

**THE ROLE OF ADVERTISING IN BUILDING BRAND AWARENESS
AND LOYALTY ON ABYSSINIA BANK**



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Approval

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Abstract

The study aimed to investigate the role of advertising in building brand awareness and loyalty on the case of Abyssinia bank brand within wolkite selected bank. This study attempts to address research questions or problems that the central issue of bank industry is the problem of building its brand awareness and loyalty via advertising programs.

It adopts, quantitative method, descriptive and explanatory research design to answer the research questions. Accordingly 200 close ended questionnaires were distributed to consumers of Abyssinia bank whose age is 18 years and above in wolkite selected bank distributed questioner from this bank using convenient sampling technique. Out of this, 147 questioners were used for analysis with response rate of 91.4%.

Analysis and interpretation of the data was conducted by using descriptive and inferential statistical tools Empirical findings of the study showed that, advertising has positively affect brand loyalty, brand awareness and brand element. The implications of the study was a need for building brand awareness and loyalty to attract consumers of the product to control large market share ,managements should focus on the importance of using advertising effectively and design its brand elements.

Key words: Advertising, Brand Loyalty, Brand Awareness and Brand Element.

CHAPTER ONE

1.1 Background of the study

Nowadays, brands are company's most valuable assets, adding both economic and strategic value to its proprietors and brands have been considered as the second most important assets for a firm after customers. According to the American Marketing Association (AMA), a *brand* is a "name, term, sign, symbol, or design, or a combination of them, identified the good and services of one seller or group of sellers and to differentiate them from those of competition." Technically speaking, then, whenever a marketer creates a new name, logo, or symbol for a new product, he or she has created a brand. Ever more firms and other organizations have come to the realization that one of their most valuable assets is the brand names associated with their products or services. In our increasingly complex world, all of us, as individuals and as business managers, face more choices with less time to make them (Keller, 2013).

Brand equity is determined according to brand knowledge structure created in the minds of consumers. According to Kotler and Keller (2013), brand equity knowledge is not the facts about a brand; these are all the thoughts, feelings, comprehension, image and experience that are linked with the brand in the minds of consumers. The concept of brand equity has attracted considerable interest among marketing researchers and practitioners in the last two decades; the brand equity concept was first introduced in marketing literature in the 1980's.

Strong brand with positive brand equity has several advantages such as larger margins, brand extension opportunities, increase marketing communication effectiveness, and great loyalty. In addition, high brand equity levels are known to lead to higher consumer preferences and purchase intentions (Alhaddad, 2015). Building a reputable brand has been the major driver for success in the competitive market place. Developing strong brands has been used as an effective defensive mechanism against competition by many business organizations. For organizations to grow and develop successful brands, the importance of advertising to enhance brand equity cannot be over emphasized.

Kotler and Keller define the advertising as any paid form of non-personal presentation and promotion of ideas, goods or services through mass media such as newspapers, magazines, television or radio by an identified sponsor. Advertising is a primary tool that firms use to affect the performance of their products Such markets are characterized by the continuous turnover of

multiple, relatively close substitute products. Therefore, advertising becomes crucial in making consumers aware of the existence and characteristics of new products (Keller, 2013)

Bank of Abyssinia, to build its brand traction and expand its customer base, has formed a strategic partnership with different international organizations based in Ethiopia. Of all the marketing weapons, advertising has leading impacts on the viewer's mind, assist exposure is much more effective (Katke, 2007). Marketing mix has four elements which are product, price, place and promotion. Advertising is a component of promotional mix, which is used to create awareness about products and services for influencing purchase decisions. Marketers use these types of tools for communication purposes. Advertisement evolved in the ancient times. Different societies used different types of symbols for the promotion of the products and services for attracting consumers.

Banking service is becoming competitive in Ethiopia. For decades, Ethiopia's banking and finance sector has been almost entirely closed to foreigners. But that is soon expected to change as the Government of Ethiopia is aiming to introduce a suite of reforms that will open the sector to international competition with the goal of attracting foreign capital to improve the country's competitiveness and contribute to its economic growth. Opportunities will be significant. Currently, there are thirty banks operating in the country consisting of 8,250 branches, serving the country's population of nearly 115 million. Based on the fact that as a result of the presence of variety of banks, the need to build brand awareness and loyalty within a short time is also becoming apparent.

Various authors have defined brand awareness in various ways. Aaker (1991) defined brand awareness as *"the ability of the potential buyer to recognize and recall that a brand is a member of a certain product category"* (p.61). In his subsequent book he also defined brand awareness as *"the strength of the brand's presence in the consumer's mind"* (Aaker, 1996, p.10). These two definitions indicate that brand awareness is not just simply recognizing the existence of the brand but rather the extent to which how easily consumers recall the brand which is vital in purchase situations. There are benefits that obtain from brand awareness. These are learning advantages, consideration advantages and choice advantages. Brand loyalty is a core dimension of brand equity measured by the level of attachment the consumer has with a brand (Aaker, 1991). Keller (2013) discussed about brand loyalty in his brand resonance model stating active loyalty is what characterizes brand resonance.

Therefore, it is vital to examine how new bank brands entering in to the market can use advertising to build brand equity. But in order to build best brand equity of any brand, to be more focused on the input of brand. The best test of the brand-building contribution of a brand element is what consumers would think about the product or service if they knew only its brand name or its associated logo or other element. Because different elements have different advantages, marketing managers often use a subset of all the possible brand elements or even all of them. The choice and design of brand elements can help to build brand equity (Keller, 2013). This study was focused on examining one elements of the marketing mix; advertising and their role in building brand awareness and loyalty for a new brand. The study makes use of a brand equity frame work developed by Aaker (1991) and a slightly modified model brand elements from customer based brand equity model of Keller (2013). The combination of these two models were used in the study to investigate the relationship between marketing mix elements (advertising), brand equity dimensions, and brand elements for Abyssinia bank through the study of bank customers in Wolkite.

Therefore, the aim of this study is to assess the role of advertising in building brand awareness and loyalty on brand especially on Abyssinia bank brand elements.

1.2 Background of the Organization

Bank of Abyssinia S.C. is one of among the dominant private financial institution in Ethiopia. The Bank was established in February 15, 1996 (90 years to the day after the first but defunct private bank was established in 1906 during emperor Menelik 2nd). In accordance with 1960 Ethiopian commercial code of conduct and the licensing and supervision of banking business proclamation number 84/1994.

With a view to become more accessible to the public at large, Bank of Abyssinia, which started banking services with only one branch in 1996, and currently are around 473 Branches and more than 6,500 employees throughout the country. Bank of Abyssinia is governed by a CEO board of directors who are elected by the general assembly and the bank's management comprises of highly skilled and experienced staff. The bank has been continuing with aggressive capacity building through staff training and development programs. The bank's critical success factor is about an organization culture that values Star Service for the people, enhances performance and supports the business (Company profile).

1.2 Statement of the Problem

creating a strong brand image in a market is the aim of every business; it enables to get tremendous benefits for a firm, including minimum vulnerability to competitive marketing activities, superior margins, better intermediary collaboration and support, and brand extension prospects. According to Yoo, Donthu, and Lee² (2000), all marketing action done, effectively or ineffectively, to create, control, and exploit brand equity. Advertising is one of the marketing communication tools and it plays an important role in today's competitive world by which organizations communicate with their customers, both current and potential. Companies allocate a considerable part of their sources to advertising (O'Quinn, Allen & Semenik 2009) Advertising is essential to fulfill the traditional desire of firms to reach the ever increasing population so that their products may receive optimum exposure. The role of advertisement; to increase sales revenue and profits of the local firms and increase the demand for goods, has been falling apart. (Sundarsan, 2007).

In today's competitive and volatile environment all marketers' including banks communicate with their target markets through Advertising (Mittal, S. Pachauri, K.K. 2013). According Mittal, S and Pachauri, K.K. (2013), the way of their communication and the information contained in the advertising is not strong enough and pertinent enough to attract the attention of consumers. Since the information too weak or too irrelevant, the advertising has no chance of having an effect on consumers' buying behavior of their product and services.

This shows that an advertisement should be consistent and committed in transferring its intended message. Building and maintaining brand identity and equity require the creation of well-known brands that have favorable, strong, and unique associations in the mind of the consumer (Belch, 2003). Most researchers such as (Machleit; Wilson 1988, Lattin and Bucklin 1989 Aaker, 1991.; Simonsen et al. 1994; Chandon 1995 Keller, 2005.; Isabel et al.; Kassahun (2015) and abdolahi(2011)) argued that advertising is useful in building brand equity. It creates a favorable attitude toward a brand through a transfer of affect from the advertising to the brand. Also advertising is seen as one of the most important means of establishing brand awareness and educating consumers on the different attributes or dimensions of a brand. They have further argued that advertising as important to building consumer perceptions in the four dimensions of brand equity, Awareness, perceived quality, brand associations, and loyalty.

In order to build best brand equity of any brand, to be more focused on the input of brand. The most common brand elements are brand names, URLs, logos, symbols, characters, packaging, and slogans. The best test of the brand-building contribution of a brand element is what consumers would think about the product or service if they knew only its brand name or its associated logo or other element. Because different elements have different advantages, marketing managers often use a subset of all the possible brand elements or even all of them. The choice and design of brand elements can help to build brand equity (Keller, 2013). A brand element that provides a positive contribution to brand equity conveys or implies certain valued associations or responses (Keller, 2006).

Having a strong brand name and identity is also important to companies competing in the global economy as they must reach customers. A strong brand name is also important for companies entering new markets or introducing new products (Belch and Belch 2003). The customer-based brand equity model suggests that marketers should choose brand elements to enhance brand awareness; facilitate the formation of strong, favorable, and unique brand associations; or elicit positive brand judgments and feelings.

In fact in our country, there are many numbers of banks that participated in the same industry with the same environment, strong competition in the market and dynamics of the market. And these kinds of banks use different advertising mechanism to control the markets. In general, in our country there are different advertising programs and different brands in relation with banking service. So, Bank of Abyssinia is one of bank brand to compete in this market with variety of stated problems in the above. Therefore, this study will going to assess the role of advertising in building brand awareness and loyalty on brand on the case of bank of Abyssinia brand elements.

1.3 Research Question

In order to achieve the research purposes and look into the issues mentioned in the statement of the problem, the study poses the following main and specific research questions.

1.3.1 Main Research Question

The main research question of this study is what is the role of advertising in building brand awareness and loyalty in bank of Abyssinia brand?

1.3.2 Specific Research Question

In order to achieve the research purposes and look into the issues mentioned in the statement of the problem, the study poses the following specific research questions.

1. How does advertising affect brand awareness of Abyssinia bank?
2. How does advertising affect brand loyalty of Abyssinia bank?
3. How does advertising affect brand element of Abyssinia bank?
4. What is the overall evaluation of brand elements by the customers?

1.4. Objectives of the Study

1.4.1. General Objectives

The general objective of the study will assess the role of advertising in building brand awareness and loyalty on new brand on the case of Abyssinia bank.

1.4.2. Specific Objective

The specific objectives of the study are mentioned below.

- To investigate the effect of advertising on brand awareness of Abyssinia bank.
- To explore the effect of advertising on brand loyalty of Abyssinia bank.
- To investigate the effect of advertising on brand elements of Abyssinia bank.
- To investigate the overall evaluation of brand element of Abyssinia bank by the customer.

1.5. Significant of the Study

The significant of this study would give as clue to focus on how to develop consumer based brand equity in bank companies in Ethiopia especially for Abyssinia bank. The study can be used as a baseline and serve as a secondary source of data for those who want to conduct further investigation in this area.

In addition to the above significant of this study, the study used as a base line for any organization for how to select the appropriateness of brand elements. The results of the study was served as input for the organization to assist in decision making, in identifying key variables in order to develop strategies to address and improve brand awareness and loyalty. The finding of this study is also highly supportive to the organization that focus on bank industry to identify how consumers are attracts for its offerings.

1.6. Scope of the Study

The study would inspect dimension of brand equity, only brand awareness and brand loyalty and from CBBE model, brand elements in case of Abyssinia bank. This study focused on advertising of marketing programs specifically on bank of Abyssinia. Methodologically, this study was delimited methodologically systematic sampling and convenient sampling technique is adopted for sampling purpose because it make us reach maximum number of customers and the population. Geographically, the study delimits. Resource and time is short in order to see the study in broad, so this study only focus on Abyssinia bank of Ethiopia at wolkite branch.

1.7. Limitation of the study

The limitations of this study can shaped by arise from the scope of the study, time, theoretical concept, willingness of the respondents and sampling technique. The study mainly focuses the roles of advertising in building brand awareness and loyalty. But there are many factors to build brand awareness and loyalty. In other words, other marketing programs that develop brand awareness and loyalty. But this study only focuses on advertising. Convenient sampling technique was adopted for sampling purpose because it would make us reach maximum number of customers.

Moreover, this study focuses geographically in welkite area but not focus on other cities. In wolkite, there are 2 two banks of Abyssinia but it focus on 1 selected bank.

1.8. Organization of the Paper

The study of this research is organized in five chapters.

Chapter one: Introduction: include background of the study, statement of the problem, basic research questions, objectives of the study, definition of terms, and significance of the study, scope, limitation and organization of the paper.

Chapter two: Review of related: covers review of relevant related literature review. Various publications relevant to the research were assessed. It consists an introduction, the theoretical and, empirical review.

Chapter three: research methodology: this chapter clarifies research design, data type and source, sampling technique, sampling size, procedure of data collection, methods of data collection.

Chapter four: indicate data analysis and discussion of the study. A major finding from this study discussed in detail with focus given to the relationship between marketing mix variables (advertising) and brand equity dimensions (brand awareness and loyalty) and brand elements.

Chapter five: presents the summary, conclusions and recommendations of the study. The summary of findings was made based on the results under chapter four. Conclusions,

Chapter Two

Review of Related Literature: Introduction

This chapter provides theoretical and empirical frameworks for the study by reviewing related literatures on the role of advertising in building brand awareness and loyalty. And also it focuses on the concepts related to the aim of the study and issues. The first section presents theoretical literature and the second section is devoted to the reviews of empirical studies in other countries at large and in Ethiopia. Lastly, (summarize the study empirically), conceptual framework.

2.1. Theoretical review

According to this study, in this chapter summarizes all relevant theoretical review to discuss the concepts in order to define the objectives of the study that seems to be clear.

2.1.1. Brand and brand equity

2.1.1.1. Brand

According to the American Marketing Association (AMA), a *brand* is a “name, term, sign, symbol, or design, or a combination of them, identified the goods and services of one seller or group of sellers and to differentiate them from those of competition.”

Technically speaking, then, whenever a marketer creates a new name, logo, or symbol for a new product, he or she has created a brand. Well-known advertising copywriter and ad agency founder David Ogilvy defined a brand as *"the intangible sum of a product's attributes: its name, packaging, and price, its history, its reputation, and the way it's advertised."* Also Tom Goodwin defined a brand as “Brands are essentially patterns of familiarity, meaning, fondness, and reassurance that exist in the minds of people.”

2.1.1.2. Brand equity

Several authors through the years have taken interest in defining and describing what brand equity means. Many of the literature treated brand equity from different perspectives with the major point of disparity laying in how to conceptualize, manage, and measure the phenomenon. One of the fathers of modern branding, David Aaker, defines brand equity as *“a set of brand assets and liabilities linked to a brand name and symbol, which add to or subtract from the value provided*

by a product or service.” brand equity can be seen from two perspective which are firm or financial based perspectives and consumer based perspectives.

Firm based perspective focuses on explaining brand equity in terms of the added value it brings to the firm. Simon & Sullivan (1993, p. 29) defined brand equity as “ *the incremental cash flows which accrue to branded products over and above the cash flows which would result from the sale of unbranded products.*” This definition illustrated how brand equity can be a superior source of cash flow compared to the cash flow from an unbranded product.

The role brand equity plays in helping a strong brand command a price premium and attractive sales is also used pointed out in this perspective (Baldauf et al., 2003). Similarly, Shimp (2010) stated that the firm based perspective focuses on the role of brand equity in terms of enhancing the brands value to its various stakeholders.

On the other hand, Keller introduces the concept of consumer-based brand equity by stating that customer based brand equity has multiple dimensions, it focuses on brand knowledge and its components – brand awareness and brand image.

The customer based brand equity concedes, “*The power of a brand lies in what customers have learned, felt, seen, and heard about the brand as a result of their experiences over time. In other words, the power of a brand lies in what resides in the minds and hearts of customers*” (Keller, 2013, p.69).

It is due to the huge importance of brand equity that firms in every competitive industry strive to create, cultivate and manage strong brand equity. Also it builds confidence to customers by decreasing cognitive dissonance. This can never be truer than in the world where consumers are bombarded with countless choices of products and face decision dilemma. A brand, which has succeeded in building strong brand equity, has the at most advantageous point.

2.1.3. Brand elements

Brand elements, sometimes called brand identities, are those trademark able devices that serve to identify and differentiate the brand. The main ones are brand names, URLs, logos, symbols, characters, spokespeople, slogans, jingles, packages, and signage. Brand-building ability of a brand element is what consumers would think or feel about the product *if they knew only that particular brand element* and not anything else about the product and how else it would be branded or marketed. A brand element that provides a positive contribution to brand equity conveys or implies certain valued associations or responses (Keller, 2013).

2.1.3.1. Brand Names

The brand name is a fundamentally important choice because it often captures the central theme or key associations of a product in a very compact and economical fashion. Brand names can be an extremely effective shorthand means of communication.

Brand name is perceived as the most seen information by consumers (De Chernatony, 2010), it the basis for brand awareness and communication (Keller, Heckler & Houston, 1998), it can help to increase brand awareness and create desired brand image for a new product.

2.1.3.2. URLs

URLs (uniform resource locators) specify locations of pages on the Web and are also commonly referred to as *domain names*. Anyone wishing to own a specific URL must register and pay for the name. Another issue facing companies with regard to URLs is protecting their brands from unauthorized use in other domain names (Keller, 2013).

2.1.3.3. Logo and Symbols

Although the brand name typically is the central element of the brand, visual elements also play a critical role in building brand equity and especially brand awareness. *Logos* have a long history as a means to indicate origin, ownership, or association. Like names, abstract logos can be quite distinctive and thus recognizable.

Nevertheless, because abstract logos may lack the inherent meaning present with a more concrete logo, one danger is that consumers may not understand what the logo is intended to represent without a significant marketing initiative to explain its meaning. Consumers can evaluate even fairly abstract logos differently depending on the shape.

Logo is an important element of brand's visual identity (Kohli, Suri&Thakor, 2002). A number of studies have proven the importance of logo graphic design on brand awareness and recognition (Henderson & Cote, 1998; Janiszewski & Meyvi, 2001).

2.1.3.4. Characters

Characters represent a special type of brand symbol—one that takes on human or real-life characteristics. Brand characters typically are introduced through advertising and can play a central role in ad campaigns and package designs.

2.1.3.5. Slogans

Slogans are short phrases that communicate descriptive or persuasive information about the brand. They often appear in advertising but can play an important role on packaging and in other aspects of the marketing program. Slogans are powerful branding devices because, like brand names, they are an extremely efficient; shorthand means to build brand equity.

2.1.3.6. Jingles

Jingles are musical messages written around the brand. Typically composed by professional songwriters, they often have enough catchy hooks and choruses to become almost permanently registered in the minds of listeners—sometimes whether they want them to or not! During the first half of the twentieth century, when broadcast advertising was confined primarily to radio, jingles were important branding devices.

Jingles are perhaps most valuable in enhancing brand awareness. Often, they repeat the brand name in clever and amusing ways that allow consumers multiple encoding opportunities. Consumers are also likely to mentally rehearse or repeat a catchy jingle after the ad is over, providing even more encoding opportunities and increasing memorability.

2.1.3.7. Packaging

Packaging is the activities of designing and producing containers or wrappers for a product. Like other brand elements, packages have a long history. Package of brand has much to do with colors; but it also has more elements that transfer the meaning to consumers.

According to Ampuero and Vila (2006) if a product is for upper class and highly priced, colors of the package should be cold and dark; the opposite situation with price sensitive consumers – colors of the package should be light, mostly white. What is more, letters and words of the package for upper class should be bolded, large. Product packages directed to the middle class use straight and horizontal lines, curves, circles; on the contrary, straight vertical lines and squares are used for highly priced products.

Packaging is more than just product's pretty face. Package design may affect everything from breakage rates in shipment to whether stores willingness to stock it. For example, "display ability" is an important concern. The original slanted-roof metal container used for Log Cabin Syrup was changed to a design that was easier to stack after grocers became reluctant to devote the necessary

amounts of shelf space to the awkward packages. Other distribution-related packaging considerations include:

Labeling; it is required to include certain information on the label of product when it is distributed in specific ways. For example, labels of food products sold in retail outlets must contain information about their ingredients and nutritional value. In this case it is known that the banking service could not be labeled since it is a service industry. But it can be found on the banks websites and some brochures even if it isn't found immediately when purchase happened. So advertising have a role in giving information about the offerings of the bank.

Opening; if the product is one that is distributed in such a way that customers want to--and should be able to--sample or examine it before buying, your packaging have to be easy to open and to reclose. If, on the other hand, your product should not be opened by anyone other than the purchaser--an over-the-counter medication, for instance--then the packaging have to be designed to resist and reveal tampering. In this case it is clear that the banking service cannot be experienced before using the offerings, so advertising have a major effect on persuading and initiating customers to use the service by giving awareness.

Size; if the product must be shipped a long distance to its distribution point, and then bulky or heavy packaging may add too much to transportation costs. In this case of study it is well known that the service by itself couldn't be transported. The accessories might needs transportation in order to achieve its goal of delivering service.

Durability; Many products endure rough handling between their production point and their ultimate consumer. If the distribution system can't be relied upon to protect the product, the packaging have to do the job. In this sense service industries like banks are safe on the distortion of offering while delivering. Though, services have their own problems like, variability which indicates that the difference of offering style, methods and satisfaction level that is caused by the marketer. This might cause a cognitive dissonance or unwanted attitude toward the offering. So advertising should base on facts in order to be accepted, be initiated by customer, to have loyalty and also confidence among its user of the offerings. In the above shows that advertising can fulfill some things that can't be covered by packaging in case of service industries especially on banking and in this study it elaborate.

2.1.4. Criteria for Choosing Brand Elements

In general, in order to build best brand elements, there are six criteria for brand elements.

1. Memorability

A necessary condition for building brand equity is achieving a high level of brand awareness. Brand elements that promote that goal are inherently.

2. Meaningfulness

Brand elements may take on all kinds of meaning, with either descriptive or persuasive content. Two particularly important criteria are how well the brand element conveys the following:

- *General information about the function of the product or service:* Does the brand element have descriptive meaning and suggest something about the product category, the needs satisfied or benefits supplied? How likely is it that a consumer could correctly identify the product category for the brand based on any one brand element? Does the brand element seem credible in the product category? This dimension is an important determinant of brand awareness and salience.

- *Specific information about particular attributes and benefits of the brand:* Does the brand element have persuasive meaning and suggest something about the particular kind of product, or its key points-of-difference attributes or benefits? Does it suggest something about some aspect of the product performance or the type of person who might use the brand? This dimension is important of brand image and positioning.

3. Likability

Independent of its memorability and meaningfulness, do customers find the brand element aesthetically appealing? Is it likable visually, verbally, and in other ways? Brand elements can be rich in imagery and inherently fun and interesting, even if not always directly related to the product. A memorable, meaningful, and likable set of brand elements offers many advantages because consumers often do not examine much information in making product decisions. Descriptive and persuasive elements reduce the burden on marketing communications to build awareness and link brand associations and equity, especially when few other product-related associations exist.

4. Transferability

Transferability measures the extent to which the brand element adds to the brand equity for new products or in new markets for the brand. There are several aspects to this criterion.

First, how useful is the brand element for line or category extensions? In general, the less specific the name, the more easily it can be transferred across categories.

Second, to what extent does the brand element add to brand equity across geographic boundaries and market segments? To a large extent this depends on the cultural content and linguistic qualities of the brand element.

The difficulties or mistakes that even top marketers have encountered in translating their brand names, slogans, and packages into other languages and cultures over the years have become legendary.

5. Adaptability

The fifth consideration for brand elements is their adaptability over time. Because of changes in consumer values and opinions, or simply because of a need to remain contemporary, most brand elements must be updated. The more adaptable and flexible the brand element, the easier it is to update it.

6. Protectability

The sixth and final general consideration is the extent to which the brand element is protectable—both in a legal and a competitive sense. Marketers should

1. Choose brand elements that can be legally protected internationally,
2. formally register them with the appropriate legal bodies, and
3. vigorously defend trademarks from unauthorized competitive infringement.

Another consideration is whether the brand is competitively protectable. If a name, package, or other attribute is too easily copied, much of the uniqueness of the brand may disappear. In general, from the above six criteria for brand elements, the first three criteria—memorability, meaningfulness, and likability—are the marketer's offensive strategy and build brand equity. The latter three, however, play a defensive role for leveraging and maintaining brand equity in the face of different opportunities and constraints (Keller, 2013).

2.1.5. Relationship between Brand Equity and Brand Equity Elements

The major focus in customer based brand equity is what consumers think about a brand. This suggests that measures of how a consumer perceives a brand are accurate reflection of how the brand is performing in the market place (Tong & Hawley, 2009). Aaker (1991) built its concept of brand equity on five dimensions of brand awareness, quality perception, brand association, brand loyalty, and other proprietary assets. But in this study, from the dimension of brand equity the study focus on brand awareness and brand loyalty.

2.1.5.1. Brand Awareness

Various authors have defined brand awareness in various ways. Aaker (1991) defined brand awareness as *“the ability of the potential buyer to recognize and recall that a brand is a member of a certain product category”* (p.61). The definition indicate that brand awareness is not just simply recognizing the existence of the brand but rather the extent to which how easily consumers recall the brand which is vital in purchase situations. Keller (2013) also defined brand awareness as *“Customers’ ability to recall and recognize the brand under different conditions and to link the brand name, logo, symbol, and so forth to certain associations in memory”* (p.108). Aaker (1991) discusses about the brand awareness pyramid which is arranged in to brand recognition, brand recall and top of mind in an increasing strength. The lowest level of the pyramid is ‘brand recognition’ which is *“...the minimal level of brand awareness”* (Aaker, 1991). Keller’s (2013) definition focuses on the breadth and depth of brand awareness.

The depth of brand awareness refers to the likelihood and the ease with which the consumer remembers the brand elements of a certain brand. Keller (2013) stated that *“a brand we easily recall has a deeper level of brand awareness than one that we recognize only when we see it”* (p. 108). The breadth of brand awareness measures the range of purchase and usage situations or occasions a brand comes to mind (Keller, 2013). Brand awareness can provide a foundation for brand equity (Kotler& Keller, 2012). The role brand awareness plays in building brand equity has been highlighted by several researchers. The Bank of Abyssinia (BoA) was open for business established in February; it is a share company of private individuals and the oldest bank in Ethiopia. The banking market in Ethiopia is continuously growing. Therefore, advertising to this company is needed in order to remind its service and offerings.

2.1.5.1.1. Advantages of Brand Awareness

What are the benefits of creating a high level of brand awareness? There are three learning advantages, consideration advantages, and choice advantages.

Learning Advantages: Brand awareness influences the formation and strength of the associations that make up the brand image. To create a brand image, marketers must first establish a brand node in memory, the nature of which affects how easily the consumer learns and stores additional brand associations. The first step in building brand equity is to register the brand in the minds of consumers. If the right brand elements are chosen, the task becomes easier.

Consideration Advantages: Consumers must consider the brand whenever they are making a purchase for which it could be acceptable or fulfilling a need it could satisfy. Raising brand awareness increases the likelihood that the brand is a member of the *consideration set*, the handful of brands that receive serious consideration for purchase. Much research has shown that consumers are rarely loyal to only one brand but instead have a set of brands they would consider buying and another—possibly smaller—set of brands they actually buy on a regular basis. Because consumers typically consider only a few brands for purchase, making sure that the brand is in the consideration set also makes other brands less likely to be considered or recalled.

Choice Advantages: The third advantage of creating a high level of brand awareness is that it can affect choices among brands in the consideration set, even if there are essentially no other associations to those brands.

2.1.5.1.2. Establishing Brand Awareness

In the abstract, creating brand awareness means increasing the familiarity of the brand through repeated exposure, although this is generally more effective for brand recognition than for brand recall. That is, the more a consumer “experiences” the brand by seeing it, hearing it, or thinking about it, the more likely he or she is to strongly register the brand in memory. Thus, anything that causes consumers to experience one of a brand’s element—its name, symbol, logo, character, packaging, or slogan, including advertising and promotion, sponsorship and event marketing, publicity and public relations, and outdoor advertising—can increase familiarity and awareness of that brand element. And the more elements marketers can reinforce, usually the better. Repetition increases recognizable, but improving brand recall also requires linkages in memory to appropriate product categories or other purchase or consumption cues. A slogan or jingle creatively pairs the brand and the appropriate cues (and, ideally, the brand positioning as well, helping build a positive brand image). Other brand elements like logos, symbols, characters, and packaging can also aid recall. The way marketers pair the brand and its product category, such as with an advertising slogan, helps determine the strength of product category links. In competitive markets or when the brand is new to the category, it is more important to emphasize category links in the marketing program. Strong links between the brand and the category or other relevant cues may become especially important over time if the product meaning of the brand changes through brand extensions, mergers, or acquisitions.

We’ve said that brand awareness refers to customers’ ability to recall and recognize the brand under different conditions and to link the brand name, logo, symbol, and so forth to certain associations in memory. In particular, building brand awareness helps customers understand the product or service category in which the brand competes and what products or services are sold under the brand name. It also ensures that customers know which of their “needs” the brand—through these products— is designed to satisfy. In other words, what basic functions does the brand provide to customers?

2.1.5.1.3. Breadth and Depth of Awareness

Brand awareness thus gives the product an identity by linking brand elements to a product category and associated purchase and consumption or usage situations. The *depth* of brand awareness measures how likely it is for a brand element to come to mind, and the ease with which it does so. A brand we easily recall has a deeper level of brand awareness than one that we

recognize only when we see it. The *breadth* of brand awareness measures the range of purchase and usage situations in which the brand element comes to mind and depends to a large extent on the organization of brand and product knowledge in memory.

2.1.5.2. Brand Loyalty

Brand loyalty is a core dimension of brand equity measured by the level of attachment the consumer has with a brand (Aaker, 1991). Keller (2013) discussed about brand loyalty in his brand resonance model stating active loyalty is what characterizes brand resonance. Belch & Belch (2003) defined brand loyalty as a preference by consumer for a particular brand that results in continuous purchase of it.

Brand loyalty can also be a source of predictable and secure demand for a firm in addition to being barrier for potential entrants (Kotler& Keller, 2012). Achieving a high degree of loyalty is a vital part of the branding process (Heding et al., 2009). Brand loyalty is of “...*sufficient importance that other measures, such as perceived quality and associations, can often be evaluated based on their ability to influence it*” (Keller, 1993, p.106). Keller’s (2013) and Aaker’s (1991) outlook on brand loyalty indicates that it is the closest dimension to brand equity. The presence or lack of brand loyalty often determines the value of the brand (Aaker, 1996). Kotler& Keller (2013) have identified four groups of consumers based on loyalty status. Hard-core loyalist would only buy a single brand name all the time, split loyalist are loyal to two or three brands. Shifting loyalist constantly shift their loyalty from one brand to the other whereas switchers are not loyal to any brand (Kotler& Keller, 2012). Now more than ever, traditional bankers need to adapt and evolve in order to face the challenges ahead as challenger banks and new Fin Tech companies explore and experiment with innovations and new technologies to build or create the bank of the future.

In this study, the researcher tried to find out if bank users are developing brand loyalty for the bank brands and if brand loyalty is contributing to the brand building activity.

2.1.6. Advertising

Advertising is defined as any paid form of non-personal presentation and promotion of ideas, goods, or services by an identified sponsor via print media, broadcast media, network media, electronic media, and display media (Kotler& Keller, 2012). Advertising as part of the marketing communication mix contributes to building brand equity by enhancing brand awareness, brand

associations, positive judgments, and feelings (Keller, 2013). Aaker (1991) stated that when consumers see an advertising repetitively they consider the company is spending money to support the brand which translates to the feeling that the brand is good.

There are several reasons why advertising is such an important part of many marketers promotional mixes. First, it can be a very cost-effective method for communicating with large audiences. Advertising can be used to create brand images and symbolic appeals for a company or brand, a very important capability for companies selling products and services that are difficult to differentiate on functional attributes (Belch and Belch (2003)).

Yoo et al., (2000) indicated that perceived advertising spend plays a direct role in the consumer's psychology than actual marketing efforts. Therefore, this study focused on the perception of consumers about the level of advertising spending by Abyssinia bank and its impact on brand awareness and brand loyalty.

2.1.6.1. Advertising and its impact on brand awareness

Advertising is an efficient way to achieve brand awareness as the message can be tailored to what is desired by the company to be communicated (Aaker, 1991). Yoo et al., (2000) found out that high level of perceived advertising spending has a positive association with brand awareness and is part of a brand building activity. A brand that has high advertising spending also commands higher level of brand awareness (Cobb-Walgren et al., 1995; Simon & Sullivan, 1993). A study of perceived advertising spending on one of Malaysia's noodle brands found out that perceived advertising spending had no significant impact on brand equity and its dimensions. And another researcher, Kasahun(2015)concluded that advertising have a positive impact on brand awareness. The author attributed this to the fact that instant noodles are cheap and readily available which makes consumers to rely more on the actual consumption experience for judgment. However, many other researchers in their study across various product segments supported the impact of perceived advertising spending on brand awareness, quality perception, brand associations and brand loyalty (Villarejo & Sánchez, (2005); Selvakumar & Vikkraman, (2011).

2.1.6.2. Banking

Marcos Eguiguren, co-founder of SingularNet and former Executive Director at Global Alliance of Banking on Values, talks about banks' responsibility as the heart of the economy. He stresses

that banks connect people and hence, should also pay attention to their values. Banks that focus on investing in projects and companies that help with social, environmental, economic, and cultural development are called values-based banks. For example, house financing is a common service across most banks but value-based banks lend to people who want homes in eco-efficient buildings or affordable housing projects.

Once Bill Gates said, “Banking is necessary, banks are not”. He said it in 1994 and it is becoming true. Advances in technology are causing the banking industry to develop faster with the focus on efficiency, transparency and better customer experience. The current digital revolution is disrupting the way people bank, directed by evolving customer needs, behaviors and expectations. Customers now expect an anytime, anywhere personalized user experience – i.e., banking everywhere, not necessarily at a bank!

Investor relations specialist Matteus Pouchain explains how investment banks can be beneficial for the average person. He says that a savings account is as useless as stuffing money under the mattress, owing to the loss in buying power. This is because often, the inflation rate is higher than the average rate of return on a savings account. He encourages everyone to meet an investment manager at an investment bank. She or he can help clients meet their long-term financial goals. A portfolio manager, for example, directly invests the client’s funds into a diverse set of investments. They can also help you determine your risk aversion levels as well as the horizon of your investments.

2.1.6.3. Advertising and its impact on brand loyalty

Perceived advertising spending is also linked with the level of brand loyalty shown by consumers. This is because advertising plays the role of reinforcing consumers brand related beliefs and attitudes, which in turn increase, brand loyalty (Shimp, 2010). Yoo et al. (2000) even stated, “*One of the major reasons for a decrease in consumer loyalty is the decrease in advertising spending*” (p.207).

2.2. Empirical Review

According to Kassahun (2015) study entitled on 'the role of advertising price perception in building brand equity on new brands'. The study used *accessible population of 325 bank consumers who have tried Walia bank at least once was conveniently selected*. He concluded that advertising has a great effect on building brand equity but in contrary way that price perception was negative correlation with building brand equity. Another empirical study on the title of "Factors and elements influencing brand loyalty: A case study in customers of Khazargaz in Mazandaran" the study revealed that brand awareness has significant and direct impact on brand loyalty. The rate of correlation shows that brand awareness can prognosticate 63.3% of customer loyalty for Khazar Gaz. Brand awareness indicates products advantage or how it can work. Statistics shows that increase at brand awareness will be purchased Khazar Gaz. The correlation rate between brand image and customer loyalty equal to 0.519 which means brand image and customer loyalty has significant and direct relationship. Brand image consist of brand's advertising slogan, sound or other related things that make project the brand for customer.

Advertising, a marketing tool, is critical for communicating the product availability, features, benefits and establishing a company's brand (Peterson and Jeong, 2010). In addition, it is used to influence the attitudes and perceptions of the customers (Wies *et al.*, 2019). Advertising also informs the customers about the new products and services and helps to stimulate the competition and demand in the market (Ali Shah and Akbar, 2008). According to Lou (2014), advertising works as a value relevant signal of future earnings, influencing the investors' behavior (Joshi and Hanssens, 2010). Advertising spending promotes the goods and services of financial institutions, increases banks' cash flows and is considered an investment for wealth maximization (Chen, 2020). It can be concluded that, brand awareness is the most important factor, because it has the most impact at brand loyalty. In other words, if customer gives more information about KhazarGaz, and find its advantage in comparison to competitors they will be loyal to this brand. Based on the above empirical various study, the finding and conclusions are eager to propose the following conceptual framework that were tested in this study.

2.3 Conceptual Framework of the study

Conceptual model helps to visualize ideas and allow to clearly illustrate how things are related. For this study, conceptual models served to depict causal relationships, which were operationalized, tested and verified (Jonker & Pennink, 2010). This study looked at the brand awareness and brand loyalty building efforts of firms from the customers' perspective.

Chapter Three

Research Design and Methodology

3.1 Introductions

This chapter includes an overview of the research study, research design, a description of the instrument for data gathering, population, sampling procedure, and unit of analysis, and methods of data analysis, methods of data collection, and ethical issue of the research.

3.2 Research approach

Research designs are plans and procedures that span the decision from broad assumptions to specific methods of data collection and analysis the overall road map of the research is defined by its design (Creswell, 2009)

Three types of research designs are popular in social science and behavioral studies. These are Qualitative, Quantitative and mixed research designs (Creswell, 2009). Qualitative research design applies an exploration to understand a situation or an issue by questioning participants in their current setting. Data analysis involves making inductions from the observed setting. Here, data was collected by an open ended question that is analyzed by the interpretation of the researcher.

Quantitative research involves testing objective theories by examining the relationship among variables. These variables can be measured by instruments and statistical analyses were applied to obtain findings. Here, testing theories deductively, building in protection against bias, controlling for alternative explanations and being able to generalize and replicate findings is given due attention. The Mixed design applies both quantitative and qualitative methods in a study.

The researcher used quantitative methods to examine the effect of media advertising on brand loyalty & awareness, because Creswell (2003) indicated that quantitative approach is the one in which the investigator primarily uses postpositive claims for developing knowledge that is the cause and effect relationship between known variables, and collect data on predetermined instruments that yield statistical data. The researchers saw or was also observes data, and

analyzes and give some suggestions that are related to the data collected. In which all the quantitative data collected from the customers and the data were analyzed.

3.3. Research Design

Research design is a blue-print or maps that details how the research collected information that is relevant to addressing the research questions. It is a general blue-print for the collection, measurement and analysis of data, with the central goal of solving the research problem. It includes the outline of what the research did, from writing the hypothesis and its operational application to final analysis of data. The research purpose is a broad statement of what the research hopes to achieve. According to its purpose, research could be broadly divided into descriptive, exploratory and explanatory (Saunders et al., 2000, & Schindler 2004), Kothari (1985).

Descriptive research includes surveys and fact-finding enquiries of different kinds. The major purpose of descriptive research is description of the state of affairs as it exists at present. (Kothari, 2004) It involves formalizing the study with definite structures in order to better describe or present facts about a phenomenon as it is perceived or as it is in reality (Kothari, 2004).

Therefore, this study adopts explanatory research design because it attempts to connect the media advertising with brand awareness and loyalty. An explanatory research tries to establish relationship that exists between variables. It aims at identifying how one variable affects the other; it seeks to provide an empirical explanation to the causality and causes and effects relationship between one or more variables (Saunders et al., 2000, & Malhotra 2006).

3.3.1 Data type and source

This study used secondary and primary data to address the research question. To show the relationship of research question against the theoretical and empirical review (secondary data) and the research question against the data (primary data).

To show the research question against the data, this study relied on primary data. The primary data is collected by using closed ended questioners. The questioners were distributed to the selected Abyssinia bank at wolkite branch.

3. 4 Target population

Population is any complete group that shares some set of characteristic, According to Zikmund (2013). A population can be defined as all people or items (unit of analysis) with the characteristics that one wishes to study. The unit of analysis may be a person, individuals, organization, country, object, or any object, or other entity that you wish to draw scientific inferences about. The target population of this study be customers of Abyssinia bank's at Wolkite branch. Sampling units is the target population elements available for selection during the sampling process. Sampling units are all customers of Abyssinia bank that are available during selection. The reason is that the researcher believe that all the customers of the bank knew or experienced the service of the organization due to some reasons (i.e. the information they have gained or due to the exposure they have got) that they have been served with this bank.

In addition, these customers were being served with different services like depositing, withdrawing, transferring, etc, so that they have been exposed to the information familiar with the products or/and services or Service provision, of the bank. For this study, therefore, 1 branches of Abyssinia bank is selected as a sample from the all branches (in this case there are 2 branches in Abyssinia bank in wolkite city.)

3.5 Data Source Collection Techniques

The study is both primary and secondary sources of data were used in the study.

3.5.1 Primary source

Primary source of data was be gathered through structured questionnaire to collect primary data.

3.5.2 Secondary source

The secondary data is obtained through document analysis to supplement the primary data. A number of article, website and customer of the bank are reviewed. They refer to the data which have already been collected and analyzed by someone else. When the researcher utilizes secondary data, then he has to look into various sources from where he can obtain them (Kothari2004).

3.6 Sampling technique & sampling size determination

3.6.1 Sampling size determination

Simple random sampling (probability sampling design) was used to undertake the study and to complete the structured questionnaire on voluntary basis and the researcher asked to fill the questionnaire when customers appear to the branches. It is typically not practical to include every member of the population of interest in a research study. Time, money, and resources are limiting factors that make this unlikely. Therefore, most researchers are forced to study a representative subset-a sample-of the population of interest (Marczyk, DeMatteo, and Festinger, 2005).

3.6.2 Sampling Size

The main interests of this study are to assess the role of advertising in building brand awareness and loyalty in Abyssinia bank brand elements. The target population of this study are all the consumers of Abyssinia bank whose those test at least once and whose age is 18 years and above within wolkite branch. Sample size refers to the number of items to be selected from the universe to constitute a sample. The size of sample should neither be excessively large, nor too small. It should be optimum. An optimum sample is one which fulfills the requirements of efficiency, representativeness, reliability and flexibility. According to Sekaran (2003) sample size 30-500 is already adequate for most of the research.

$$n = \frac{Z^2 P Q N}{e^2 (N-1) + Z^2 P Q}$$

Sources: (Kothari, 2004)

Where:

n= sample size

Z= the given confidence level at 99%

P= sample proportion of getting fail

Q= 1-p=probability of getting failure

e = acceptable error

More than 36000 customers are found in the 2 branch at wolkite. This study was conducted in the one branch which has more than 16000 customers in the bank of Abyssinia at wolkite.

Therefore, based on the above formula an estimation of the expected proportion of success must also be considered (Kothari, 2004). In this case, a more conservative proportion of success (p) which is 50% is selected together with a level of confidence of 95% (z), a sampling error not greater than 5% (e). This study is based on 200 questionnaires.

3.6 Collection method

The researcher intends to use structured questionnaire. The questionnaire is a close ended. And it intends to understand the personal information of respondents. All the questioner will be distribute to bank of Abyssinia at wolkite branch.

3.7 Method of Data Analysis

After proper data is collected using structured survey on quantitative approach will be edited, coded, cleaned and entered into the computer. Then, it will be analyzed using Statistical package for social science (SPSS 20 version). For the purpose of the study Descriptive Statistics are going to be used to analyze the data that will be collected from sample respondents and inferential statistics are also going to be used for further statistical analysis.

The data will be classified in terms of different criteria and error will be omitted, explained and corrected by using descriptive, correlation and regression analysis so as to facilitate the interpretation of the raw data.

Finally, the data will be effectively processed, analyzed and interpreted by using different tables and chart, in order to show the result of the study easily. As a result, descriptive and inferential analyses will be conducted by employing different methods. In descriptive statistical the role of advertising in building brand awareness and loyalty: the case of bank of Abyssinia

3.8 Ethical Issues

Participation of respondents will be strictly on voluntary basis. Participants are going to be fully informed as to the purpose of the study and consent verbally. Measures are going to be taken to ensure the respect, dignity and freedom of each individual participating in the study. In addition, participants will be notified that the information they provided keeping confidential and not be disclosed to anyone else.

In doing any research there is an ethical responsibility to do the work honestly and with integrity. Fraud must be avoided in research and this can come in several forms: being selective in sampling, not reporting survey response/participation rates, deliberately biasing the data collection instruments, making up data, falsifying results, trimming and biased or

inappropriate analysis (John et al 2010) Literatures cited for the purpose of the research are properly acknowledged.

Chapter Four

4. Results and Discussions

4.1 Introduction

The preceding chapter determined the way a researcher used to conduct an empirical analysis and discussion. After collecting data by the questionnaire, this chapter presents quantitative statistics in order to analyze data. Specifically, this chapter is composed of discusses about questionnaire using, descriptive analysis, and discusses about findings of empirical results.

4.2 Response Rate

A total of 200 questionnaires were distributed in one bank of Abyssinia at the wolkite and the response rate was indicated in the table below.

Table 4. 1 Response rate

Items	Response rate	
	Number	Percent
Sample size	200	100%
Collected	147	91.4%
Remain uncollected	3	90.6 %

SOURCER: Researcher Survey Questioner 2023

From the above table, out of 200 distributed questionnaire 147(91.4%) were collected while 53(8.6%) of the questionnaire remained uncollected. Moreover, from the collected questionnaire i.e. 147 (91.4%), 3 questionnaire were not filled properly and completely, therefore, analysis were made based on the properly completed questionnaire. i.e. (147-3) 144, (90.6 %.).

4.3 Descriptive analysis

Descriptive analysis was used to describe and demonstrate the data that have been collected from questionnaire in terms of frequency, percentage results generated by SPSS version 20.0 by using quantitative analysis techniques

4.3.1 Description of Respondents Profile

The demographics factors used in this research are age, gender, educational status, monthly income, and time usage of Abyssinia bank of the respondents has been customer of bank of Abyssinia.

4.3.1.1 Age of respondents

Table4.2 Age of Respondents

In years	Frequency	Percent	Valid percent	Cumulative percent
18-30 years	87	59.2	59.2	59.2
31-45 years	45	30.5	30.5	89.7
46-60 years	13	8.9	8.9	98.6
61 years and above	2	1.4	1.4	100.0
Total	147		100.0	100.0

SOURCER: Researcher Survey Questioner 2023

Table 4.3.1.1 shows that 59.2% are 18-30 Years old, followed by respondent at the age between 31-45 years old with 30.5%, 8.9% were at the age of 46-60 years old. The remaining of the respondents 1.4% were 61 years and above years old. From this we conclude that usage of Abyssinia bank is young populations followed by the age “between” 31-45.

4.3.1.2 Gender of Respondents

Table 4. 3 Gender of Respondents

	Sex	frequency	Percent	Valid percent	Cumulative percent
valid	Male	91	62.1	62.1	62.1
	Female	56	37.9	37.9	
	Total	147	100.0	100.0	100.0

SOURCER: Researcher Survey Questioner 2023

The findings in Table 4.3.1.2 below revealed that 62.1 percent of the respondents are male; this shows that majority of the populations that use Abyssinia brands are males.

4.3.1.3 Educational level of the respondents

Table 4. 4 Educational Level of Respondents

	Frequency	percent	Valid percent	Cumulative percent
Diploma and below	38	25.6	25.6	25.6
First degree	95	64.9	64.9	90.5
Second degree	13	9.2	9.2	99.7
PHD and more	1	0.3	0.3	100.0
Total		100.0	100.0	

SOURCER: Researcher Survey Questioner 2023

Table 4.3.1.3 shows educational level of respondents is 25.6%, 64.9%, 9.2%, and 0.3% are diploma and below, first degree, second degree and PhD and more respectively. From the data above majority of the respondent are degree holders and the least one is PhD and more.

4.3.1.4 Monthly income of respondents

Table 4. 5 Monthly Income of Respondents

	Frequency	percent	Valid percent	Cumulative percent
3500 br and below	43	29.3	29.3	29.3
3501-10000 br	85	57.5	57.5	86.8
10001-25000	18	12.1	12.1	98.9
25001 br and above	1	1.1	1.1	100.0
Total	147	100	100	

SOURCER: Researcher Survey Questioner 2023

The results shown in the table 4.3.1.4 that shows 29.3% of the respondents are 3,500 birr and less income, 57.5% of the respondents had income of 3,501-10,000 birr, 12.1% had income of between birr 10,000-25,000 and 1.1% had income of 25,000 birr and above. From the data obtained on the table show that most of the respondents of his monthly income of between 3,501 and 10,000.

4.3.1.5 Time usage of Abyssinia bank of the respondents

Table 4. 6 Time usage of Abyssinia bank of respondents

	Frequency	Percent	Valid percent	Cumulative percent
Everyday	19	12.6	12.6	12.6
Weekly	103	69.8	69.8	82.4
Monthly	19	13.2	13.2	95.6
Quarterly and More	6	4.3	4.3	100.0

SOURCER: Researcher Survey Questioner 2023

The table 4.3.1.5 demonstrates that 12.6% of the respondents are use Abyssinia bank every day, 69.8% are using Abyssinia bank weekly , 13.2% are using Abyssinia bank monthly and the rest 4.3% of the total respondent using Abyssinia bank quarterly and more. From the above data implies majority of the respondent have using Abyssinia bank weekly.

4.3.2 Evaluation of brand elements of Abyssinia bank

From the data questioners to describe how the brand elements of Abyssinia bank brands are evaluated by the consumers by giving the suggested point start from 1 for strongly disagree up to 5 for strongly agree.

BE1. Brand elements are short and easy to memorize.

Table 4. 7 The brand name is short and easy to memorize.

	Frequency	Percent	Valid percent	Cumulative percent
Strongly disagree	5	3.2	3.2	3.2
Disagree	9	6.0	6.0	9.2
Neutral	8	5.5	5.5	14.7
Agree	11	7.8	7.8	22.4
Strongly agree	114	77.6	77.6	100.0
Total	147	100.0	100.0	

SOURCER: Researcher Survey Questioner 2023

From the above table show that how the consumers are evaluated as of brand elements are short and easy to memorize. So from the data majority of the respondent 270 (77.6%) of the respondent says that brand elements are short and easy to memorize.

BE2. I am aware of Abyssinia Bank brand symbol.

Table 4. 8 I am aware of this brand symbol.

	Frequency	Percent	Valid percent	Cumulative percent
Strongly disagree	5	3.4	3.4	3.4
Disagree	5	3.4	3.4	6.9
Neutral	13	8.9	8.9	15.8
Agree	9	6.0	6.0	21.8
Strongly agree	115	78.2	78.2	100.0
Total	147	100.0	100.0	

SOURCER: Researcher Survey Questioner 2023

From the above table show that how the consumers are evaluated as of Abyssinia bank brand are aware by the customers. So from the data majority of the respondent 272 (78.6%) of the respondent says that Abyssinia bank brand symbol is aware.

BE3. The jingle of Abyssinia bank is eager to listen.

Table 4. 9 The jingle for Abyssinia bank is eager to listen

	Frequency	Percent	Valid percent	Cumulative percent
Strongly disagree	4	2.9	2.9	2.9
Disagree	10	6.6	6.6	9.5
Neutral	10	6.6	6.6	16.1
Agree	12	8.0	8.0	24.1
Strongly agree	111	75.9	75.9	100.0
Total	147	100.0	100.0	

SOURCER: Researcher Survey Questioner 2023

From the above table show that how the consumers are evaluated as of the jingle of Abyssinia bank of wolkite is eager to listen. So from the data majority of the respondent 264 (75.9%) of the respondent says that the jingle of Abyssinia bank is eager to listen. This implies that jingles are attractive to listen.

BE4. Package of Abyssinia bank brand is attractive.

Table 4. 10 Package of this brand is attractive.

	Frequency	Percent	Valid percent	Cumulative percent
Strongly disagree	5	3.4	3.4	3.4
Disagree	8	5.5	5.5	8.9
Neutral	10	6.6	6.6	15.5
Agree	10	6.6	6.6	22.1
Strongly agree	114	77.9	77.9	100.0
Total		100.0	100.0	

SOURCER: Researcher Survey Questioner 2023

From the above table showed that how the consumers are evaluated as of the package of habesha bank is attractive. So from the data majority of the respondent 271 (77.9%) of the respondent says that the package is attractive.

BE5. Brand elements are easily adaptable.

Table 4. 11 brand elements are easily adaptable.

	Frequency	Percent	Valid percent	Cumulative percent
Strongly disagree	6	4.0	4.0	4.0
Disagree	7	4.9	4.9	8.9
Neutral	9	6.3	6.3	15.2
Agree	13	8.9	8.9	24.1
Strongly agree	112	75.9	75.9	100.0
Total	147	100.0	100.0	

SOURCER: Researcher Survey Questioner 2023

From the above table show that how the consumers are evaluated as of the brand elements of Abyssinia bank is easily adaptable. So from the data majority of the respondent 112 (75.9%) of the respondent says that the brand elements are easily adaptable. Generally from our survey data analysis, Abyssinia bank brand elements are evaluated. So, from the data obtained show on the above table each element listed in the above is best. This implies that the brand elements are short, memorable, easy to recall and attractive and easily adaptable.

Chapter Five

Summary, Conclusion, and Recommendation

5.1 Introduction

This chapter presents summary, conclusion of the results, recommendations forwarded based on the analysis and basic findings of the role of advertising in building brand awareness and loyalty and lastly direction for future research. Also in this chapter the study would answer the following research questions.

1. How does advertising affect brand awareness of Abyssinia bank?
2. How does advertising affect brand awareness of Abyssinia bank?
3. How does advertising affect brand element of Abyssinia bank?
4. What is the overall evaluation of brand element of Abyssinia bank?

5.2 Summary of Findings

The main objective of this study is to investigate the role of advertising in building brand awareness and loyalty in the case of Abyssinia bank. This study used quantitative research approach and due to the purpose a descriptive and explanatory research design was used and, the target populations of the study were all customers of Abyssinia bank in selected bank.

This study used primary data as source of information. Based on the research objective, English version questionnaires were prepared. 200 customers were selected using convenient sampling technique, out this 200 questionnaire 147 (91.4%) were collected while 53(8.6%) of the questionnaire remained uncollected. Moreover, from the collected questionnaire i.e.147 (91.4%), 3 questionnaire were not filled properly and completely, therefore, analysis were made based on the properly completed questionnaire. i.e. (147-3) 144, (90.6 %).

Based on result of descriptive statistics the findings revealed that, Table 4.3.1.1 shows that 59.2% are 18-30 Years old, followed by respondent at the age between 31-45 years old with 30.5%. The remaining of the respondents 10.3% were 46 years and above years old. The findings in Table 4.3.1.2 below revealed that 62.1 percent of the respondents are male. Table 4.3.1.3 shows educational level of respondents is 25.6%, 64.9%, 9.2%, and 0.3% are diploma and below, first degree, second degree and PhD and more respectively. The results shown in the table 4.3.1.4 that shows 57.5% of the respondents had income of 3,501-10,000 birr; the

remaining 42.5% of customers have income of below 3,500 and above 10,000 birr. The table 4.3.1.5 demonstrates that 69.8% of customers are use Abyssinia bank weekly and 30.2% of customers are use Abyssinia bank every day, monthly and quarterly and more.

From our data questioners to describe how the brand elements of Abyssinia bank brands are evaluated by the customers by giving the suggested point start from 1 for strongly disagree up to 5 for strongly agree For these brand elements majority of customers or 78.6% of the total are strongly agree. I.e. the brand name of Abyssinia bank is short and easy to memorize. And the other brand elements (I am aware of this brand symbol, the jingle for Abyssinia bank are eager to listen, package of Abyssinia bank are attractive and brand elements are easily adaptable) are 75.9%, 77.9% and 75.9% of the customers are strongly agree.

From the finding advertising that is affected brand loyalty significantly and positively. i.e.

Ceteris Paribus, increase in advertising lead to an increase in brand loyalty, brand awareness and brand elements.

5.3 Conclusion

Generally, based on the findings the researcher outlines the following classic conclusions.

Majority of the customers of Abyssinia bank are male, young of whose age between 18 and 30, use Abyssinia bank weekly and their income between 3,501 and 10,000 birr. The result indicates that advertising has positive effect on brand loyalty, brand awareness and brand elements. Based on finding advertising has positive effect on brand loyalty, brand awareness and brand element.

In short the survey shows that the majority users of Abyssinia bank are young. And this indicates that other things remain constant the advertising is attractive to the youngsters. Abyssinia bank advertising is well known and understandable this opens an opportunity to brand awareness and knowledge. At the same time it cleanses the path to brand loyalty.

5.4 Recommendation

The study suggested that brand is the most important and valuable asset for affirm next to customers. So, building strong brand name is conducive for longevity and profitability.

The following point is recommended by the researcher based on the data finding from the study.

Brand loyalty is important for any brand especially for Abyssinia bank brand. Advertising is significant effect and positive relationship with brand loyalty. So, the management of Abyssinia bank Company should use different types of advertisement in setting different

advertising programs to increase brand loyalty.

- □ Managements of Abyssinia bank should invest for advertising with clear objectives.
- □ In the current time, the bank sector in Ethiopia is increasing from time to time. So, the company retains and profitable in the market for a long period of time, the society of the company (management member and employees) should:
 - To assess its advertising marketing efforts.
 - At the time of creating brand, brand element should be memorable, meaningful, likable, adaptable and protectable.

5.5 Further Area of Investigation

This study only sees the role of advertising in building brand awareness and brand loyalty. So, the finding show that in the analysis is advertising has positive and significant in brand awareness, loyalty and brand elements. But not see the effect of different advertising methods and which advertising technique is most important to build it.

In this study, the researcher investigates the role of advertising in building brand awareness and brand loyalty on the customer side. But the study is not included the company society of Abyssinia bank like management members and employees.

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APPENDIX: QUESTIONNAIRE

WOLKITE UNIVERSITY COLLEGE OF BUSINESS AND ECONOMICS DEPARTMENT OF MARKETING MANAGEMENT

Dear respondents,

My name is Eden b/meskel I am attending a degree program at wolkite University, department of Marketing Management. As a partial fulfillment of the requirement for the award of Bachelor of art degree in Marketing Management, I am conducting a research study on **The Role of Advertising in Building Brand Awareness and Loyalty on Abyssinia bank**". The objective of this questionnaire is to gather information on the above mentioned issue.

I would like to assure you that the information you are providing: will be kept strictly confidential, will not be transferred to any third party and will be used for the stated purpose only. The researcher sincerely requests you to answer each and every question carefully so that your responses will be valuable input for the findings to meet the purpose of the study being undertaken.

- There is no need of writing your name
- On all part Please put (✓) this Mark in front of any choice to indicate your preference.

Thank you very much for your cooperation and timely response in advance!!!

Part I: Background of the Respondent

- Please put your response on the box by putting (×) mark.

1. Age

18-30 31-45 46-60 60+

2. Gender

Male Female

3. Education

Diploma or less Second degree
 First degree PhD or more

4. Monthly income

3500 br. Or less 3501-10,000br.
 10,001-25,000br. More than 25,000

5. How often you use Abyssinia bank?

Every day weekly monthly quarterly or more

Part II: Perception of Consumers

Please indicate the level of your agreement or disagreement on the statements by putting Circle (“o”) mark on the space below the options provided

	Variables	Strongly degrees (1)	Disagree (2)	Neutral (3)	Agree (4)	Strongly (5)
A	Advertising spending (ADS)					
Ads1	Abyssinia bank is intensively advertise					
Ads 2	The advertising campaign presented at the right time					
	The advertising campaigns for					

	Abyssinia bank are seen frequently					
Ads 4	The ads campaigns for Abyssinia bank are very creative					
Ads 5	The advertising campaigns for Abyssinia bank are select acceptable ambassador.					
B	Brand awareness (BA)					
BA1	I know Abyssinia Bank					
BA2	I am able to recognize Abyssinia bank easily from among other competitive brands					
BA3	I recall this brand easily from other competing brand					
BA4	This brand is more than a service to me					
BA5	This brand is special to me					
C	Brand elements (BE)					

BE1	The brand name is short and easy to memorize					
BE2	I am aware of this brand symbol.					
BE3	The jingle for Abyssinia bank is eager to listen					
BE4	Package of this brand is attractive					
BE5	Brand elements are easily adaptable					
D	Brand loyalty(BL)					
BL1	I consider myself to be loyal to Abyssinia bank					

BL2	Abyssinia bank would be my first choice					
BL3	I would recommend Abyssinia bank for other people.					
BL4	I use this brand whenever I can.					