exceptionally strong linear relationship. The variables move closely together.

Source: MacEachron (1998)

#### 4.3.1 Correlation analysis

Table 4.3.1 Spearman's Correlation analysis

Correlations						
	Purchase Decision	Advertising	Sales Promotion	Public Relation	Direct Marketing	Personal Selling
Purchase Decision	1	0.312**	0.492**	0.281**	0.412**	0.312**
Advertising	0.312**	1	0.364**	0.451**	0.272**	0.103**
Sales Promotion	0.492**	0.364**	1	0.524**	0.583**	0.152**
Public Relation	0.281**	0.451**	0.524**	1	0.498**	0.411**
Personal Selling	0.312**	0.103**	0.152**	0.411**	0.269**	1

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

The table above summarizes a significant positive relationship between the independent

variables—advertising, public relations, sales promotion, personal selling, and direct marketing—and the dependent variable, customer purchase decision. This indicates that an increase or decrease in advertising, public relations, sales promotion, personal selling, and direct marketing is associated with a corresponding change in customer purchase decision.

According to MacEachron (1998), a p-value is considered significant if it is less than or equal to 0.05 at a 95% confidence interval. As shown in the table above, all p-values for the independent variables are less than 0.05. Therefore, we can conclude that all the independent variables are significant at the 95% confidence interval. Specifically, sales promotion had a moderate correlation with the dependent variable, while public relations, personal selling, direct marketing, and advertising had low or weak correlations with customer purchase decision.

### **4.3.2. Regression**

Multiple regression analysis is a technique used to examine the relationship between two or more independent variables and a dependent variable (Kanom, 2011). The purpose of this analysis is to determine the extent of the influence of the independent variables (Advertising (X1), Public Relations (X2), Sales Promotion (X3), Personal Selling (X4), and Direct Marketing (X5)) on the dependent variable, customer purchase decision (Y). To develop the regression line formula, the independent variables are designated as X1 for Advertising, X2 for Public Relations, X3 for Sales Promotion, X4 for Personal Selling, and X5 for Direct Marketing, while the dependent variable Y represents the customer purchase decision.

Before performing the multiple regression analysis, the researcher conducted the necessary preliminary tests to ensure that the basic assumptions of multiple regression were met. These assumptions, which are essential for valid regression analysis, include the following key tests:

#### **1: Multicollinearity**

This assumption posits that the independent variables (advertising, public relations, personal selling, direct marketing, and sales promotion) are not excessively correlated with each other. Ensuring low correlation among predictors allows for a more accurate assessment of their individual contributions to the model. To evaluate this assumption, we can utilize Variance Inflation Factor (VIF) and Tolerance statistics. For the assumption to hold, VIF scores should be well below 10, and Tolerance values should be above 0.2. As indicated in the table below, the VIF values are less than 10 and the Tolerance values exceed 0.2, confirming that there is no multicollinearity issue among the independent variables (Gujarati, D. 2004).

<b>Model</b>	<b>Collinearity Statistics</b>	
	<b>Tolerance</b>	<b>VIF</b>
Advertising	0.675	1.481
Sales Promotion	0.612	1.633
Public Relation	0.598	1.672
Direct Marketing	0.623	1.605
Personal Selling	0.793	1.261

Table 4.3.2.1 Multicollinearity, source own survey 2024

## 2: Homoscedasticity

This assumption tests for homoscedasticity, which means that the variance of the residuals (or the amount of error in the model) is consistent at all points of the model (Osborne & Waters, 2002). Essentially, researchers assume that errors are evenly distributed across the range of predictor values (Keith, 2006). As the predicted values increase along the X-axis, the variation in residuals should remain approximately the same. Ideally, this would appear as a random scatter of dots. If the graph shows a funnel shape, it indicates a violation of this assumption. In this study, the graph displays a random array of dots, indicating that the assumption of homoscedasticity has been met.

## Durbin- Watson Value

<b>Durbin-Watson</b>
<b>2.01</b>

## Regression Result

After confirming that the assumptions for multiple regression were met, the researcher proceeded with a deeper analysis. This section primarily focuses on two key elements of the regression output: the model summary and the beta coefficients

### Model Summary Analysis

Model Summary				
Model	Correlation Coefficient(R)	Coefficient of Determination (R <sup>2</sup> )	Adjusted R Square	Std. Error of the Estimate
1	0.714a	0.509	0.501	0.634061

Table:4.3.2.2 Model summary of multiple regression, source own survey 2024

I. **Predictors:** (Constant), personal selling, sales promotion, advertising, direct marketing, public relations

II. **Dependent Variable:** purchase decision

The regression analysis considered customer purchase decision as the dependent variable and various promotional elements as independent variables. Multiple regression analysis was conducted to assess how the five dimensions of the promotion mix impact customer purchase decisions. The coefficient of correlation (R) measures the strength of the relationship between the dependent and independent variables. R<sup>2</sup> (Coefficient of Determination) measures the proportion of the variance in the dependent variable explained by the independent variables. This indicates that the factors included in the model can explain 50.09% of the variation in the dependent variable (customer purchase decision).

Table: ANOVA						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	74.234	5	14.847	30.693	.000b
	Residual	117.059	242	.484		
	Total	191.293	247			
a. Dependent Variable: CPDMEAN						
b. Predictors: (Constant), PERSELMEAN, ADMEAN, DMMEAN, SALEPROMMEAN, PRMEAN						

Table:4.3.2.3 ANOVA

The ANOVA table provides crucial insights into whether the overall model effectively predicts the outcome variable (Field, 2009). According to the analysis, the proposed model was found to be adequate, given a p-value of less than 0.05 (i.e., 0.000). This suggests a statistically

significant relationship between the promotion mix elements and customer purchase decision. The low p-value indicates that the model's results are unlikely to be due to random chance, reinforcing the reliability of the relationship observed. This finding supports the notion that the promotional strategies examined—personal selling, sales promotion, advertising, direct marketing, and public relations—play a significant role in influencing customer purchase decisions.

### **Beta Coefficient analysis**

Multiple regression analysis is a statistical method used to analyze the relationship between two or more independent variables and a dependent variable (Kanom, 2011). This analysis aims to determine the extent of influence that independent variables—such as Advertising, Public Relations, Sales Promotion, Personal Selling, and Direct Marketing—have on the dependent variable, customer purchase decisions.

Table:4.3.2.4.: **Regression result**

Model	Unstandardized Coefficient		Standardized Coefficients	T-test	Sig
	Beta	SD Error	Beta		
Constant					
Advertising	0.158	0.094	0.100	1.737	0.083
Sales Promotion	0.668	0.081	0.597	8.021	0.000
Public Relation	0.449	0.985	0.384	4.326	0.000
Personal Selling	0.373	0.061	0.380	5.981	0.000

- a) Predictors: (Constant), Personal Selling, Sales Promotion, Advertising, Public relations
- b) dependent Variable: Purchase Decision

Source: Own Survey

## **Interpretation of Beta Coefficient results and Discussion**

The individual effects of the independent variables can be understood through their respective beta coefficients, as shown in the Table. The first variable mentioned is advertising, which had a positive effect on customer purchase decisions, although the result was not statistically significant ( $B = 0.158$ ,  $P = 0.083$ ). Therefore, this study rejects the alternative hypothesis and accepts the null hypothesis, which suggests that there is no significant effect of advertising on customer purchase decisions.

This finding aligns with the study by Mahsa et al. (2015), which also indicated a positive effect of advertising on the consumer purchase decision process.

Sales promotion is a significant component of the promotion mix that affects customer purchase decisions.

The results of this study show that sales promotion had a statistically significant effect on customer purchase decisions ( $B = 0.668$ ,  $p = 0.000$ ), explaining 66.8% of the variation in customer purchase decisions.

This result is consistent with the findings of Khanfar (2016), Mahsa et al. (2015), Ansari (2014), Rizwan et al. (2012), and Soni and Verghese (2013), indicating that sales promotion is a critical tool for influencing consumer purchase decisions. Therefore, the researcher rejects the null hypothesis and accepts the alternative hypothesis, concluding that sales promotion has a significant effect on the consumer purchase decision process.

Personal selling is another factor that significantly affects customer purchase decisions. The results of this study indicate that personal selling had a statistically significant effect on customer purchase decisions ( $B = 0.373$ ,  $p = 0.000$ ). This finding is consistent with Mahmud et al. (2014), Isaac and Samuel (2015), Iyad A. (2016), Mahsa et al. (2015), Rizwan et al. (2012), and Soni and Verghese (2013), all of whom underscore the important role of personal selling in influencing consumer purchase decisions. Therefore, it can be concluded that there is a positive relationship between personal selling and customer purchase decisions, and thus the null hypothesis is rejected in favor of the alternative hypothesis, which posits that personal selling has a significant effect on customer purchase decisions in the context of real estate companies. In addition to personal selling, public relations are another commonly used factor that positively influences customer purchase decisions. In this study, public relations also had a significant impact on customer purchase decisions ( $B = 0.449$ ,  $P = 0.000$ ).

Overall, the regression model developed in this study can be considered a good fit and predictor of consumer purchase decisions. The majority of predictors included in this model are pertinent factors that explain variation in the performance of customer purchase decisions.



## **CHAPTER FIVE**

### **MAJOR FINDINGS, CONCLUSION AND RECOMMENDATION**

#### **5.1 Major findings of the Study**

##### **5.1.1 Correlation Analysis:**

In a correlation analysis examining the relationship between various marketing strategies and customer purchase decisions, the following results were obtained: Advertising showed a Pearson correlation coefficient of 0.312, indicating a positive but relatively weak correlation with customer purchase decisions. Public relations demonstrated a slightly stronger correlation with a Pearson coefficient of 0.281. Sales promotion exhibited the highest correlation among the factors analyzed, with a coefficient of 0.492. Personal selling and direct marketing both had similar correlations with customer purchase decisions, with coefficients of 0.312 and 0.412, respectively. These findings suggest that sales promotion has the strongest association with customer purchase decisions, while advertising, public relations, personal selling, and direct marketing also play significant roles in influencing consumer behavior.

##### **5.1.2 Relationships:**

- Significant positive relationships:
  - Sales Promotion (p-value < 0.001)
  - Public Relations (p-value < 0.001)
  - Personal Selling (p-value = 0.020)
- Advertising is significant at the 10% level (p-value = 0.083).
- Direct marketing had no significant effect on consumer purchase decisions. (p-value = 0.493) and consumer purchase decision.

##### **5.1.3 Regression Analysis:**

- Model Summary: The linear combination of these independent variables predicts 53.2% of the variance in customer purchase decisions.

##### **5.1.4 Relative Importance of Explanatory Variables:**

- Variables with positive significant impact on consumer purchase decision:
  - Sales Promotion: Coefficient (B) = 0.668, p-value < 0.001.

- Public Relations: Coefficient (B) = 0.449, p-value < 0.001.
- Personal Selling: Coefficient (B) = 0.373, p-value < 0.001.
- Advertising: Coefficient (B) = 0.158, significant at 10%.
- Direct Marketing: Coefficient (B) = 0.074, (not significant).

## 5.2 Conclusion:

Based on the major findings of the study, the following conclusions were drawn:

- The research results indicate that the promotional mix significantly influences consumer buying decisions. This confirms that promotional mix elements serve as effective marketing communication tools for influencing sustainable consumer choices.
- All promotion elements of the study revealed a positive relationship with the response variable, which is customer purchase decisions. Precisely, for every increase in the independent variables, the dependent variable, namely, customer purchase decision, also increased.
- The Regression analysis demonstrated that all dimensions of the promotion mix (including advertising, personal selling, sales promotion, public relations, and direct marketing) have an impact on consumers' buying decisions in the selected real estate context.
- Among the independent variables, sales promotion had the highest effect on consumers' purchasing decisions.
- Additionally, the study found significant relationships between promotion mix factors (sales promotion, public relations, advertising, and personal selling) and purchase decisions.
- The model summary from multiple regressions led the researcher to conclude that the promotion mix significantly affects customer purchase decisions for Noah Real estate company.

## 5.3 Recommendations

In today's volatile and dynamic business environment, where customers are increasingly sensitive to changes in their preferences across various service providers, effective promotion plays a crucial role in attracting and retaining customers. To maximize the benefits of promotional efforts, the following constructive suggestions have been put forward by researchers, taking into account customer responses:

1. **Integrated Promotional Mix Strategy:** Noah Real Estate should develop an integrated promotional mix strategy that effectively combines advertising, public relations, sales promotion, personal selling, and direct marketing. By utilizing a mix of these promotional tools, the company can reach a wider audience, create brand awareness, and influence consumer purchase decisions at different stages of the buying process.
2. **Resource Allocation:** It is crucial for Noah Real Estate to allocate resources efficiently across the various promotional elements based on their impact on consumer behavior. The study highlighted that sales promotion had the highest effect on consumer purchase decisions, indicating the importance of investing resources in this area. By prioritizing high-impact promotional tools, the company can optimize its marketing efforts and maximize returns on investment.
3. **Social media and E-Marketing:** To enhance communication with customers and increase brand visibility, Noah Real Estate should leverage social media platforms such as Facebook, Twitter, and Google+. Establishing an active presence on these channels can facilitate direct engagement with customers, showcase property listings, and provide real-time updates on promotions and events.
4. **Regular Market Surveys** Conducting regular surveys on the promotion mix and customer preferences is essential for Noah Real Estate to stay informed about market trends and evolving consumer needs. By gathering feedback from customers, the company can tailor its promotional strategies to align with changing market dynamics and ensure relevance in its marketing communications.
5. **Focus on Key Promotional Tools:** Noah Real Estate should pay special attention to sales promotion, public relations, and personal selling, as these tools were identified as significant influencers of consumer purchase decisions. By strengthening these areas through targeted campaigns, personalized interactions, and strategic communication efforts, the company can enhance customer engagement and drive sales growth.
6. **Optimization of Advertising and Direct Marketing:** Strengthening advertising and direct marketing initiatives can further amplify Noah Real Estate's promotional efforts. These elements play a crucial role in reaching potential customers, creating brand awareness, and driving lead generation. By optimizing advertising campaigns and direct marketing strategies,

the company can effectively promote its properties and services to a wider audience.

### **5.3 Limitations and Further Research**

#### **Limitations**

- **Sample Size:** The study's findings may be limited by the sample size of respondents, potentially affecting the generalizability of the results to a larger population.
- **Data Collection Method:** The reliance on self-reported data from surveys may introduce response bias or inaccuracies, impacting the reliability of the study's conclusions.
- **External Factors:** The study may not have accounted for external factors or market conditions that could influence customer purchase decisions, limiting the comprehensiveness of the analysis.
- **Time Frame:** The study's cross-sectional design may not capture changes in consumer behavior over time, warranting caution in interpreting the long-term effects of marketing strategies.

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## **APPENDIX A**

### **Questionnaires**

**Dear respondents;**

The purpose of these questioners is for academic purpose for the partial fulfillment of master's degree in Marketing management, St Mary University. The study is entitled “ **THE EFFECT OF PROMOTION MIX ELEMENTS ON CONSUMER PURCHASE DECISION: THE CASE OF NOAH REAL ESTATE ADDIS ABABA**”. Hence, to gather information, you are one of the respondents selected to participate on this study. I kindly ask your assistance in responding to the questions listed below. Any information you presents kept utterly confidential and is used only for academic purpose. Your cooperation and prompt responses highly appreciated.

**Thank you in advance**

**With regards,**

**Birhane Getachew**

## Questionnaires

## Part 1: Personal Backgrounds (Demographic Data)

1. Gender
  1. Male [ ]
  2. Female [ ]
2. Academic level
  1. Below Bachelor's degree [ ]
  2. Bachelor degree [ ]
  3. Master degree [ ]
  4. Doctorate degree [ ]
3. Income per month.
  1. Less 3000ETB [ ]
  2. 3001-7000ETB [ ]
  3. 7001-10500ETB [ ]
  4. >10,500ETB [ ]
4. Occupation
  1. Business owner [ ]
  2. International organization employee [ ]
  3. Private Company employee [ ]
  4. Public [ ]
  5. Unemployed [ ]



**Part 2: Please indicate the extent of your agreement or disagreement with each statement ticking (✓) in the box corresponding to a number from 5 to 1 that represents your level of agreement or disagreement.**

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

No .	Promotion Mix strategies	5 Strongly Agree	4 Agree	3 Neutral	2 Disagree	1 Strongly Disagree
<b>A.</b>	<b>Advertising</b>					
1	Advertisements made by Noah real estate company is interesting					
2	Noah real estate company make frequent advertisements to announce their product					
3	Advertising being done Noah real estate company are creative					
4	Noah real estate company use diversified channels to address varied customers					
5	Advertisement messages used by Noah real estate company are realistic/not exaggerated					
6	Advertisings that Noah real estate company do are very powerful in message					
7	Noah real estate company advertising creates product differentiation					
	<b>B. Sales promotion</b>					
8	Noah real estate company offer adequate price discount					
9	Noah real estate company offer a group purchase incentive					
10	Noah real estate company offer gifts which I am interested in					
11	Noah real estate company give loyalty discount to encourage their customers					
12	Noah real estate company arrange credit facility to their customers					

C.	Public Relations and Publicity	5 Strongly Agree	4 Agree	3 Neutral	2 Disagree	1 Strongly Disagree
13	Noah real estate company participate a lot on trade exhibitions					
14	Noah real estate company have proper customer complaint handling mechanisms					
15	Noah real estate company provide a community support					
16	Broachers and fliers that a Noah real estate company publish are of good quality					
17	Noah real estate company participate in community-based projects					
<b>D. Direct Marketing</b>						
18	Information on the websites of the Noah real estate company are helpful					
19	Online promotions that Noah real estate company do are very attractive					
20	Information sent from Noah real estate company through my email address are clear and helpful					
21	To me direct marketing is a strong promotional tool in comparison with others					
22	Information given by sales personnel in Noah real estate company increase my level of understanding about the company					
<b>E. Personal Selling</b>						
23	Direct communication with sales person helps to get clear information about the company					
24	Sales person of the company are skillful and information they provide helps to take appropriate decision					
25	Attractive and clear display of the product (a sample house) in Noah real estate company office are very attractive					
26	I more likely buy the apartment after visiting the site that others live in					
27	Product promoters (surveyors) of the company helps me to get clear information about the company					
<b>F. Customer Purchase Decision</b>						
28	Promotion helps me to differentiate the benefits I get form buying a product					
29	Promotion gives me clear information about the company and encourage me to buy					
30	Promotion helps me to build trust encourage me to buy					
31	Because the company promotes its products frequently, I buy the product and become its customer					
32	Quality of a promotion in terms of production and message creates a desire to visit the real estate company and buy from them					
33	To me using promotion creates a big difference to real estate companies to encourage buyers					
34	I am dependent on promotions to make purchase decision					

## DECLARATION

I, the undersigned, declare that this thesis is my original work, prepared under the guidance of \_\_\_\_\_ . All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

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Name

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Signature

**St. Mary's University, Addis Ababa May, 2024**

## **ENDORSEMENT**

This thesis has been submitted to St. Mary 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, Addis Ababa May, 2024**