



ST. MARY'S
UNIVERSITY SCHOOL OF GRADUATE
STUDIES FACULTY OF BUSINESS
S
DEPARTMENT OF MARKETING MANAGEMENT

EFFECTS OF DIGITAL MARKETING ON ETHIOPIAN AIRLINES PERFORMANCE

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JUNE,2023

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A THESIS SUBMITTED TO ST. MARY'S
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Statement of Declaration

I, Zinabu Endale, declare that this research paper entitled “**Effects of Digital Marketing on Ethiopian Airlines Performance**” is my original work, prepared under the guidance and support of my research advisor Zemenu Aynadis (Ass. Prof.). All sources of information in this study have been appropriately acknowledged. I further confirm that this thesis has not been submitted either in part or in full for any other requirements to any other higher learning institution.

Student's Name and Signature

St. Mary's University

June, 2023

Statement of Certification

I certify that Zinabu Endale has finalized his research entitled “**Effects of Digital Marketing on Ethiopian Airlines Performance**”. This research work is original in nature and suitable for submission for the award of Master’s Degree in Marketing Management.

Advisor’s Name and Signature

St. Mary’s University

June, 2023

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Table of Contents

Statement of Declaration.....	i
Statement of Certification.....	ii
Acknowledgments.....	iii
List of Figures.....	vii
List of Tables.....	viii
List of Acronyms.....	ix
Abstract.....	x
Chapter ONE	1
1 INTRODUCTION	1
1.1 Background of the Study.....	1
1.2 Problem Statement.....	3
1.3 Research questions.....	5
1.4 Objectives of the Study.....	5
1.4.1 General Objective.....	5
1.4.2 Specific Objectives.....	5
1.5 Significance of the study.....	5
1.6 Scope and Limitation of the study.....	6
1.7 Organization of the study.....	6
Chapter TWO	8
2 REVIEW OF RELATED LITERATURE	8
2.1 Theoretical literature reviews.....	8

2.1.1	DigitalMarketing.....	8
2.1.2	Organizationalperformance.....	13
2.1.3	DigitalMarketingandOrganizationalPerformance.....	13
2.2	Empiricalliteraturereviews.....	14
2.3	ConceptualFrameworkoftheStudy.....	17
CHAPTER THREE		18
3	RESEARCH METHODOLOGY	18
3.1	Researchapproachanddesign.....	18
3.2	TheStudyPopulationandSamplingStrategy.....	19
3.2.1	StudyPopulation.....	19
3.2.2	SampleSize.....	19
3.2.3	SamplingStrategy.....	20
3.3	Datasourcesandcollectiontechniques.....	20
3.3.1	Datasource.....	20
3.3.2	Datacollectiontechniques.....	21
3.4	Dataanalysisistehnique.....	21
3.5	ValidityandReliabilityanalysis.....	22
3.5.1	Validity.....	22
3.5.2	Reliability.....	22
3.6	Ethicalconsideration.....	22
CHAPTER FOUR		23
4	INTRODUCTION	23
4.1	DataAnalysisandPresentation.....	23
4.1.1	ResponseRates.....	23

4.1.2	ReliabilityTest.....	23
4.2	DescriptiveAnalysis	24
4.2.1	RespondentsProfile	25
4.2.2	Frequencystatistics	27
4.2.3	DigitalMarketingpractices.....	28
4.2.4	EthiopianAirlinesPerformance.....	34
4.3	InferentialAnalysis.....	37
4.3.1	CorrelationAnalysis	37
4.3.2	AssumptionsofClassicalLinearRegressionModel	39
4.3.3	RegressionAnalysis.....	43
Chapter5		47
5	ConclusionsandRecommendations	47
5.1	SummaryofFindings	47
5.2	Conclusions.....	48
5.3	Recommendations.....	49
5.4	LimitationsandFutureResearchDirection	50
5.4.1	Limitations	50
5.4.2	FutureResearchDirection	51
	References.....	52
	Appendix.....	56

List of Figures

2.1	Conceptual Framework.....	17
3.1	Sample size determination.....	19
4.1	Linearity test result.....	39
4.2	Homoscedasticity test result.....	40
4.3	Autocorrelation test result.....	41
4.4	Multicollinearity test result.....	42
4.5	Normality test result.....	46

List of Tables

4.1	Reliabilitytestresult.	24
4.2	Genderofrespondents.	25
4.3	Ageofrespondents.	25
4.4	Educationlevelofrespondents.	26
4.5	Experienceofrespondents	26
4.6	FrequencyTable	27
4.7	DescriptiveStatisticsofdigitalmarketing.	29
4.8	DescriptiveStatisticsofE-mailmarketing.	30
4.9	DescriptiveSocialMediaMarketing.	31
4.10	DescriptiveStatisticsofMobileApplications.	32
4.11	DescriptiveStatisticsofSearchEngineAds.	33
4.12	DescriptiveStatisticsofWebPageMarketing.	34
4.13	DescriptiveStatisticsofEALPerformance.	35
4.14	CorrelationAnalysis.	38
4.15	RegressionModelSummary.....	43
4.16	AnalysisofVariance.....	44
4.17	TestonIndividualRegressionCoefficients.....	45

List of Acronyms

DM=DigitalMarketing

DMP=DigitalMarketingPracticeEA

L=EthiopianAirlines

GDS=GlobalDistributionSystemPP

C=PayPerClick

PR=publicRelations

KPI = Key Performance

IndicatorsMMS = Media Message

ServiceSEO=SearchEngineOptimiza

tionSMM=SocialMediaMarketing

SPSS=StatisticalPackagefortheSocialSciencesSMS=S

hortMessageService

CLRM=ClassicalLinearRegressionModelVI

F=VarianceInflationFactor

NPP = Normal Probability

PlotANOVA=AnalysisofVarian

ceTOR=TermsOfReference

Abstract

This study intended to examine the effects of Digital Marketing Practices (DMP) on Performance of Ethiopian Airlines (EAL) and identify which digital marketing practices significantly predict EAL performance. This study employs both descriptive and explanatory research designs, as well as a mixed research methodology. Interview and questionnaire were employed for qualitative and quantitative data respectively. From the total population of 250,149 were picked using simpler random sample for the questionnaire, and 5 were chosen using purposive sampling for the interview, a sample size of 154 total, which achieved a response rate of 94.8 percent. The result from interview; descriptive as well as inferential analysis made by SPSS software version 26, indicates that EAL performance is significantly impacted by digital marketing activities of the company. The study reveals that the R-square value is 0.523, which explains 52.3% of the variation in EAL performance is explained by DMP. From the total of five study variables, the mobile applications, e-mail marketing and social media marketing had a greatest significant effect on performance. Furthermore, search engine ads and web page marketing also positively affect EAL performance. Based on the findings, it is recommended that the industry should consider prioritizing the above mentioned four significant digital marketing practices while conducting and implementing markets. However, further research is necessary to consider other factors in predicting EAL performance.

Keywords: *Digital Marketing Practices, E-mail marketing, Mobile Applications, Search Engine Ads, Social Media Marketing, Web Page Marketing, EAL Performance*

Chapter 1 INTRODUCTION

1.1 Background of the Study

The digital system is enabling enterprises implement digital marketing on a grand scale, because it presents no obvious negative externalities and likely continue to reshape all aspects of business. The internet has gone from being a static medium towards a more dynamic, interactive medium. This dynamic medium is all about the sharing of thoughts and information through self-publishing and harnessing the collective intelligence of all users to generate information and solve problems. This medium is at the heart of electronic marketing which, permits the rapid exchange of innovative ideas between customers and the organization, allow to hear the voice of the customer clearly and immediately. Moreover, it allows the organization to have a conversation with the voice of the customer, almost in real time (Haire et al., 2010).

In doing so, increased technological breakthroughs, improvements in electronic devices such as tablets and smart phones, and the emergence of multiple social media platforms have fundamentally altered the old way of doing business and the manner in which business owners and customers communicate. As is always the case, digital marketing is inextricably linked to technological advancements (Puthussery, 2020).

Digital marketing encompasses all marketing efforts that use an electronic device or the internet. Businesses leverage digital channels such as search engines, social media, email, and other websites to connect with current and prospective customers. Digital Marketing is defined by the use of numerous digital tactics and channels to connect with customers where they spend much of their time online. It could be said that the Internet has been the factor that has most influenced the cultural, economic and social changes seen at the beginning of the 21st century. Now, the consumer is the focal point of business activities and the target of Internet strategies (Hennig-Thurau et al., 2010).

Search engine marketing, product management, search engine optimization, project marketing, information-driven marketing, e-business, social media, electronic mail marketing, interactive ads, digital books, influencer marketing, spinning disks, and gaming are among the most popular digital marketing techniques in today's world, according to (Puthussery, 2020). Although traditional marketing and advertising strategies are still frequently used, there are some substantial benefits to employing digital marketing and all of the currently accessible and correctly applied digital channels. The Internet's impact on businesses and people's daily lives has resulted in significant changes in marketing, its tools, and strategies (Piñero-Otero and Martínez-Rolán, 2016).

Digital marketing has been very important in order to meet customer needs and strengthen interaction with customers in the airline sector. Would you like to get rid of the narrow lenses of the survey and focus groups and hear the voice of your final customer? Social media gives this possibility. Would you like your customer to remain committed to your developing brand? Mobile computing allows this. Would you like to make better predictions to deliver a truly personalized experience? Customer analysis gives this possibility (Westerman et al., 2014).

According to (Tsai et al., 2011), internet and information technology have become common practice of the air transportation industry and helped sharpen airlines' competitive edge through operation efficiency improvements where the use of own website to sell low-fare tickets and to facilitate boarding process via e-ticketing and online check-in can be one valid solution to enhance business values and attract more customers. They also noted that the popularity of the internet and e-commerce technologies have provided air-lines a platform to bypass intermediaries and transact business with their customers directly which render the web not only a useful tool to provide information for advertising and promotion but also as a commercial channel to produce additional revenues.

In airlines digital marketing is used by customer for booking, at boarding process with the smartphone application of the airline company, flight process, baggage delivery, and even at accessing to hotel, car rental and at many more services of arrival, from where Ethiopian Airlines (EAL) is no exception.

Ethiopian Airlines, the national flag carrier of Ethiopia, has been in business for the last 75 years. It is one of Ethiopia's major industries serving more than 100 international and 21 domestic destinations. It has established hubs in Lome, Togo; Lilongwe, Malawi and a cargo hub in Leige, Belgium.

It has assigned strategic partnerships with a number of African carriers and is also a member of the alliance, a global network of 28 airlines. Ethiopian Airline's major activity and source of revenue is transportation of people and cargo both within and across countries and continents. The other sources of revenue are aircraft maintenance; aviation training; ground handling and logistics services, and hotel services.

The Group is one of the largest Airline in Africa and investing a lot to advance digital distribution. Currently, the airline largely depends on indirect distribution channel (Traditional Marketing) which cost the airlines significant amount of cash for global distribution system (GDS). To overcome this, EAL Group implement several digital marketing strategies including; email, social media marketing and social seating, web page marketing, and other e-marketing strategies. The services include; implementation of e-ticketing as of February 2006, social media and display advertising among others. In addition the COVID-19 pandemic has forced EAL into digital marketing, as a result they recently unveiled new digital option dubbed 'MyShebaSpace' that enable economy class traveler to purchase one or more empty seat on board to get extra space and relax.

The immense benefit of Digital Marketing to an airlines industry, implementation of this strategies by Ethiopian Airlines, and significance of Digital Marketing to the airlines has motivated the researcher to carry out this study. In addition, EAL's digital Marketing practices made it the ideal case company.

1.2 Problem Statement

The domain of digital marketing is rapidly increasing in almost all sectors. There exist evidences given by many researchers that proves the positive effect of digital marketing practices on corporate's performance, as digital marketing have a huge benefit to an organization.

(Puthussery, 2020), (Hennig-Thurau et al., 2010) and (Hair et al., 2010) has studied the role of digital marketing on organisational performance.

(Piñeiro-Otero and Martínez-Rolán, 2016) explore the relationship between digital marketing and business performance.

On the other hand, several authors (Tsai et al., 2011), (Karağaoğlu and Çiçek, 2019), (Warnock-Smith et al., 2017), conveyed that digital marketing has been in practice by an airlines industries.

(Warnock-Smith et al., 2017) observed that the Airlines industry has only returned marginal profitability through the decades which is attributed mainly to its high fixed cost structure, over leveraged balance sheets, network fragmentation, low barriers to entry, high barriers to exit, strong unions, cyclical macroeconomics, fluctuating fuel price, a unique regulatory environment, and monopolistic/oligopolistic suppliers.

Ethiopian Airlines has indeed joined the digital marketing league in recent years. Thus, there is a positive perception to digital marketing practice in EAL. Ethiopian Airlines, being aware of the potential of electronic commerce, has established Integrated Marketing and Communication Division which among others is responsible for transforming digital member experiences across the entire enterprise and its operations and directing the planning and implementation of company IT and digital systems in support of business operations in order to improve cost effectiveness, service quality and business development. Currently Ethiopian Airlines has made available onboard wifi, preferred seat, in-flight duty free shopping, flight pass (guaranteed ticket fare), class upgrading, tickets and excess baggage, medical and holiday travel packages, and meeting package in its digital platform. Ethiopian Airlines' revenue earned from digital sources account only to 21 percent of the total passenger revenue during the fiscal year 2019/20 (G/Yohannes and Mesfin, 2021).

EAL has been implementing various digital marketing strategies. However, the digital marketing by the industry is not enjoying the maximum benefit that would have been gained from such roles.

The performance of the existing digital marketing does seem to have a noticeable impact on EAL's performance, but the existing practice is not enabling the airlines to get immense publicity and build its brand image.

In addition, even if digital marketing has a huge impact on the performance of Ethiopian Airlines, there is not enough empirical evidence that proves which digital marketing has an effect on the airlines performance, rather there are theoretical approaches which indicate that digital marketing has been systematically in practice by EAL. This clearly shows the need for an empirical evidence that proves the effect of digital marketing on EAL's performance.

Therefore, this research is investigating the effect of digital marketing strategies on the performance of EAL, because the effect of digital marketing strategies on EAL has been dilatory based on the researcher observation in the study area.

1.3 Research questions

1. What current digital marketing strategies are in use by Ethiopian Airlines?
2. What is the performance level of Ethiopian Airlines?
3. What factors are highly affecting Digital Marketing practices in Ethiopian Airlines?
4. What are the effects of digital marketing practices (E-mail Marketing, Social Media Marketing, Web Page Marketing, Search Engine Ads, and Mobile Applications) on Ethiopian Airlines performance?

1.4 Objectives of the Study

1.4.1 General Objective

The general objective of this research is to study the effect of digital marketing practices on Ethiopian Airlines performance.

1.4.2 Specific Objectives

- To examine the current digital marketing strategies used by Ethiopian Airlines;
- To identify the performance level of Ethiopian Airlines;
- To examine the factors that are highly affecting digital marketing practices of Ethiopian Airlines;
- To determine the effects of digital marketing practices (E-mail Marketing, Social Media Marketing, Web Page Marketing, Search Engine Ads, and Mobile Applications) on Ethiopian Airlines performance.

1.5 Significance of the study

Nowadays, airlines industries specifically Ethiopian Airlines is providing services that are demanding than the services they are currently running, because of the advancement in technology and the increase in people's need for better services.

Digital marketing has become very important to organisations, as it enhances their performance. As a result, it is necessary to apply the practice of digital marketing to every business sector to maximize its performance and thus help the business grow in the process.

This research provided an evidence that digital marketing has an effect on EAL's performance. The main beneficiary of this study is EAL, specifically marketing managers and teams under them. Besides, the study is significant for any airlines industry, in such a way that, by giving an insight on the benefit of digital marketing on its performance. Moreover, the study will add knowledge to the existing literature on the effective implementation of digital marketing.

Finally, The researcher hopes that, the findings of this study will initiate further research to be conducted in depth and come up with better understanding on the issues.

1.6 Scope and Limitation of the study

The digital marketing has many aspects that can benefit organisation's performance based on their specific setup. In this research the researcher, specifically focus on independent variables; E-mail Marketing, Social Media Marketing and Social Seating, Web Page

Marketing, Search Engine Ads, and Mobile Applications which are relevant digital marketing practices and dependent variable; EAL performance. Geographically, the study is delimited to the head office of EAL found in Bole, Addis Ababa. Methodologically, both qualitative and quantitative approaches are to be employed for collecting and analyzing the data.

1.7 Organization of the study

This paper is structured as follows. Chapter one represents an introduction which contains; background of the study, problem statement, research questions, objectives of the study, rationale for the study, scope of the study, and significance of the study.

Chapter two portrays a literature review, which includes; theoretical literature review, empirical literature review, and conceptual framework of the study. Chapter three elaborates research methodologies. It contains; research design, the study population and sampling strategy, data sources and collection techniques, data analysis technique, validity and reliability analysis, and ethical consideration. The findings of the study and discussion are presented in Chapter four, whereas Chapter five is about summary of findings, conclusions and recommendation.

Chapter 2

REVIEW OF RELATED LITERATURE

2.1 Theoretical literature reviews

There are different theoretical approaches towards the concept of digital marketing and firm's performance. There are three theories to this approach: digital marketing, organizational performance, and their relationship.

2.1.1 Digital Marketing

Different researchers have proposed theoretical approaches towards digital marketing practices. Digital marketing, according to (Chaffey and Smith, 2017), is marketing that takes place online, such as through websites, online ads, opt-in email, mobile apps, and developing platforms. It entails becoming close to customers; it is more comprehensive than e-commerce since it encompasses all marketing, sales, and customer service operations. Digital marketing is (or should be) a component of practically every critical business decision, according to Kingsnorth (2019), from product creation and pricing to public relations (PR) and even recruitment.

The activity of achieving marketing objectives through the use of digital technologies and media is known as digital marketing (Chaffey and Ellis-Chadwick, 2019). The practice of promoting products and services in an innovative way, using primarily database-driven distribution channels to reach consumers and customers in a timely, relevant, personal, and cost-effective manner is known in the theory and practice as digital marketing.

It is also thought of as a term that has evolved over time from a specific term describing the marketing of products and services through digital channels to an umbrella term describing the process of using digital technologies to acquire customers and build customer preferences, promote brands, retain customers, and increase sales (Kannan et al., 2017).

Digital marketing includes both direct marketing, which treats customers as individuals and defines them not only by their individual characteristics but also by how they behave and interact. Digital marketing tool has the ability to address an individual and the ability to gather and remember the response of that individual (Deighton and Sorrell, 1996).

Technology advancements and the growth of marketing are inextricably connected. According to Chaffey (Chaffey and Ellis-Chadwick, 2019), the Internet, World Wide Web, and other digital technologies have transformed marketing in such a way that consumers now have access to a much broader range of products, services, and prices from a variety of suppliers, as well as a more convenient way to select and purchase items based on their preferences. Since its inception, technology has been at the heart of important accomplishments in marketing's history (Ryan, 2009).

Companies have undergone a great deal of change in a short amount of time since the beginning of the twenty-first century, thanks to the opportunities afforded by technological advancements (Durmaz and Efendioglu, 2016), the printing press, radio, television, and, most recently, the internet are all examples of big technological innovations that irrevocably changed the connection between marketers and consumers on a worldwide scale.

Digital Marketing Elements

There are various elements by which digital marketing is formed and operated through electronic devices. According to these authors, the most important elements are discussed as follows.

Email Marketing

According to (Ponde and Jain, 2019) Email marketing is one of the primordial and easiest types of Digital Marketing. Being highly modern and productive. Marketers use emails for developing relationships with their likely and existing customers to help them produce leads and ensure their adaptations. 72% of marketers felt that email was great for developing loyal and active customers.

Email marketing is described as sending a message about a product or service to a current or potential customer via email. Direct digital marketing is used to convey advertisements, increase brand and consumer loyalty, increase customer trust, and raise brand exposure. This part of digital marketing allows a company to quickly promote its products and services.

Companies can automate their email strategy to email customers when they subscribe, after they purchase, or when they take a specific action on their site. This is a great way to make marketing work smarter and allow them to focus on running their business.

Social Media Marketing

Today, one of the most essential digital marketing channels is social media marketing. It's a computer-based application that lets individuals create, share, and exchange information and images about a company's products and services. Internet users continue to spend more time on social networking sites than any other category, according to Nielsen. Facebook, Twitter, LinkedIn, and Google+ are examples of social media marketing networks. Companies can use Facebook to promote product and service events, run promotions that adhere to Facebook guidelines, and explore new prospects.

Social Media Marketing is the most admired and newest types of Digital Marketing branch that help marketers press forward their brand image in the maximum powerful and fashionable manner. As social media marketing includes reassuring customer communication through its social presence (Chaffey and Patron, 2012).

SMM is nowadays preferred by different businesses for optimizing the image of a brand, business, product, or an individual. Facebook, Google+, Twitter, Instagram, YouTube, LinkedIn, Snapchat, Pinterest, etc. are the most well-known Social networks. Variety of resources stated that Social Media Marketing is an influential marketing instrument allowing users to communicate with each other (Kingsnorth, 2022). The social interacting platform allows marketing amid individuals or governments to be facilitated through online information post and messaging.

Affiliate Marketing

Affiliate marketing is a type of pay-per-click advertising. A company rewards affiliates for each visitor or customer they bring to the company through marketing efforts

they create on behalf of the company in this type of marketing. The merchant (also known as "retailer" or "brand"), the network, the publisher (also known as "affiliate"), and the customer are the four main players in the industry. Because the business has become so sophisticated, a secondary tier of players has emerged, including affiliate management agencies, super-affiliates, and specialized third-party vendors.

Affiliate marketing is a type of performance-based marketing. In this type of marketing, a company rewards affiliates for each visitor or customer they bring by marketing efforts they create on behalf of company. Affiliate marketing at times called lead generators ensues when advertisers organize third parties to generate potential customers among them. Third-party affiliates receive payment based on sales generated through their promotion (Reena and Udit, 2020).

Affiliate marketing can be approached in two ways: A company can either offer an affiliate program to others or join up to be an affiliate for another company. If a business wishes to run an affiliate program, the owner must pay affiliates a commission for each lead or sale they bring to the business's website. The main goal of the company is to find affiliates who can help them reach untapped markets. A company that publishes a magazine, for example, would make a good affiliate because its readers are hungry for information. As a result, introducing one's offer through a "trusted" company can attract prospects whom might not have otherwise been reached (Chaffey and Ellis-Chadwick, 2019).

Online advertising

The importance of online advertising in digital marketing cannot be overstated. It's a way for a firm to spread the word about its products or services. Consumer interests are best served by internet-based advertising, which gives them the most relevant content and advertisements. Publishers post information about their products or services on their websites so that customers or users can learn more about them for free. The organization is able to keep a tight grip on its budget and schedule by using online advertising (Yasmin et al., 2015). Quality content is a key component of online advertising. Quality content allows companies to target keywords related to their business and address searchers' questions, which in turn help them achieve high rankings.

Text Messaging

It is a method of sending product and service information from cellular and smart phone devices. The company can communicate information in the form of text (SMS), photos, video, or voice utilizing phone devices (MMS). Using cell phones for marketing In the early 2000s, SMS (Short Message Service) became extremely popular in Europe and some areas of Asia. Text messages can be used to convey order confirmations and shipping alerts.

SMS campaigns yield faster and more significant results. Companies can use this technology to deliver marketing messages to their customers in real time, at any moment, and be confident that they will be noticed. Company can create a questionnaire and obtain valuable customer feedback essential to develop their products or services in future (Yasmin et al., 2015).

Search Engine Optimization (SEO)

The technique of altering the appearance of a website or a web page in a search engine's "natural" or unpaid ("organic") search results is known as search engine optimization (SEO). The sooner (or higher placed on the search results page) and more often a website appears in the search result list, the more traffic it will receive from search engine users.

Customers and manufacturers profit from digital marketing in a variety of ways. The ability to contact the target audience through interactive media is the most significant benefit of digital marketing (Efendioglu and Durmaz, 2016). Furthermore, (Filipov et al., 2021) argue that the development of digital marketing strategies offers significant potential for brands and organizations, citing branding, completeness, usability, interactivity, visual communication, relevant advertising, community connections, virility, and output measurement as examples. In addition, authors emphasized the different benefits that digital marketing provides to clients. Customers benefit from digital marketing, according to these authors, because it allows them to stay up to date with products or services, have clear information about the products or services, make easy comparisons with others, shop 24/7, share product or service contents, see clear pricing schemes, and have instant purchasing options.

Pay Per Click (PPC)

Pay-per-click marketing is a method of generating clicks to your website by paying for them rather than —earning them naturally. Pay-per-click advertising is beneficial to both searchers and advertisers. It is the most cost-effective method for advertising a company's products and services since it provides a higher level of engagement with the products and services (Yasmin et al., 2015).

With PPC, companies can target people based on demographics, location, and even the type of device they use. These targeting options, coupled with the budget-friendliness of PPC, make PPC a valuable component of successful digital marketing.

2.1.2 Organizational performance

Most practitioners seemed to use the term performance to describe a range of measurements including input efficiency, output efficiency and in some cases transactions efficiency (Stannack, 1996). According to (Zhou et al., 1994), there was no single measure or best measure of organizational performance. Organizations adopt different objectives and measurements for organizational performance.

The degree to which an organisation accomplishes its goals and completes its everyday tasks is referred to as organisational performance (Feldman and Pentland, 2003). It checks to see if a company's expected results or outputs match its actual results or outputs. Business owners, managers, and strategic planners are frequently the experts who carry out organisational performance management, the process of identifying, putting into practice, and optimising organisational performance. Although organisational performance can be interpreted in a variety of ways and is primarily determined by the goals of the organisation (Carmeli and Tishler, 2004).

Organizational performance measurements involve establishing a goal, monitoring progress and making improvements. It enables a business to integrate its components to achieve the desired result, promote its mission and use resources effectively (Halachmi and Bouckaert, 1996).

2.1.3 Digital Marketing and Organizational Performance

There are a few theoretical literatures that cover the concept of Digital Marketing and Organizational Performance.

By enabling businesses to reach larger audiences, increase consumer engagement, and collect important data for targeted advertising, digital marketing innovation has the potential to favourably improve company performance (Yasmin et al., 2015). Companies may boost sales, improve customer satisfaction, and raise brand exposure by adopting new technology. Improved customer acquisition, retention, and loyalty can result in higher sales and better overall company performance with effective digital marketing innovation.

Furthermore, the majority of experts concur that digital innovation can be a potent and useful tool for fostering and establishing sustainability (Paskaleva, 2011). Companies can ensure sustainable development (better customer service, customer attention, etc.) and achieve excellent financial performance by implementing contemporary digital marketing techniques (Barauskaite and Streimikiene, 2021).

Traditional and digital marketing are the two types of marketing used nowadays (Salehi et al., 2012). The term "traditional marketing" describes the older, more established forms of advertising that have been around for a while, such as radio and television advertisements, print ads, billboards, and billboards (Mustafa and Al-Abdallah, 2020). These techniques often require addressing a large audience in a particular region or demographic group. On the other side, digital marketing refers to marketing strategies that rely on digital technology, including paid internet advertising, email marketing, social media, and search engine optimisation (SEO). These techniques can target particular audiences based on their interests, behaviours, or geographic areas and are frequently more focused (Ištvančić et al., 2017).

2.2 Empirical literature reviews

Several Researchers, in Ethiopia as well as in the rest of the world, have placed their empirical evidences on digital marketing and relevant factors.

In Ethiopia, (G/Yohannes and Mesfin, 2021) determines the effect of digital sales on maximizing revenue of Ethiopian Airlines with the specific objectives being to identify the effect that determinants of digital sales, namely, digitally connected customers, digital customer relationship management, product/service offering digitally, and digital delivery of products/services had on maximizing revenue of the airline. A survey was conducted with a total of 70 employees of the airline working under the division of Integrated Marketing Communications. The results showed that all of the determinants had a positive and significant effect on the airlines' revenue maximization except digital delivery of products/services whose influence was found to be insignificant.

On the other hand (Tadesse and Anteneh, 2021), explores the role of digital marketing in manufacturing Industries. A total of 170 questionnaires were distributed and 160 of them were returned back.

The finding of the study revealed that Search engine marketing in selected textile and garment factories were low but the companies use social media advertisement intensively and the customers were familiarized with firm's social media. The practice of email marketing in textile and garment industries is not common and most customers have not email connection with the companies. Pay per click in the garment and textile factories were low and the companies have not alternative search engines

for Pay per click, even the Pay per click fee is not reasonable. Search engine optimization on the companies search engine sites were not visible to users and were not that much relevant to users. The companies have no Search engine optimization expert which improves the quality of the companies website.

Internationally, (Karaağaoğlu and Çiçek, 2019) has investigated the digital marketing strategies of a number of national and international airway companies such as e-mail marketing, web marketing, social media marketing and mobile applications and to analyze the positioning of digital marketing applications. Because digital marketing is the leading factor of marketing and it is presented as the real throne of virtual world in the airway sector. The findings of the research shows that, by the changes in the customer expectations and demands, the airway companies try to use the digital marketing tool effectively. However, the usage of right strategy for digital management is important to make difference and compete in the airway sector.

Furthermore (Tsai et al., 2011) proposed an integrated model for evaluating airlines' websites effectiveness. The proposed model is applied to analyze the websites of five air transportation companies in Taiwan. Its result show that the Taiwanese airlines do not fully capitalize on the Web's marketing potential, and the weight-variance analysis suggests several managerial actions for achieving an ideal web-based marketing.

There are also studies that put their empirical evidences on marketing mix in general. (Yasmin et al., 2015) focuses on the importance of digital marketing for both marketers and consumers. They examined the effect of digital marketing on the firms' sales. Additionally the differences between traditional marketing and digital marketing in this paper were presented. This study has described various forms of digital marketing, effectiveness of it and the impact it has on firm's sales. The examined sample consists of one hundred fifty firms and fifty executives which have been randomly selected to prove the effectiveness of digital marketing.

Despite the above mentioned empirical approaches, no researcher has given empirical evidence on the effects of corporate social responsibility on project performance.

2.3 Conceptual Framework of the Study

Depending on the overall related literature and the theoretical framework, the following conceptual model is formulated. This model measures the effect of digital marketing practices on EAL performance.

The conceptual framework for this study incorporated independent and dependent variables. The variables can be shown in the figure.

From various digital marketing activities stated on literature review, the researcher found it convenient to use five digital marketing practices. The corresponding digital marketing practices are E-mail Marketing, Social Media Marketing, Web Page Marketing, Search Engine Ads, and Mobile Applications.

The dependent variable is EAL performance, which is measured by key performance indicators (KPI).

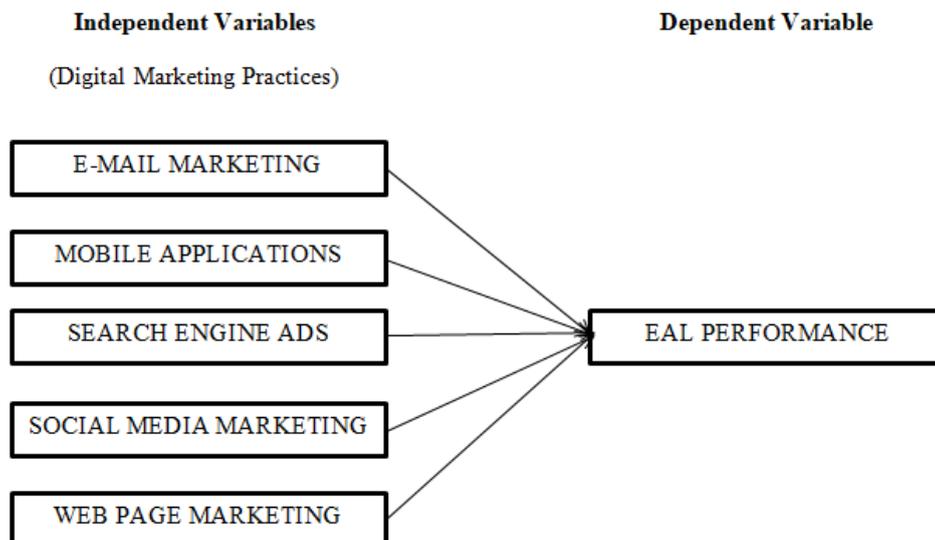


Figure 2.1: Conceptual

Framework. Source: Developed by the Researcher

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Chapter 3

RESEARCH METHODOLOGY

3.1 Research approach and design

The study employed a mixed method approach, i.e., it made use of both quantitative and qualitative methods, because mixed method explores a research problem better. Mixed research methods represent research that involves collecting, analysing, and interpreting quantitative and qualitative data in a study that investigates the same underlying phenomenon (Creswell, 2014). In order to acquire an in-depth understanding of facts and reasons of the occurrence, this research adopted a qualitative approach and for the reason of explaining and predicting the phenomenon on a larger sample size, it adopted a quantitative approach.

Due to limitation of time, quantitative data and qualitative data were collected and used concurrently. To this effect, the main data for the study was the quantitative data collection method through questionnaire. Furthermore, qualitative data, which has been collected through in-depth interviews, was used to supplement data obtained through questionnaire.

Research design addresses important issues relating to a research project such as purpose of study, location of study, type of investigation, extent of researcher interference, time horizon and the unit of analysis (Sekaran and Bougie, 2016). Both descriptive and explanatory research design were employed. Descriptive research design was used to answer the first and second questions, along with explanatory research design which emphasizes on discovering relationship between digital marketing and EAL performance, to answer the third and fourth research questions.

3.2 The Study Population and Sampling Strategy

3.2.1 Study Population

The target population of this research are employees, and management staff of Ethiopian Airlines who are working under the Integrated Marketing and Communication Division marketing. The number of study population considered in this research was 250.

3.2.2 Sample Size

The sample size is determined using sample size determination method provided by (Yamane, 1967).

$$n = \frac{N}{1 + N(e)^2}$$

Figure 3.1: Sample size determination.

Source: (Yamane, 1967)

Where;

- n is the sample size to be calculated.
- N is the population size, which is 250.
- e is the level of precision, the desired precision is 5%, thus $e=0.05$.

Therefore, using the above formula, the sample size of the study was 154, because the total study population is 250, with 5% acceptable error in the estimate.

3.2.3 Sampling Strategy

This research employed purposive sampling method for qualitative data collection because the research was conducted directly with marketing managers.

According to (Morse and M, 1991) purposive sampling helps to find those interviewees (informants) who have available knowledge and experience that the researchers need, are capable of reflection, are articulate, have time to be interviewed and are willing to take part in the research. The researcher interviewed 5 marketing managers. Simple random sampling technique was used for quantitative data. 149 samples were selected using simple random sampling from the total population of 250.

3.3 Datasources and collection techniques

3.3.1 Data source

In order to achieve the stated objectives, this study used appropriate data collection techniques. The data was collected from both primary and secondary sources.

a) Primary data sources

A qualitative data was collected from In-depth interviews with marketing managers to answer research question 1 and 2. In-depth interview is a qualitative data collection instrument which allows the researcher to collect rich information in much more depth (Kothari, 2004). Quantitative data was collected questionnaires distributed to employees and management staff of EAL who are working under the Integrated Marketing and Communication Division to answer research question

3 and 4. The researcher used this method because it is the most economical way of data collection compared to others in the sense that it is used to collect data from a big population within a small period of time that the researcher has chosen (Mugenda and Mugenda, 2003).

b) Secondary data sources These secondary data was collected from published and unpublished materials like; books, research papers, literature, written document, internet, websites, journal articles, reports and thesis papers. This helps to cross check and validate the result of the primary data.

3.3.2 Data collection techniques

The Data collection was performed after the confirmation of the sampling criteria. An in-depth interview, which helps to explore the underlying theory further, was employed to market managers, which was selected by purposive sampling. Most of the interview questions were constructed as open-ended questions.

A questionnaires were distributed for employees to complete quantitative data. questionnaires were close-ended questions using 5-Point Likert scale. The questionnaire incorporated demographic information, with the specific purpose of drawing comparisons between digital marketing and EAL performance. The questionnaire was prepared in English through Google Forms. Google Forms is a cloud-based data management tool used for designing and developing web-based questionnaires; it is provided by Google and freely available on the web to anyone to use and create web-based questionnaires (Vasantharaju and Harinarayana, 2016). The researcher then distributed the questionnaires that are prepared through Google forms to the target population using their email. The emails are collected directly in person from respondents. The researcher finally collected the responses from the Google form.

3.4 Data analysis technique

Once the data is collected, it is necessary to employ statistical techniques to quantitative data to analyze the information. Data was analyzed using Statistical Package for the Social Sciences (SPSS) software version 26.

Descriptive statistics are used to describe the data collected in research studies and to accurately characterize the variables under observation within definite sample. Descriptive statistics such as, frequencies and percentages were used to examine effectiveness of digital marketing activities and EAL performance. An attempt was made to employ interpretive analysis for the qualitative data obtained through interviews. Furthermore, inferential statistics such as correlation and regression statistics were used to show the relationship between the variables.

Specifically, Pearson Coefficient of Correlation was used as a measure of finding correlation between the two variables. Multiple Linear Regression model was conducted in this study in order to predict the value of dependent variable (EAL performance) based on the value of independent variable (digital marketing).

3.5 Validity and Reliability analysis

The validity and reliability of the data was checked carefully.

3.5.1 Validity

This research used questionnaires that their validity are checked. An approval from advisor and other consultants were also applied in order to increase the face/content validity.

3.5.2 Reliability

To ensure the reliability of the instrument this research tested the reliability using Cronbach's Alpha. Cronbach's Coefficient is calculated to estimate the internal consistency of reliability of a measurement scale. The acceptable value for Cronbach's alpha coefficient fall within a range of 0.70 to 1.00 (Sun et al., 2007).

3.6 Ethical consideration

This study obtained ethical clearance and permission from the institution. Permission was also obtained from Ethiopian Airlines through formal letter. Before the data collection process, all the necessary information about the study, like who is conducting the study and for what purpose it was conducted and other necessary information that respondents like to know was provided to all respondents, to help them decide whether to participate in the study or not. Name and other identifying information was not used. The research was also safeguarded all information related to the participants.

Chapter 4 INTRODUCTION

4.1 Data Analysis and Presentation

This chapter covers analysis, interpretation and presentation of the data used for the study. It is examined in light of the study's overall research objectives. To achieve the stated aims, both qualitative and quantitative research methods were chosen. Three key research topics were identified. Survey-questionnaire and in-depth interview were employed under the mixed approaches as research methods to collect the necessary data and information in accordance with the mentioned research questions. SPSS version 26 is used for statistical testing and result interpretation.

Qualitative data is presented first to explore the underlying theory further, then quantitative data is analysed and presented next. Qualitative data is analysed nearly based on the thematic analysis. This chapter of the paper presents descriptive and inferential analysis following qualitative data presentation.

4.1.1 Response Rates

Based on the methodologies specified in chapter three (simple random and purposive sampling), to get response from sample size of 154, 5 interviews and 149 questionnaires were distributed. From the total of 154, 146 questionnaires were returned and all of 5 interviews were conducted, totaling 151 responses, which yielded 94.8% response rate.

4.1.2 Reliability Test

To test reliability this study used Cronbach's alpha to assess the internal consistency of variables in the research instrument.

Cronbach alpha measures the extent to which item responses obtained at the same time correlate highly with each other and the widely accepted for social science cut off is that alpha should be 0.70 or higher for a set of items to be considered a scale (Field, 2009). Cronbach alpha is represented as a number between 0 and 1. Basing this, the researcher carried out the reliability analysis by measuring Cronbach's alpha for all variables as a whole and for each variable independently.

If alpha is high (.70 or higher) (Sun et al., 2007), then this suggests that all of the items are reliable and the entire test is internally consistent. The overall result showed that 0.805 value of Cronbach's alpha, which is above the minimum cut off alpha of 0.7. The calculated Cronbach's alpha coefficient for each study variable is shown in the table below.

Table 4.1: Reliability test result.

Reliability Statistics			
	Items	Cronbach's Alpha	N of Items
Cases	Digital Marketing	.721	20
	E-mail Marketing	.730	4
	Mobile Applications	.798	4
	Search Engine Ads	.785	4
	Social Media Marketing	.798	4
	Web Page Marketing	.764	4
	EAL Performance	.758	10
	Overall	.805	30

Source: Survey Data, 2023.

4.2 Descriptive Analysis

The descriptive analysis is to summarize the data to be more manageable without losing any important information therefore making it easier to have a better understanding on variables (Field, 2009). This section presents, after qualitative analysis, the descriptive statistics of dependent and independent variables used in this study. The dependent variable used in this study is EAL performance and the independent variable is Digital Marketing Practices. The result of the descriptive statistics which includes mean, maximum, minimum, standard deviation and others statistics value and its interpretations are presented below following respondents profile.

4.2.1 Respondents Profile

Demographic characteristics of respondents of this study are summarized and major findings of each of demographic variables are represented below.

Table 4.2: Gender of respondents.

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	81	55.5	55.5	55.5
	Female	65	44.5	44.5	100.0
	Total	146	100.0	100.0	

Source: Survey Data, 2023.

From total of 146 respondents, 81 (55.5%) were found to be Males and the remaining 65 (44.5%) of these respondents were Females basing the findings.

Table 4.3: Age of respondents.

		Age Group			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	18 - 29	55	37.7	37.7	37.7
	30 - 49	75	51.4	51.4	89.0
	50 - 70	16	11.0	11.0	100.0
	Total	146	100.0	100.0	

Source: Survey Data, 2023.

The highest percentage of respondents that accounts for 75 (51.4%) constitutes people of 30-49 years of age. The next higher group of 37.7% of respondents were within the age of 18-29 and 11. % of respondents were within the age of 50-70. No respondents above the age of 70 are present. The majority of respondents were young, as seen by their ages.

Table4.4:Educationlevelofrespondents.

		Education			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma	3	2.1	2.1	2.1
	Bachelor Degree	104	71.2	71.2	73.3
	Master's Degree	39	26.7	26.7	100.0
	Total	146	100.0	100.0	

Source:SurveyData,2023.

With regard to educational background, B.A/B.Sc. Degree holder respondents constitute the highest number 71.2%(101), followed by master's degree 26.7%(39) and the remaining 2.1% or 3 respondents are Diploma holders.

Table4.5:Experienceofrespondents

For how long have you been working in your organization?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Less than 1 year	38	26.0	26.0	26.0
	1-2	37	25.3	25.3	51.4
	More than 2 years	71	48.6	48.6	100.0
	Total	146	100.0	100.0	

Source:SurveyData,2023.

In the final part of the respondent's profile, the study shows the working experience of the respondents in the organization. Accordingly, 71 (48.6 %) of the total respondents have more than 2 years of working experience with EAL company, followed by less than 1 year of working experience 38 (26 %). The remaining 37 (25.3 %) has between 1 and 2 years of working experience with the company.

4.2.2 Frequency statistics

The frequency of five-point Likert scale responses for the five DM activities as well as EAL Performance are presented below.

Table 4.6: Frequency Table

Mean Frequency and Percentage										
	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
E-mail Marketing	127	21.75%	410	70.2%	38	6.5%	9	1.5%	-	-
Mobile Applications	144	24.6%	401	68.9%	37	6.3%	2	0.35%	-	-
Search Engine Ads	149	25.5%	400	68.5%	27	4.6%	7	1.2%	-	-
Social Media Marketing	114	19.5%	412	70.5%	51	8.7%	7	1.2%	-	-
Web Page Marketing	118	20.2%	357	68%	67	11.45%	2	0.35%	-	-
EAL Performance	472	32.32%	965	66.1%	11	0.77%	11	0.77%	-	-

Source: Survey Data, 2023.

Majority of the respondents are affirmative about the company DM practices and EAL Performance as it can be seen from table 4.6 above. More than 70 percent of the respondents agree and 21.75 percent of them strongly agreed with the mail marketing of Ethiopian Airlines. However, among the four questions presented in this category, only 6.5 percent fall under neutral followed by 1.5 percent of respondents disagreed. In the case of legal mobile applications of the company, 68.9 percent of the respondents agreed and 24.6 percent of them strongly agreed. However, among the four questions presented in this category, only 6.3 percent fall under neutral followed by 0.35 percent of respondents disagreed and no respondents are strongly disagreed.

Next, 68.5 percent of the respondents agreed and 25.5 percent of them strongly agreed with search engine ads Ethiopian Airlines. However, among the four questions presented in this category, only 4.6 percent fall under neutral followed by 1.2 percent of respondents disagreed.

70.5 percent of the respondents agreed and 19.5 percent of them strongly agreed with social media marketing of EAL. However, among the four questions presented in this category, only 8.7 percent fall under neutral followed by 1.2 percent of respondents disagreed.

It can be seen from web page marketing that 68 percent of the respondents agreed and 20.2 percent of them strongly agreed. However, among the four questions presented in this category, 11.45 percent fall under neutral followed by 0.35 percent of respondents disagreed.

Finally, in the case of EAL performance, 66.1 percent of the respondents agreed and 32.3 percent of them strongly agreed. However, among the four questions presented in this category, 0.77 percent fall under neutral also 0.77 percent of respondents disagreed and no percent of respondents are strongly disagreed with Ethiopian Airlines.

4.2.3 Digital Marketing practices

Following a qualitative examination of the five DM activities, descriptive analysis of DM practices is offered in this section.

Regarding Digital Marketing Practices of Ethiopian Airlines, different interview questions were employed with 5 selected marketing managers of the industry.

According to the respondents the company has practiced a digital channels and platforms like social media, email, websites, google leads, Facebook ads, and any new emerging digital platforms that used for digital marketing and organizational performances of the company. The key informants also presented that the company has its own digital information communication technology platform for internal staff communications.

The company website and social media platforms are responsive and suitable for end users.

According to the responses, the company maintains regular and active email dialog communication practices with its stakeholders and customers. The respondents argue that the company social media marketing practices are appreciated by customers and effective for the company's overall performance. Respondent stated that the company is practicing constructive and meaningful activities in creating digital marketing environment for its customers and marketing staffs. Furthermore, the company primarily engages in e-mail marketing, modern mobile application for all types of operating systems, and search engine optimisation activities for its website. The respondent argue that the company has its own software developer team for implementing updated and competitive digital marketing activities in the wide aviation market.

In conclusion, the company engages in all of the DM activities mentioned by the researcher based on the interview. The majority of respondents said that the company mostly engages in e-mail marketing and social media marketing digital marketing activities. According to the key informants, search engine ads and mobile applications are the next most frequently practiced actions. As according to interview participants, web page marketing is the company's least frequent activity.

On the other hand, for quantitative analysis of each activities of DM, a set of questions has been presented to the respondents to rate their perception, knowledge, feelings

and attitudes about different digital marketing activities of the company on a five point Likert scale ranging from one (strongly agree) to five (strongly disagree). Thus the five CSR variables are ordinal variables.

Under this analysis the mean scores of each practices of digital marketing as well as the mean scores of each item under each dimension were calculated and presented below along with their respective standard deviation.

Table 4.7: Descriptive Statistics of digital marketing.

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
E-mail Marketing	146	3	5	4.12	.335
Mobile Applications	146	4	5	4.18	.314
Search Engine Ads	146	4	5	4.18	.282
Social Media Marketing	146	3	5	4.08	.274
Web Page Marketing	146	4	5	4.08	.302
Valid N (listwise)	146				

Source: Survey Data, 2023.

The mean score values of digital marketing practices of Ethiopian Airlines found to be in the range 4.18 to 4.08 with standard deviation ranging from 0.274 to 0.335.

Accordingly, mobile applications is the highest because it has the mean value of 4.18 and standard deviation of 0.314 followed by search engine ads which also has mean of 4.18 and standard deviation of 0.282, then the next highest mean value is 4.12 and standard deviation of 0.335 by-

mail marketing, then social media marketing and web page marketing follows with the same mean value of 4.08 and standard deviation 0.274 and 0.302 respectively.

All of the responsibilities have maximum value of 5 but varied minimum values. The minimum value; for-

mail marketing and social media marketing practices are 3 and for the rest of the three activities (mobile application, search engine ads, web page marketing) are 4.

The overall result shows that there is a good practice of digital marketing activities by the company

yinanefforttoboosttheoverallperformance.

Descriptive statistics for each element of Digital Marketing Practices are represented below.

a) Descriptive analysis of E-mail marketing

Table 4.8: Descriptive Statistics of E-mail marketing.

	Descriptive Statistics				
	N	Minimum	Maximum	Mean	Std. Deviation
The company employees and managers use their email effectively for advertisement purpose	146	2	5	4.18	.743
The E-mail Marketing is an effective tool for engaging with customers	146	2	5	4.27	.492
The E-mail Marketing enables to effectively connect with the customer	146	2	5	3.88	.497
Most customers have email connection with the company	146	2	5	4.15	.445
Valid N (listwise)	146				

Source: Survey Data, 2023.

The table 4.8 above shows that, the statement, The E-mail Marketing is an effective tool for engaging with customers, is perceived well because it has the highest mean value of 4.27.

The first statement takes the second rank has 4.18 mean value and the statement is the company employees and managers use their email effectively for advertisement purpose. The fourth statement, Most customers have email connection with the company, took the third rank with mean value of 4.25.

Finally, the third statement, The E-mail Marketing enables to effectively connect with the customer, has the mean value of 3.88.

The above result shows that EAL E-mail Marketing practice is an effective tool for engaging with customers and EAL employees and managers use their email effectively for advertisement purpose.

b) Descriptive analysis of social media marketing

Table 4.9: Descriptive Social Media Marketing.

	Descriptive Statistics				
	N	Minimum	Maximum	Mean	Std. Deviation
The company uses social media advertisement well	146	3	5	4.21	.578
The most of our customers are familiarize with our social media.	146	3	5	4.12	.557
Our social media has many followers	146	2	5	3.92	.557
The company social media interaction is in handling customers complains on time.	146	2	5	4.09	.550
Valid N (listwise)	146				

Source: Survey Data, 2023.

The table 4.9 above shows that, the statement with highest mean value is the first statement with 4.21 mean value. The statement is; the company uses social media advertisement well, and the second ranked statement is second ordered statement; the most of our customers are familiarize with our social media, the standard deviation is 0.578 and 0.557 respectively. The third ranked statement, the company social media interaction is in handling customers complains on time, has mean value of 4.09 and standard deviation of 0.55.

The final ranked statement, our social media has many followers, has mean of 3.92. It has the lowest value and least convenient compared to the other three statements.

Descriptive statistics of social media digital marketing of the company indicate that EAL uses social media advertisement well and most of EAL customers are familiarize with the company's social media.

c) Descriptive analysis of mobile applications

The table 4.10 above shows that, the statement with highest mean value is the second statement; the Mobile Application provide customers with easy payment options, with mean value of 4.30 and standard deviation of 0.46. Second ranked statement; the company implemented mobile application that accessible for all operating systems, has mean value of 4.25 and standard deviation of 0.65. The third ranked statement is; The Mobile Application allow effectively segmenting passengers and identifying their spending profiles and preferences, which has mean value of

4.16 and standard deviation of 0.455.

Table 4.10: Descriptive Statistics of Mobile Applications.

	Descriptive Statistics				
	N	Minimum	Maximum	Mean	Std. Deviation
The company implemented mobile application that accessible for all operating systems.	146	3	5	4.25	.652
The Mobile Application provide customers with easy payment options.	146	4	5	4.30	.460
The Mobile Application allows offering customized services to customers.	146	2	5	3.99	.525
The Mobile Application allows effectively segmenting passengers and identifying their spending profiles and preferences.	146	2	5	4.16	.455
Valid N (listwise)	146				

Source: Survey Data, 2023.

The next and last ranked statement is the third listed statement; The Mobile Application allows offering customized services to customers, has mean of 3.99 and standard deviation of 0.525. It has the lowest mean value and more convenient compared to last statements of the other responsibilities.

The result shows that Ethiopian Airlines the Mobile Application provide customers with easy payment options and the company implemented mobile application system that accessible responsive for all operating systems.

d) Descriptive analysis of search engine ads

The table 4.11 above shows that, the statement with highest mean value is the first statement; The company uses search engine marketing, with mean value of 4.30 and standard deviation of 0.46. Second ranked statement is the statement listed

on the last, The search engine marketing is accessible to customers, has mean value of 4.29 and standard deviation of 0.71.

The third ranked statement is; Ethiopian Airlines search engine Ads are increase the brand visibility, which has mean value of 4.16 and standard deviation of 0.455. The last ranked statement; Our customers are aware about search engine marketing, with mean of 3.99 and standard deviation of 0.525. It has the lowest value and least convenient compared to the other four statements.

Table 4.11: Descriptive Statistics of Search Engine Ads.

	Descriptive Statistics				
	N	Minimum	Maximum	Mean	Std. Deviation
The company uses search engine marketing	146	4	5	4.30	.460
Our customers are aware about search engine marketing	146	2	5	3.99	.525
The company's search engine Ads are increases the brand visibility	146	2	5	4.16	.455
The search engine marketing is accessible to customers	145	2	5	4.29	.716
Valid N (listwise)	145				

Source: Survey Data, 2023.

Descriptive statistics of search engine ads indicates that Ethiopian Airlines uses search engine ads digital marketing techniques that accessible for customers and search engine ads are increases its visibility and brand equity.

e) Descriptive analysis of web page marketing

The table 4.12 above shows that, the statement with highest mean value is the first statement; The company uses its website for advertisement purpose, with mean value of 4.16 and standard deviation of 0.455. Second ranked statement; Ethiopian Airlines website is attractive and easy to customers (User friendly), has mean value of 4.11 and standard deviation of 0.50.

The third ranked statement; The customers can get immediate response online or from offline FAQ (frequently asked questions) from the website, has mean value of 4.10 and standard deviation of 0.662. The last ranked statement; The website provide information in different languages, has mean of 3.95 and standard deviation of 0.452. It has the lowest mean value and thus it's the least convenient compared to any statement in the category.

Descriptive statistics of web page marketing activities indicates that Ethiopian Airlines uses its website for advertisement purpose and the company have web site platform that is attractive and easy to customers (User friendly).

Table 4.12: Descriptive Statistics of Web Page Marketing.

	Descriptive Statistics				
	N	Minimum	Maximum	Mean	Std. Deviation
The company uses its website for advertisement purpose	146	3	5	4.16	.622
The web site is attractive and easy to customers (User friendly).	146	3	5	4.11	.500
The website provide information in different languages.	146	3	5	3.95	.452
The customers can get immediate response online or from offline FAQ (frequently asked questions) from the website.	146	2	5	4.10	.662
Valid N (listwise)	146				

Source: Survey Data, 2023.

4.2.4 Ethiopian Airlines Performance

In this part, descriptive analysis of Ethiopian Airlines Performance is presented the following qualitative analysis of performance and performance level of EAL.

Regarding EAL performance of Ethiopian Airlines, different interview questions were also employed with 5 selected digital marketing managers of the company.

Key informants presented that digital marketing activities by the company is implemented to support activities, gaps and needs of the company, thus a digital marketing have a huge importance to the industry. According to most of the respondents, performance of the company is determined by employees perceptions and experiences with the digital marketing activities. It is also expressed by the extent that people think highly of a brand.

According to the respondents, a lot of Digital Marketing Practices has been done by Ethiopian Airlines in the last years and many of these works are directly related to the company's overall performances.

Above all, according to the respondents the factor that impact performance level of the company is the digital marketing performance of the company compared to another competitor. To improve EAL performance, continuous meetings, training and engagement with marketing and other operational staffs are held to make sure what is defined on marketing activities are met per customer satisfaction and performance of the company.

The descriptive assessment of EAL performance, on the other hand, a set of questions have been presented to the respondents to rate their perception, knowledge, feelings

and attitudes about performance of the company on a five point Likert scale ranging from one (strongly disagree) to five (strongly agree), same as in Digital Marketing Practices section. Under this analysis the mean scores of each items of EAL performance were calculated and presented below. The researcher wants to make clear that there is only one dependent variable, EAL performance.

The mean score values of EAL performance of Ethiopian Airlines found to be in the range 4.5 to 4.51 with standard deviation ranging from 0.348 to 0.612. The minimum value of indicator items have minimum value of 1 and all of items have 5 maximum values.

Table 4.13: Descriptive Statistics of EAL Performance.

	Descriptive Statistics				
	N	Minimum	Maximum	Mean	Std. Deviation
We periodically review our services development efforts to ensure that they are in line with what customers want.	146	4	5	4.41	.494
Our business plans are driven more by information technological advances than by market research.	146	3	5	4.34	.502
We are quick to respond to significant changes in our competitors' pricing and package structures.	146	4	5	4.30	.460
Customers are satisfied with the organizations' service quality	146	2	5	4.37	.563
We are committed to on-time performance and meeting customer needs.	146	2	5	4.32	.511
When our customers are unhappy with the quality of our service, we take corrective action immediately.	146	2	5	4.51	.613
The organization has recognizable image and favorable reputation by its customers.	146	1	5	4.12	.519
I believe that my service to the company and the contributions that I have made are appreciated.	146	2	5	4.50	.578
Customers has overall interest to take your service packages.	146	2	5	4.06	.393
Individuals from our marketing department interact directly with customers to learn how to serve them better.	146	2	5	4.05	.348
Valid N (listwise)	146				

Source: Survey Data, 2023.

The table 4.14 above shows that, the statement with highest mean value is the sixth statement; When our customers are unhappy with the quality of our service, we take corrective action immediately, with mean value of 4.51 and standard deviation of 0.613. Second ranked statement; I believe that my service to the company and the contributions that I have made are appreciated, has mean value of 4.5 and standard deviation of 0.578. The third ranked statement is the first listed statement; We periodically review our services development efforts to ensure that they are in line with what customers want, has mean of 4.41 and standard deviation value 0.494.

The next fourth ranked statement is; Customers are satisfied with the organizations' service quality, which listed on the first list has mean of 4.37 and standard deviation value 0.563. The next ranked statements are the second statements; Our business plans are driven more by information technological advances than by market research, has mean of 4.34 and standard deviation value 0.502. The statement ranked on sixth is the fifth listed statement; We are committed to on-time performance and meeting customer needs, has mean value of 4.32 and standard deviation value 0.511. The seventh ranked statement; We are quick to respond to significant changes in our competitors' pricing and package structures, has mean value of 4.30 and standard deviation value 0.46.

The statement listed on seventh list position; The organization has recognizable image and favorable reputation by its customers, has mean value of 4.12 and standard deviation value 0.519 is ranked on the eighth position. The ninth ranked statement is; Customers have overall interest to take your service packages, with mean value of 4.06 and standard deviation value of 0.393. The tenth listed statement; Individuals from our marketing department interact directly with customers to learn how to serve them better, has the lowest value and more convenient compared to last statements of the other indicators with mean value of 4.05 and standard deviation value 0.348. The result shows that brand loyalty of EAL are well achieved.

The overall result shows that the performance improvement activities of the Ethiopian Airlines is well achieved. The results also confirm positive association between digital marketing activities and performance.

Finally, the researcher thought it would be useful to offer a qualitative study of the sectors' EAL performance and digital marketing from the viewpoint of relevant informant digital marketing managers before continuing into referential analysis.

When asked how DMP benefits a company performance, the majority of the respondents said that DMP benefits a company performance greatly both directly and indirectly. Directly; DMP will help increase the implementation of the marketing by building brand reputation, positive feelings and overall performance. According to the research a strong performance can be built with DMP activities and uses a consistent communication strategy. Consistent DMP activities prevents confusion, reinforces the brand over time with consumers, and increases overall performance of the company.

In contrast, the majority of respondents concurred that DMPs have a significant positive impact on performance in an indirect way that encourages companies to focus more on their overall performance as well as on implementing more digital marketing.

4.3 Inferential Analysis

This section presents inferential statistics of dependent and independent variables used in this study. The result of correlation analysis and multiple regression analysis along with its assumption tests are presented.

Both correlation and regression analysis are applied to find out the association and relationship between DMP and EAL performance.

4.3.1 Correlation Analysis

The quickest and most efficient method to determine how two or more variables are related is to employ correlation. (Marczyk et al., 2010). In this part, the researcher has tried to analyse the correlation between the dependent and the independent variables by applying Pearson's correlation, which is the most widely used method of measuring the degree of relationship between variables.

Correlation between DMP components; e-mail marketing, mobile applications, search engine ads, social media and web page marketing, and EAL performance is presented. Table 4.19 below illustrates the correlation between EAL performance and all the independent variables. Correlation coefficient (r) close to -1 or +1 means that variables are negatively and positively strongly related respectively; in contrast, when r is close to 0, it means the two variables are weakly correlated (Sheridan, 2005). Therefore, the correlation coefficient (r) was examined to see if there is a strong or weak relationship between the variables.

Table4.14:CorrelationAnalysis.

		Correlations					
		E-mail Marketing	Mobile Applications	Search Engine Ads	Social Media Marketing	Web Page Marketing	EAL Performance
E-mail Marketing	Pearson Correlation	1	.557**	.427**	.418**	.324**	.480**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	146	146	146	146	146	146
Mobile Applications	Pearson Correlation	.557**	1	.716**	.493**	.368**	.606**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	146	146	146	146	146	146
Search Engine Ads	Pearson Correlation	.427**	.716**	1	.255**	.138	.347**
	Sig. (2-tailed)	.000	.000		.002	.097	.000
	N	146	146	146	146	146	146
Social Media Marketing	Pearson Correlation	.418**	.493**	.255**	1	.438**	.412**
	Sig. (2-tailed)	.000	.000	.002		.000	.000
	N	146	146	146	146	146	146
Web Page Marketing	Pearson Correlation	.324**	.368**	.138	.438**	1	.337**
	Sig. (2-tailed)	.000	.000	.097	.000		.000
	N	146	146	146	146	146	146
EAL Performance	Pearson Correlation	.480**	.606**	.347**	.412**	.337**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	146	146	146	146	146	146

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

Source:SurveyData,2023.

As we can observe from the above table, there is a positive relationship between the study variables. Accordingly, mobile applications was the most correlated variable with the dependent variable (EAL performance) with a coefficient value of (R=0.606, p <= 0.01). The result of the Pearson correlation analysis also showed that there is a positive correlation between EAL performance and e-mail marketing (R=0.48, p <= 0.01) and also with social media marketing (R=0.412, p <= 0.01), which indicates a strong relationship between the mentioned variables.

EAL performance is also found to be positively correlated with search engine ads and web page marketing activities with a Pearson correlation coefficient of (R=0.347, p <= 0.01) and (R=0.337, p <= 0.01), respectively. Therefore there is a moderate relationship between EAL performance and the two independent variables search engine ads and web page marketing having the lowest correlations.

4.3.2 Assumptions of Classical Linear Regression Model

Before performing regression analysis, a number of presumptions must be verified to make sure the data satisfies the requirements for validity and reliability. Accordingly, five diagnostic tests of assumptions of classical linear regression model (CLRM) (Zeng, 2019) were presented and discussed below. The five assumptions are Linearity, Homoscedasticity, Auto-correlation, Multicollinearity and Normality.

i) Linearity Test: Linear is an assumption that there must be a linear relationship between the dependent variable and the independent variables. Since multiple linear regressions require at least two independent variables, the relationship between the predictors and the dependent variables should be linear.

The following plot shows linearity assumption between variables. It can be seen that the relationship between the independent variables and the dependent variable is modeled by a straight line suggesting that the relationship between these variables are linear.

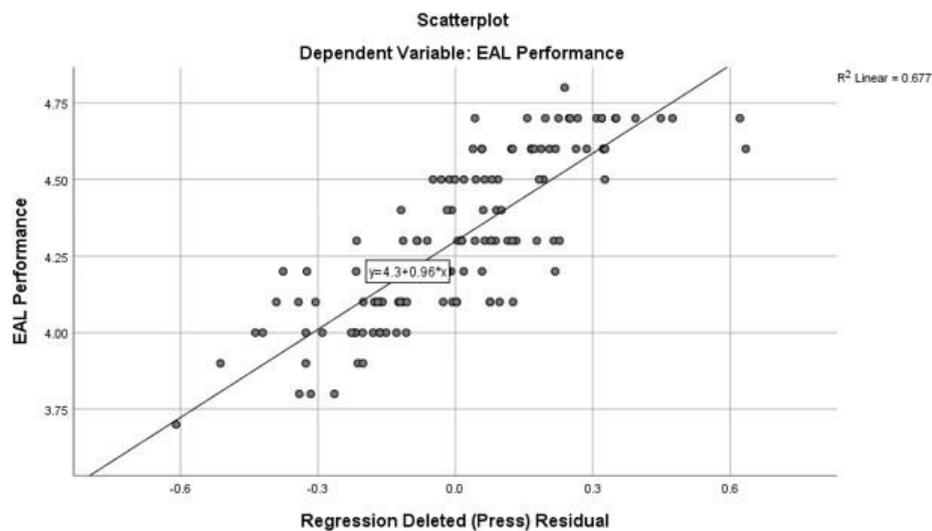


Figure 4.1: Linearity test result. So

Source: Survey Data, 2023.

ii) Homoscedasticity Test:

Homoscedasticity is the assumption that the variation in the residuals (or amount of error in the model) is similar at each point across the model.

A plot of standardized residuals versus predicted values can show whether points are equally distributed across all values of the independent variables. It assumes that different samples have the same variance, even if they came from different populations so it has a mean of residual zero.

A plot of standardized residuals versus predicted values can show whether points are equally distributed across all values of the independent variables. It assumes that different samples have the same variance, even if they came from different populations so it has a mean of residual zero.

The following graph shows a plot of regression standardized residuals and standardized predicted values. It can be concluded that the assumption of homoscedasticity has been met, since there is no sign of a funnel shape on the graph which is an indication that the assumption was violated (Heteroscedasticity).

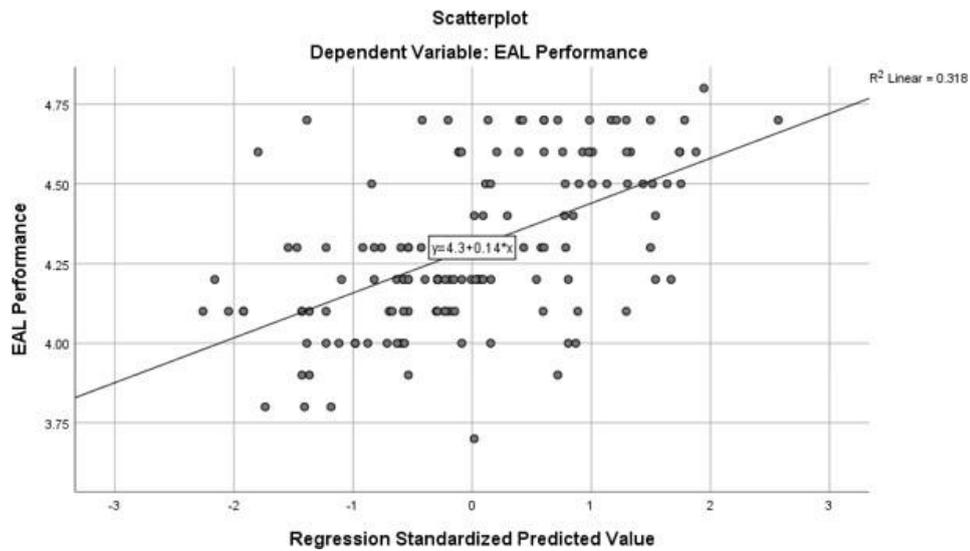


Figure 4.2: Homoscedasticity test result.

Source: Survey Data, 2023.

iii) Autocorrelation Test: Autocorrelation is a test for whether the errors of adjacent observations are highly correlated which may underestimate the standard error of the coefficient; multiple linear regression models assume the residuals are independent of one another. The Durbin-Watson statistic is the common method used to test for the presence of serial correlation among the residuals. The test statistic varies from 0 to 4, a value of 2 indicates that there is no autocorrelation. However, a value below 2 i.e. nearing zero indicates a positive autocorrelation and a value above 2 i.e. nearing four indicates negative autocorrelation. (Field, 2013) suggests that values less than 1 or more than 3 is a cause of concern.

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.651 ^a	.423	.403	.193

a. Predictors: (Constant), Web Page Marketing, Search Engine Ads, Social Media Marketing, E-mail Marketing, Mobile Applications

Figure 4.3: Autocorrelation test result.

Source: Survey Data, 2023.

The Durbin-

Watson statistic in the above table showed that the assumption has met, because the obtained value of Durbin-Watson is 1.684.

iv) Multicollinearity Test: According to (Ramadan et al., 2017), Multicollinearity is defined as the degree to which the independent variables used in multiple regression analysis are correlated. Multicollinearity occurs when the predictor variables in the regression model are highly correlated with each other while measuring the same thing. One way to assess multicollinearity is by examining correlations between the independent variables.

To evaluate multicollinearity, both indicators of Variance Inflation Factor (VIF) and tolerance were considered. (Myers and Myers, 1990) recommended that VIF value which is greater than 10 is a cause of concern. The tolerance statistic, which is the reciprocal of the VIF (i.e. $1/VIF$), is another important consideration when testing multicollinearity.

As suggested by (Sekaran and Bougies, 2013), to determine if the study suffers from multicollinearity problem or not, the researcher relied on a common cutoff value

i.e. 0.10 for tolerance, and a value of less than 10 for VIF.

		Coefficients ^a	
		Collinearity Statistics	
Model		Tolerance	VIF
1	E-mail Marketing	.649	1.540
	Mobile Applications	.338	2.954
	Search Engine Ads	.459	2.178
	Social Media Marketing	.653	1.530
	Web Page Marketing	.750	1.333

a. Dependent Variable: EAL Performance

Figure 4.4: Multicollinearity test result.

Source: Survey Data, 2023.

The table above indicates the tolerance and VIF values for the independent variables used in this study. Accordingly, the VIF value for the predictors in the multiple regression was 1.540, 2.954, 2.178, 1.530, and 1.333 with tolerance values of 0.649, 0.338, 0.459, 0.653 and 0.75 for e-mail marketing, mobile applications, search engine ads, social media marketing and web page marketing respectively.

This indicates that the problem of multicollinearity is not a concern in the model, because all the VIF values are below 10 and all the tolerance values are above 0.10.

- v) **Normality Test:** The normality assumption test is applied to determine if the data is normally distributed or not. The normality assumption undertakes a critical role when a study is dealing with a small sample size, data less than 100 observation (Gujarati, 2014).

The researcher used normal probability plot (NPP) to test the normality assumption. The decision rule is, if the fitted line in the NPP is approximately a straight line, one can conclude that the variables of interest are normally distributed (Gujarati, 2014).

In the above figure, the result of the NPP plot shows that residuals of the models were normally distributed, given that the fitted line on the NPP is approximately a straight line, which indicates a small or no deviation from normality and there are no extreme cases observed.

To appropriately analyze data and provide valid results using multiple linear regression models, this study discussed five major assumptions. Consequently, the researcher examined the collected data using correlation and multiple linear regression models and found all of the five assumptions of classical linear regression model valid and appropriate.

4.3.3 Regression Analysis

Regression analysis is a statistical method to deal with the formulation of mathematical model depicting relationship amongst variables which can be used for the purpose of prediction of the values of dependent variable, given the values of the independent variable (Kothari, 2004).

In addition to correlation analysis multiple linear regression analysis is applied in this research to explain association between DMP and EAL performance. The result of multiple regression is presented below since the above five assumptions of CLRM has been met.

i) Model Summary: In model summary, EAL performance was used as the dependent variable while activities of digital marketing were used as the independent variables. The findings are represented in the table below.

The table below shows that R-square value is 0.523, which shows the goodness of the model. This explains, 52.3 % of the variation in the dependent variable, EAL performance, is explained by the independent variables, the five DMP activities. Adjusted R-square of 0.503 reveals that model has accounted for 50.3 % of the variance in the criterion variable. This implies that there exist other factors and constructs that influence EAL performance; hence further research is essential in this regard. Other control variables that can affect performance are given by several researchers (Kawamura and Takano, 2014) and (Neamat, 2017).

The variables include pricing, service quality, customer satisfaction and service performance among others. Nevertheless, this research does not consider these control variables.

Table 4.15: Regression Model Summary.

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.651 ^a	.523	.503	.193

a. Predictors: (Constant), Web Page Marketing, Search Engine Ads, Social Media Marketing, E-mail Marketing, Mobile Applications

Source: Survey Data, 2023.

ii) Analysis of Variance (ANOVA):

ANOVA implies that the independent variables in fact have an impact on the dependent variable.

Table 4.16: Analysis of Variance.

		ANOVA ^a				
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.826	5	.765	20.551	.000 ^b
	Residual	5.213	140	.037		
	Total	9.040	145			

a. Dependent Variable: EAL Performance

b. Predictors: (Constant), Web Page Marketing, Search Engine Ads , Social Media Marketing, E-mail Marketing, Mobile Applications

Source: Survey Data, 2023.

The above table shows that, p-value is 0.000, which is less than $p < 0.05$ (here we considered 95 % confidence interval), which indicates the overall significance or acceptability of the model from a statistical perspective.

The F value serves to test how well the regression model fits the data. If the probability associated with the F statistics is small, the hypothesis that R-square = 0 is rejected. For this study, the computed F statistic is 20.55, with an observed significance level of $P < 0.001$.

Thus, the assumption that there is linear relationship between the predictors and dependent variable is verified and the independent variables significantly affected EAL performance. This shows the regression equation is strong enough to explain the relationship between the dependent and independent variables.

iii) Test on Individual Regression Coefficients: It's, so far, presented that there is a relationship between the dependent variable and the independent variables. Furthermore, the hypotheses test on the individual regression coefficients are presented, because it is helpful in determining the value of each of the independent variables in the model.

It can be shown from the below table that four practices of Corporate Social Responsibility, significantly predicted brand equity of Ethiopian Airlines.

Table 4.17: Test on Individual Regression Coefficients.

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.983	.331		5.990	.000
	E-mail Marketing	.139	.059	.187	2.348	.020
	Mobile Applications	.444	.088	.557	5.053	.000
	Search Engine Ads	.141	.084	.159	1.681	.095
	Social Media Marketing	.066	.072	.072	.912	.363
	Web Page Marketing	.051	.061	.062	.838	.403

a. Dependent Variable: EAL Performance

Source: Survey Data, 2023.

The contribution of the two independent variables; mobile applications ($B=0.557$) and e-mail marketing ($B = 0.187$) of the company respondents view have a very strong significant relation with the dependent variable EAL performance as exhibit d in the p value ($p=0.000$ and $p=0.02$).

Search engine ads dimension of DMP activities also significantly predicted performance of the company with ($B = 0.159$, $p = 0.095$). However, social media marketing has no significant effect on EAL performance ($B=0.072$, $p=0.365$).

Like the other four DMP activities, web page marketing had a positive effect ($B = 0.062$, $p = 0.403$). The beta value implies a positive result, which means for every 1-unit increase in such responsibility there is also increase in EAL performance. Thus all digital marketing variables have significant effect on dependent variable.

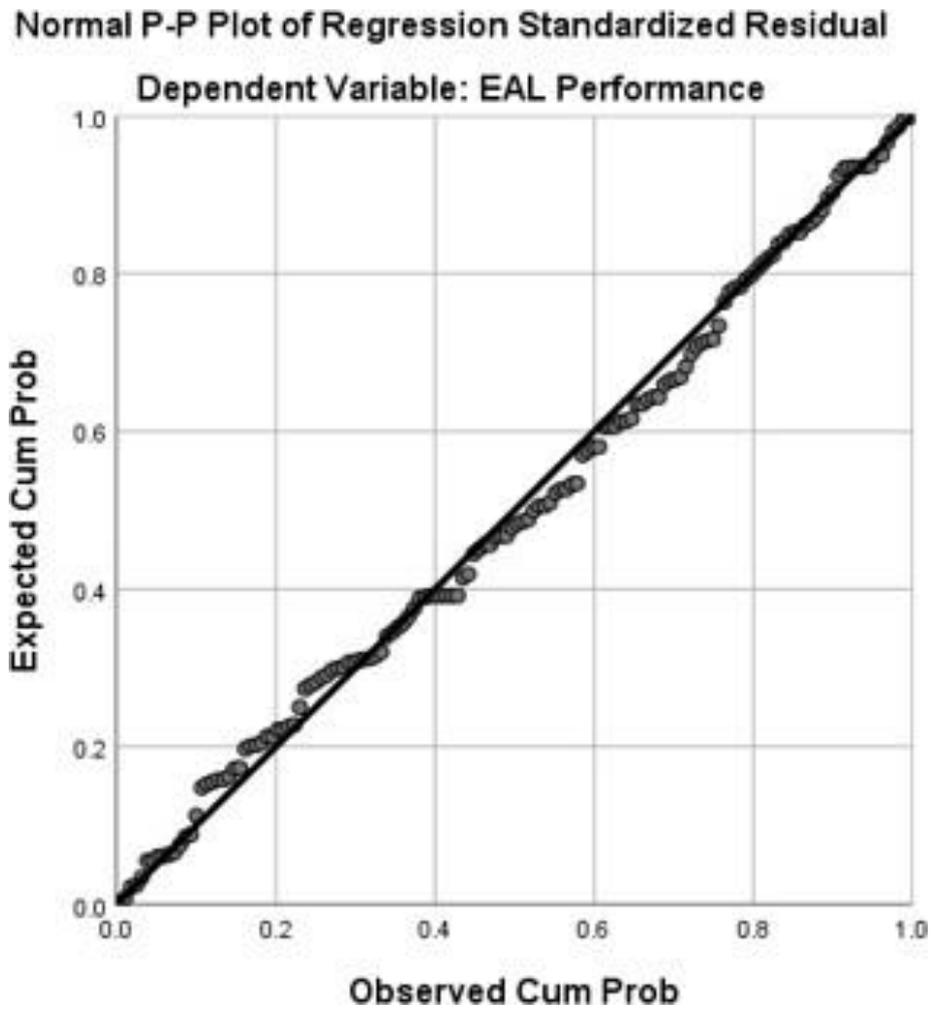


Figure4.5:Normalitytestresult.

Source:SurveyData,2023.

Chapter 5

Conclusions and Recommendations

5.1 Summary of Findings

The major objective of this research was to investigate the effects of digital marketing practices of Ethiopian airlines on its performance. The specific objectives were also established to analyse the effect of DMP (e-mail marketing, mobile applications, search engine ads, social media marketing and web page marketing) on EAL

performance. In addition, the researchers also tried to answer the research questions which stated as part of the introduction. Hence the major findings are presented as follows:

- The total reliability statistics of the scale for each variable; e-mail marketing, mobile applications, search engine ads, social media marketing, web page marketing and EAL performance indicator's result of Cronbach's alpha coefficient is more than 0.7 which exhibits the expected standard.
- The finding, from descriptive statistics as well as interviews shows that all five of the mentioned DMP activities (e-mail marketing, mobile applications, search engine ads, social media marketing and web page marketing) are practiced by the company with total mean value of 4.12.
- On the same hand, from descriptive statistics the performance of the company as a mean value of 4.3.
- The Pearson correlation coefficient and multiple linear regression was computed for the purpose of determining the relationship between the independent variables and the dependent variable. Correlation result shows that there is a statistically significant relationship between the dependent variable (EAL performance) and independent variables (the five DMP activities). Regression analysis output showed that digital marketing activities of the company explained 50.3% of the variance in Ethiopian airlines performance.

In summary, the above findings provide the answer to the three research questions.

5.2 Conclusions

The study has examined the effect of digital marketing practices on performance of Ethiopian Airlines (EAL). Hence, on the basis of the major findings, the following conclusions are drawn.

Based on the analysis of the result, Ethiopian Airlines implements various digital marketing techniques like search engine marketing, Search engine optimization, Pay-per-click advertising, local search marketing, social media marketing and other technological marketing communication activities through different social medias and digital platforms. Ethiopian Airlines implement digital markets to; support its activities, fill its gaps, and meet its needs. Thus, digital marketing activities has a huge significance to the company in supporting its plan of becoming the leading and competent aviation industry in the planet.

The findings from Interview, descriptive as well as inferential statistics showed that there is a significant relationship between digital marketing practices and performance of Ethiopian Airlines. Correlation and Regression inferential statistics are carried out. As for correlation, there was a positive and statistically significant relationship between the dependent variable and independent variables. Accordingly the substantial Pearson correlation results are $r=0.480$, $r=0.606$, $r=0.347$, $r=0.412$, and $r=0.337$ for e-mail marketing, mobile applications, search engine ads, social media marketing and web page marketing respectively. Thus from these five digital marketing practices, e-mail marketing and mobile application was the most correlated variables with EAL performance followed by social media marketing, search engine ads and web page marketing activities.

In the case of multiple linear regression, the output of the regression analysis showed all the five DMP dimensions explained 50.3% of the variance in EAL performance ($R^2=0.503$, $p=0.000$). The fact that the five predictor variables explain 50.3% of the variance on the outcome variable implies that other factors and constructs could potentially influence EAL performance in the company, hence further research is essential in this regard.

From the analyzed data, we can infer that there is a significant relationship between digital marketing practices and EAL performance ($R=0.651$; $p<0.05$). It was also found out that, the mobile applications and e-mail marketing activities of the company had a greatest significant effect on brand equity ($B=0.557, p<.000$) and ($B=0.187, p<.020$) respectively. Search engine ads, social media marketing and web page marketing activities of the company also positively affect EAL performance with the beta value of ($B=0.159; p<0.95$), ($B=0.072, p<.363$) and ($B=0.062, p<.403$) respectively.

The show that all variables are has significant effect on performance and had a positive relationship EAL performance.

Looking at the beta and p values of the first three ranked digital marketing practices (mobile applications, e-mail marketing and search engine ads) proved to have a significant positive effect on EAL performance. The fourth and fifth ranked activities social media marketing and web page marketing; which infer that EAL customers are aware about search engine marketing, the search engine marketing is accessible to customers, the company website provide information in different languages and the customers can get immediate response online or from offline FAQ (frequently asked questions) from the website may not be the key to increase the performance of company in the case of Ethiopian Airlines. Subsequently, the findings are supported by (?).

5.3 Recommendations

According to the study, brand equity and corporate social responsibility activities have a direct and advantageous relationship. Based on the study's findings, the following suggestions are made as potential solutions:

- The results demonstrate that there are additional factors besides digital marketing practices that influence performance of EAL. It is unrealistic to claim that digital marketing practices alone may predict EAL performance given the complexity of marketing operations and the sophisticated nature of digital marketing practices. In order to progress its marketing performance level and boost its overall performance, the industry must examine and conduct research.

- The researcher was able to find out from interview with digital marketing manager that, following consideration of their proposal, the customers can get immediate response online or from offline FAQ (frequently asked questions) from the web-site. The company should increase immediate responding culture for its customers as much as possible and should take continuous training, orientations and awareness creation for its employees to handle the customers questions, suggestions and recommendations. This will make the company to success more in digital marketing activities and that will have significant effect on performance of the company.
- Three digital marketing practices are discovered to have a strong association with performance of the company. Based on this, the researcher recommends that the company give the aforementioned key DMP obligations priority when conducting and implementing digital marketing campaigns.

5.4 Limitations and Future Research Direction

5.4.1 Limitations

There are a lot of constraints that might be listed for this study, but these limits can also be opportunities for future research.

- The main drawback is the lack of solid empirical evidence and the insufficient theoretical support for digital marketing actions and EAL performance as a whole. As a result, it was challenging to find a well-developed body of literature and a study topic that adequately addressed the problem.
- This study focused on the aviation sector, specifically at the headquarters of Ethiopian Airlines. The results do not, therefore, necessarily apply to other industries in the nation or the world in general.

5.4.2 Future Research Direction

This study made an effort to fill the knowledge gap about digital marketing practices and performance. By using a variety of statistical techniques and carefully following to the study methodology, the researcher tried to address the specified research objectives. As a result, this study addressed the research issues, came to conclusions, and provided useful advice.

However, based on the study's findings and methodology, the researcher is of the opinion that some of the problems identified in this study should be addressed in follow-up research to bring more comprehensive understanding to the field. Consequently, the next point is used to guide future study.

*This study could be applied to other industries and organizations so that the direct impact of DM on performance can be fully measured and the statistical power can be increased by the variation of the respondents in different work environments. Aviation industry (EAL) were considered in this research, focusing only on digital marketing that are implemented dependently to support the operation of the aviation industries.

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Appendix

Research Questionnaire and Interview

Questionnaire

6/13/23, 5:33 PM

EFFECTS OF DIGITAL MARKETING ON ETHIOPIAN AIRLINES PERFORMANCE (Questionnaire for Employees)

EFFECTS OF DIGITAL MARKETING ON ETHIOPIAN AIRLINES PERFORMANCE (Questionnaire for Employees)

Questionnaire prepared for an Employee of Ethiopian Airlines. The questionnaire takes less than 15 minutes to complete.

* Indicates required question

ST. MARY'S UNIVERSITY
SCHOOL OF BUSINESS
DEPARTMENT OF MARKETING MANAGEMENT



Dear Respondents;

I (

ZINABU ENDALE) would like to express my deepest gratitude for your cooperation to express your real feeling in this questionnaire. I am a student of Marketing Management at St. Mary's University. The objective of this questionnaire is to support a research being conducted under the title "EFFECTS OF DIGITAL MARKETING ON ETHIOPIAN AIRLINES PERFORMANCE" for partial fulfillment of master's degree in Marketing.

Your honest response and returning the questionnaire on time are highly appreciable and very helpful.

You don't need to mention your name and all other information you provide will kept confidential. Should you require any further information, please feel free to contact the researcher via; **Mobile Number: (+251) 911310978, or E-mail address: zineendu@gmail.com**

Part 1: General Information

Please choose an appropriate response to the following question.

1. Gender *

Mark only one oval.

- Female
 Male
 Prefer not to say

2. Age group (in years) *

Mark only one oval.

- 18 - 29
 30 - 49
 50 - 70
 Above 70

3. Education level *

Mark only one oval.

- Diploma
 Bachelor degree
 Master's degree
 PHD
 Other: _____

4. For how long have you been working in your organization? *

Mark only one oval.

- Less than 1 year
 1- 2
 More than 2 years

Part 2: Employees perception towards the company's Digital Marketing activity

Please indicate your opinion as per the level of disagreement or agreement with the outline statement using 1 to 5 scale guideline. 1= strongly agree 2- Agree, 3= Undecided, 4 =Disagree, 5= strongly Disagree

5. E-mail Marketing *

Mark only one oval per row.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The company employees and managers use their email effectively for advertisement purpose	<input type="radio"/>				
The E-mail Marketing is an effective tool for engaging with customers .	<input type="radio"/>				
The E-mail Marketing enables to effectively connect with the customer.	<input type="radio"/>				
Most customers have email connection with the company	<input type="radio"/>				

6. Social Media Marketing *

Mark only one oval per row.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The company uses social media advertisement well.	<input type="radio"/>				
The most of our customers are familiarize with our social media.	<input type="radio"/>				
Our social media has lots of followers	<input type="radio"/>				
The company social media interaction is in handling customers complains on time.	<input type="radio"/>				

7. Web Page Marketing *

Mark only one oval per row.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The company uses its website for advertisement purpose	<input type="radio"/>				
The web site is attractive and easy to customers(User friendly).	<input type="radio"/>				
The website provide information in different languages.	<input type="radio"/>				
The customers can get immediate response online or from offline FAQ(frequently asked questions) from the website.	<input type="radio"/>				

8. Search Engine Ads *

Mark only one oval per row.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The company uses search engine marketing	<input type="radio"/>				
Our customers are aware about search engine marketing	<input type="radio"/>				
The company's search engine Ads are increases the brand visibility	<input type="radio"/>				
The search engine marketing is accessible to customers	<input type="radio"/>				

9. Mobile Applications *

Mark only one oval per row.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
The company implemented mobile application that accesable for all oprating systems.	<input type="radio"/>				
The Mobile Application provide customers with easy payment options.	<input type="radio"/>				
The Mobile Application allows to offer customized services to customers.	<input type="radio"/>				
The Mobile Application allows to effectively segment passengers and identify their spending profiles and preferences.	<input type="radio"/>				

The questionnaire was collected using google forms, thus questionnaire responses can be seen using this link <https://forms.gle/FSidnNz64lm8d7nA9>

Interview

1. How do you express performances of your organization?
2. How do you measure the performance level within your organization? What actions are taken to improve organisational performance?
3. What are the recent implications regarding organizational performance?
4. How do you explain the benefits of digital marketing practices to organizational performance?
5. As a marketing manager, in which DM activities your team has participated in?
6. Based on your experience, which DM activities have a direct impact on organizational marketing performance?
7. Do you think customers can be affected by DM activities to choose your services?

Thank you for your Cooperation!

ReliabilitytestOutput

Reliability Statistics			
Cases	Items	Cronbach's Alpha	N of Items
	Digital Marketing	.721	20
	E-mail Marketing	.730	4
	Mobile Applications	.798	4
	Search Engine Ads	.785	4
	Social Media Marketing	.798	4
	Web Page Marketing	.764	4
	EAL Performance	.758	10
	Overall	.805	30

FrequencyOutput

Mean Frequency and Percentage										
	Strongly Agree		Agree		Neutral		Disagree		Strongly Disagree	
E-mail Marketing	127	21.75%	410	70.2%	38	6.5%	9	1.5%	-	-
Mobile Applications	144	24.6%	401	68.9%	37	6.3%	2	0.35%	-	-
Search Engine Ads	149	25.5%	400	68.5%	27	4.6%	7	1.2%	-	-
Social Media Marketing	114	19.5%	412	70.5%	51	8.7%	7	1.2%	-	-
Web Page Marketing	118	20.2%	357	68%	67	11.45%	2	0.35%	-	-
EAL Performance	472	32.32%	965	66.1%	11	0.77%	11	0.77%	-	-

Inferential Statistics Output

Correlation

		Correlations					
		E-mail Marketing	Mobile Applications	Search Engine Ads	Social Media Marketing	Web Page Marketing	EAL Performance
E-mail Marketing	Pearson Correlation	1	.557**	.427**	.418**	.324**	.480**
	Sig. (2-tailed)		.000	.000	.000	.000	.000
	N	146	146	146	146	146	146
Mobile Applications	Pearson Correlation	.557**	1	.716**	.493**	.368**	.606**
	Sig. (2-tailed)	.000		.000	.000	.000	.000
	N	146	146	146	146	146	146
Search Engine Ads	Pearson Correlation	.427**	.716**	1	.255**	.138	.347**
	Sig. (2-tailed)	.000	.000		.002	.097	.000
	N	146	146	146	146	146	146
Social Media Marketing	Pearson Correlation	.418**	.493**	.255**	1	.438**	.412**
	Sig. (2-tailed)	.000	.000	.002		.000	.000
	N	146	146	146	146	146	146
Web Page Marketing	Pearson Correlation	.324**	.368**	.138	.438**	1	.337**
	Sig. (2-tailed)	.000	.000	.097	.000		.000
	N	146	146	146	146	146	146
EAL Performance	Pearson Correlation	.480**	.606**	.347**	.412**	.337**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	146	146	146	146	146	146

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

Regression

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.651 ^a	.423	.403	.193

a. Predictors: (Constant), Web Page Marketing, Search Engine Ads , Social Media Marketing, E-mail Marketing, Mobile Applications

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	3.826	5	.765	20.551	.000 ^b
	Residual	5.213	140	.037		
	Total	9.040	145			

a. Dependent Variable: EAL Performance

b. Predictors: (Constant), Web Page Marketing, Search Engine Ads , Social Media Marketing, E-mail Marketing, Mobile Applications

Coefficients^a

Model		Collinearity Statistics	
		Tolerance	VIF
1	E-mail Marketing	.649	1.540
	Mobile Applications	.338	2.954
	Search Engine Ads	.459	2.178
	Social Media Marketing	.653	1.530
	Web Page Marketing	.750	1.333

a. Dependent Variable: EAL Performance