



Effect of Sales Promotion in Brand Loyalty, a Case of Selected Commercial Banks in Hawassa, Ethiopia

Ayele Fettera, Wonsha Michael, Asefa Ganale
Hawassa University, Ethiopia

Abstract-

Sales promotion offers a direct inducement to act by providing extra worth over and above what is built into the product at its normal price. The basic intentions of sales promotion is to introduce new products, attract new customers, induce present customers to buy more, to help firm remain competitive, to increase sales in off season among others. Therefore, the main objective of the study was to investigate the effect of sales promotion in brand loyalty in Commercial Banks in Hawassa, Ethiopia. To achieve the aforementioned objectives, this study was adopted a quantitative research approach and employed a descriptive and explanatory study design. The target populations of the study were the customer of four commercial banks (Commercial bank of Ethiopia, Awash bank, Bank of Abyssinia and Dashen bank) that are located in Hawassa city. The researcher selected 384 from commercial bank of Ethiopia using a purposive sampling technique to draw the sample from them. The descriptive statistics and Multiple Linear regression was used to analyze the general trends of the data and presented in tables. conclusion can be derived that and sales promotion in brand loyalty dimensions are interrelated with each other and all the dimensions are strong positively related to the overall and sales promotion in brand loyalty. Finally, researchers highly recommend that Increase market share is the best determinant factor for effect of sales promotion in brand loyalty. Therefore, it is better when concerned body gives attention for market share.

Key words: Brand Loyalty, Coupons, Consumer promotion, Sales Promotion,

Received 08 July, 2022; Revised 21 July, 2022; Accepted 23 July, 2022 © The author(s) 2022.

Published with open access at www.questjournals.org

I. INTRODUCTION

In the world Sales Promotion is the widely used component of the promotion mix, other being personal selling, direct marketing, publicity and advertising. Promotion is the direct way an organization attempts at reaching its market and is usually performed through the five elements of promotion mix, i.e. advertising, sales promotion, personal selling, public relations, and direct marketing (Czinkota & Ronkainen, 2004). It involves the delivery of messages to target customers with the main aim of building brand awareness, creating favorable brand attitudes, gaining market share, inducing buying, building brand loyalty and increasing sales (Kurtz, 2010).

Sales promotion actually seeks to motivate the customer now (Ngolanya, et al, 2006). (Sam & Buabeng, 2011). This temporary inducement according to them, are offered usually at a time and place where the buying decision is made. Sales promotion according to Kotler (2003) has three distinctive characteristics; Communication, Incentives, and Invitation. Communication gains attention and usually provides information that may lead the consumer to the product or service, the Incentive incorporates some concession, inducement, or contribution that gives value to the consumer whereas Invitation includes a distinct invitation to engage in the transaction now (Sam & Buabeng, 2011).

Now a day numerous studies have been conducted to examine the responses of consumer to sales promotion. Krishna and Zhang (1999) observed that coupons and discounts are the most widely used sales promotional tools in the grocery products industry. In coupon promotions, retailers maintain the original price of the product; only coupon holders are entitled to a discount. Consumers must keep track of the coupons and produce them at the place of purchase. Compared with price discounts, coupons are less favoured by consumers because they require greater involvement. However, the more price-conscious the consumer, the more positive was his/her attitude towards a coupon (Huff & Alden, 1998).

Previous research has shown that sales promotion can encourage behavioural responses such as brand switching, stockpiling, purchase acceleration, product trial and spending larger amounts. From an economic perspective, (price) promotions induce a brand switch by increasing the utility of a brand that otherwise would not have been purchased. From a behavioral perspective, transaction utility provides an added impetus for buying a brand that otherwise would not have been purchased (Neslin,2002). Stockpiling can also be induced, because stockpiling consumers are motivated to trade off inventory carrying cost to get a better price (Krishna, 1992). Purchase acceleration means that a customer purchases a product at an earlier time as the result of a sales promotion for reasons similar to those of the stockpiler (Aggarwal&Vaidyanathan, 2003).

Many conducted research on the linkage between sales promotion tools and consumer buying behavior and related subjects in organizations in other countries including ,Kenya, (Ndegwa, 2003) and (Onyango, 2014),Ghana, (Darko, 2012), India, (Soni&Verghese, 2013) and (Manish &Poojaj, 2011) ,Thailand, (Yang, 2010),Pakistan, (Muhammad et al, 2012),Malaysia (Hawa, 2016),USA, (Mohamed, 2016) and etc. Although a few, some have conducted researches on the subject matter in Ethiopia as well. (Tsegaye, 2017) mainly focused on the Role of Selected Promotional Elements in Building Brand Equity: The Case of Commercial Bank of Ethiopia. (Abubeker, 2017) focused on effect of sales promotion of FCMG on consumer's trial purchase behavior in the case of Unilever Ethiopia. (Surafel, 2017) looked into the Effect of Sales Promotion Tools on Customer Buying Behavior: The case of Ethiopian Airlines Online customers. This study sought to answer the following question; do sales promotion tools influence consumer behaviour of consumers?

Although there are a few researches conducted on the effect of promotional tools on customers buying behavior in Commercial bank Ethiopia, there is little evidence to suggest that a research has been conducted on the subject matter in the beer industry. The bank industry is from among the highly growing industries in Ethiopia and the competition from within is growing by the day. So, companies engaged in production and supply of banking service in Ethiopia need to pay due attention to the promotional tools they make use of. And this necessitates researching the subject matter, the result of which bank engaged in sales promotion can use to find promotional tools they can effectively employ so as to attract and retain customers (Sam &Buabeng, 2011).

Banking industry spend a lot of money for these campaigns, despite the cost associated with sales promotion, the impact of each tool in effect of sales promotion is not well examined, those companies don't know which sales promotion framework would be most effective and would influence buying behavior of consumers. Therefore, this thesis was investigated the gap created by the limited scope of previous researches on addressing the impact of independent variables on dependent variable (effect of sales promotion) in the context of bank industries in Hawassa. So, this study attempted to find out the effect of sales promotion in Brand loyalty in selected commercial Banks in Hawassa.

II. LITERATURE REVIEW

1. Theoretical foundation of the study

Assimilation contrast theory in sales promotion theory and operant conditioning theory in consumer behavior form the theoretical basis of this study. Most academic research has concentrated on product price and its effects on consumer behavior (Kalwani&Yim, 1992). Assimilation contrast theory examines how external reference prices influence consumers' internal reference price and subsequent promotion evaluations. As per assimilation contrast theory, an external reference price that is moderately higher than a consumer's internal reference price is perceived as plausible and assimilated. An external reference price may be introduced through a price advertisement or in-store communication that features both the lower promotional price and the higher regular price. Promotion campaigns that include both the higher usual price and lower promotional price are effective than those that include the lower promotional price only (Blair & Landon, 1979).

Bitta, Monroe and McGinnis (1981) concluded that higher price discounts provided greater perceptions of value, less intent to search and greater interest in product. Studies based on assimilation contrast theory have indicated the importance of 10 external reference price in influencing consumer price judgments. Although very high external reference prices are seen to be discounted, the presence of such prices produces larger perception of consumer savings (Blair & Landon, 1979). These insights notwithstanding, a number of fundamental questions remain unanswered with respect to sales promotion. For instance the effectiveness of non-price promotion strategies and the threshold and saturation quantities of free products that consumer can regard as a saving. This study will attempt to establish both. Operant conditioning also known as instrumental conditioning refers to a systematic program of rewards and punishments to influence behavior or bring about desired behaviour. It occurs as a person learns to perform behaviours that produce positive outcomes and to avoid those that yield negative outcomes (Solomon et al., 1999).

Operant conditioning works by reinforcing (rewarding) and punishing behavior based on the consequences it produces. Reinforcement is used to increase the probability that behavior will occur in the future, whereas punishment aims to decrease that probability. In addition, the process of removing reinforcement from an act is called extinction. According to Solomon et al. (1999), there are three ways in

which operant conditioning can occur: positive reinforcement, negative reinforcement, and punishment. Positive reinforcement refers to delivering a reward after the desired behaviour is performed encouraging the learning of the appropriate response. The second one, negative reinforcement, also strengthens responses so that appropriate behaviour is learned. In punishment a response is followed by unpleasant events which aim at teaching individuals to perform the desired behaviour in order to avoid the negative effects. Proponents of applying operant conditioning to marketing believe that association between a product and reinforcement may help explain the effect of many variables in sales promotion. Solomon et al (1999) observed that clients who encounter positive reinforcement when purchasing a product or service are more loyal than those receiving the product or service itself as the only positive reinforcement. Reinforcement should be scheduled properly as it may lead to wastage of company financial resources and customers may hold off their purchases resulting in extra costs (Solomon et al, 1999).

1.2. Sales promotion

Sales promotion is media or non-media marketing pressure applied for a pre-determined, limited period at the level of consumer, retailer or wholesalers in order to stimulate trials, increase consumer demand or improve product availability (Kotler, 2003). According to Churchill and Peter (1995), sales promotion is designed to produce quick results that will not only boost sales in the immediate future, but will translate to loyal customers in the long run. Sales promotion consists of short-term incentives, in addition to the basic benefits offered by the product, or services to encourage the purchase or sales of a product or service (Kotler et al, 2001). Sales promotions cannot be conducted on a continuous basis, because they will eventually become ineffective. This implies that, for sales promotion to be truly effective, it must be short and sweet, offered for a limited time and perceived to have value (Ngolanya, et al, 2006). Whereas advertising offers reasons to buy a product or a service, sales promotion offers reasons that would achieve immediate sales. Sales promotion actually seeks to motivate the customer now (Ngolanya, et al, 2006).

Sales promotion is traditionally divided into two categories (Kotler, 2003). These are those that have immediate reward and those that have delayed reward. Immediate reward promotions are offers that provide a benefit immediately such as bonus pack, price reduction on calls, and free airtime among others. Delayed reward promotions defer the benefit of the promotions and usually require the target consumers to do something before they receive the reward of the promotions. This mostly takes the form of raffle draws, refund offers that require proof of purchase etc. Sales Promotions can be classified into three main areas namely; Consumer Market directed, Trade Market directed and Retail or Business to Business Market directed. At the consumer level promotion usually takes the form of coupons, free samples, rebates, sweepstakes or additional quantities and is usually done together with other elements of the promotional mix that is advertising, public relations, direct marketing or personal selling. For instance a company may advertise in newspaper or electronic media that it is currently offering a gift or extra product for every purchase of a given quantity of its products. Trade market promotions are those sales promotions directed at the distribution channel of a product i.e. distributors, wholesales or retailers (Sam & Buabeng, 2011).

1.3. Categories of Sales Promotion

Retailer promotion: is the promotion offered directly by the retailers towards the consumers. It includes price cuts, displays, feature advertising, free goods, retailer coupons and contest (Blattberg & Neslin, 1990).

Trade promotion: is the promotion offered by the manufacturers to the retailers. It includes advertising allowances, display allowances, trade coupons, financing incentives and contests (Blattberg & Neslin, 1990). Trade market promotions: are those sales promotions directed at the distribution channel of a product i.e. Distributors, wholesales or retailers. For instance, given extra product for a given quantity purchased to entice the retailer to stock the company's product or a reward to retailers who have sold the most products within a given period of time (Sam & Buabeng, 2011). Consumer promotion: is the promotion offered by the manufactures directly to the consumers. It includes sampling, price packs, rebates and refunds, financing incentive, bonus or value packs, special events, sweepstakes contest, premium, advertising specialties and tie in (Sam & Buabeng, 2011).

Consumer promotion: is the promotion offered by the manufactures directly to the consumers. It includes sampling, price packs, rebates and refunds, financing incentive, bonus or value packs, special events, sweepstakes contest, premium, advertising specialties and tie in. (Blattberg & Neslin, 1990). (Shrestha, 2015) studied the effects of sales promotion on purchasing decision of customers. The results of data analysis indicate that price discount, free samples, and in store displays are associated with the product trial and are popular among consumers. He also observed that coupons and discounts are the most widely used sales promotional tools in the grocery products industry. Compared with price discounts, coupons are less favored by consumers because they require greater involvement. However, the more price-conscious the consumer, the more positive was his/her attitude towards a coupon (Shrestha, 2015)

2.4 Determinants of sales promotion effectiveness

Sales promotion has been defined as “a direct inducement that offers an extra value or incentive for the product to the sales force, distributors, or the final consumer with the primary objective of creating an immediate sale” (Haugh, 1983). Gilbert and Jackaria (2002) further defined sales promotion as the offer of an incentive to induce a desired sales result. It is mostly for a short duration, for a specific period leading to a sense of urgency in consumers to buy now, since the sales promotion is not forever. This however creates an immediate positive impact on sales. Numerous studies have been conducted to examine the responses of consumer to sales promotion. Krishna and Zhang (1999) observed that coupons and discounts are the most widely used sales promotional tools in the grocery products industry. In coupon promotions, retailers maintain the original price of the product; only coupon holders are entitled to a discount. Consumers must keep track of the coupons and produce them at the place of purchase. Compared with price discounts, coupons are less favored by consumers because they require greater involvement. However, the more price-conscious the consumer, the more positive was his/her attitude towards a coupon (Huff & Alden, 1998). “Buy-one-get-one-free” promotions may be offered to shoppers at the regular price, thus adding value to the product. Since an additional amount is given for free, consumers may be persuaded to buy the product. This means consumers must compare and evaluate the additional quantity received with respect to any costs they may incur. For instance, storing the additional quantity may be inconvenient for the consumer due to a lack of storage space (Gilbert & Jackaria, 2002).

A price discount is a temporary reduction of the list price of the product. The major strategic goal of a price discount is to discriminate between informed and uninformed consumers, or between loyalists and switchers. Studies show that price discounts are particularly effective in inducing purchase acceleration and product trial (Gilbert & Jackaria, 2002). In-store demonstrations, such as product trial or tasting are widely used to introduce new products or new brands. The demonstrations can influence the perception of consumers towards a new product by offering product information and experience. They can also help reduce the resistance of consumers to new products by lowering functional and psychological barriers (Ram & Sheth, 1989). Games such as sweepstakes and lucky draws are used by supermarkets to attract traffic. People participate in these games because of perceived extrinsic and intrinsic values such as perceived value of the prize and perceived fun and interest (Ward & Hill, 1991).

2.4.1. Brand Loyalty

Brand loyalty divided into three parts from a behavioral aspect, they are: primary behavior, secondary level behavior and re-buy intention. In regards to primary behavior the customer repurchases or otherwise continues using the brand, and it can be verified by repeating to buy a product or a service; while secondary level behavior indicated to other positive behaviors such as word of mouth advocacy and commitments; re-buy intention indicates to consumer future intention to repurchase product or service. Loyalty consists of two major dimensions: behavior and attitude, the first one indicates to consumer frequent actions as a result of brand loyalty, the second one indicates to influential behavior as commitment (Chen & Ching, 2007).

Many marketers believe that brand loyalty is a key factor for business successful. According to (Oliver, 1999) brand loyalty indicates to customer willingness and commitment to repurchase or patronize a likely product or preferred service regularly for a long term, therefore it leads to same brand set purchasing. (Rust & Zahorik., 1993) stated that it is more valuable, beneficial and cheaper to retain firm current customers rather than get new ones.

2.5. Empirical Review

2.5.1 Effect of sales promotion tools on customer buying behavior

The impact of sales promotion on consumer buying behavior has been widely stated in many researches and studies, they have shown that there are a lot of factors can effect consumer buying behavior, either to buy or not. According to (Nijs, Dekimpe, Steenkamps, & Hanssens, 2001) sales promotions have a huge impact on consumers buying behavior such as purchase time, product brand, quantity and brand switching. According to their study confirmed that consumers buying behavior and sales promotion can be motivated through various kinds of elements, including promotion techniques such as free samples, price discounts, social surroundings and physical surrounding (Hayan and Mokhles, 2013)

Moreover, consumer purchase decisions sometimes based on the price sensitivity, individuals are more attracted to promoted products. According to (Schiffman & Kanuk, 2004) there are four views for explaining consumer decision and behavior such as, economic view which it has the more impact followed by passive view, emotional view and cognitive view, they also stated that consumer buying behavior concerned on how customers decide what product they want and how that evaluation is going to be and its impact on future purchases. Some factors affect consumer to buy a specific product such as high purchasing power and other sales physical surroundings. social and economic factors may also affect consumer decisions for example culture

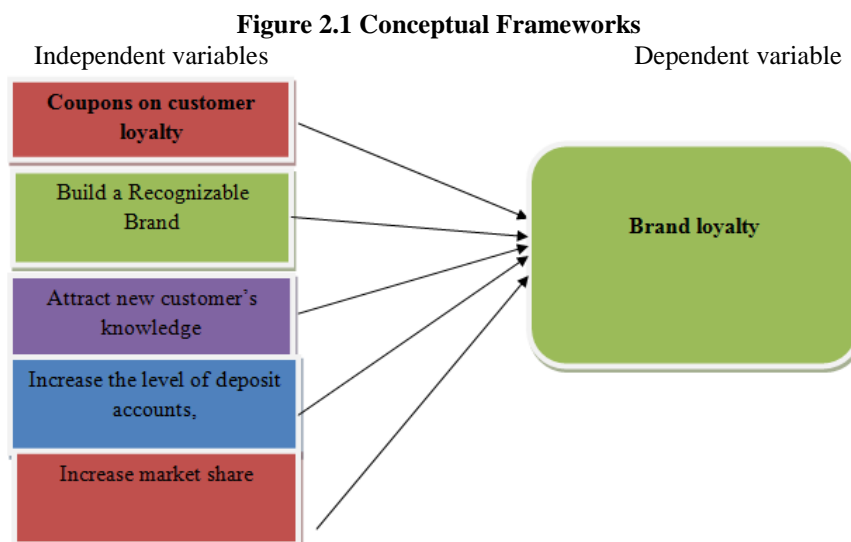
and fundamental factors of consumer behavior. (Kotler, 2003) admitted that sales promotion has an impact on consumer buying behavior by focusing on promoting occasion. Later on he indicated that sales promotion has a direct effect on customers' behaviors by pointing that there are other factors that can influence consumer buying behavior rather than reasons beyond price saving. (Blattberg & Neslin, 1990) suggest that sales-promotion techniques offering instant rewards (such as free samples and buy-one-get-one-free deals) resulted in more immediate impulse buying than did sales-promotion techniques, offering delayed rewards (such as loyalty rewards, competitions and sweepstakes) (Onyango, 2014) according to. (Fill, 2002) promotion tools have a huge impact on consumer buying behavior during any competition; therefore, discounted price is one of these tools which affects customer's decisions.

In regards to (Pickton & Broderick, 2005) sales promotion can result in increasing sales volume with less profit. Others also agreed that sales promotions' is aiming to influence consumer buying behavior by introducing new brand product which is going to be targeted at customers who have no previous experience with it. However (Kotler & Armstrong, 2004) and that psychological variables have a significant relationship with sales promotion; therefore, they concluded that there is no significant relationship between impulsive behavior and sales promotion. Regarding earlier related studies, many studies have been carried out on the subject. In this section, a few of the related studies carried out were reviewed. Among many studies a study by Hayan and Mokhles, (2013) was reviewed. The purpose of the study was to examine the effect of promotion type and promotional benefit level on brand image. The findings of the study showed that there are not significant differences between the effect of promotion type on brand image. In addition to that which assesses the effect of price discount on brand image was stronger at high promotional benefit than free gift but the difference between them is not significant (Hayan and Mokhles, 2013).

An article was written on the impact of advertising and sales promotion on brand equity by Zeinolabedin et al (2012), and in its findings sales promotions are not proposed as a way for providing brand equity because it is easily duplicated and soon it is deactivated (Aaker, 1991) and only they are increased short-term operations. In addition, repetitive price promotions may lower the low quality of the brand that in long-term periods endanger the brand because it is caused by customer confusion due to the difference in expected price and observed price which is caused by making the image of unstable quality. According to an article by Isabel Buil et al (2010), found that monetary promotion would have a negative effect on brand association and non-monetary promotions were positively related to brand association. In summary, the above studies fail to review effects of sales promotion on brand image.

2.6. Conceptual Framework

The student researcher designed this framework based on the theories in the literature review. Currently the bank uses different promotion instruments such as monetary and non-monetary sales promotion instruments to achieve organizational stated objectives. Thus, the study showed the effect of sales promotion in brand loyalty, a case of selected commercial banks in Hawassa. So these tools are used under its classification as independent variable and effect of sales promotion as dependent variable. Therefore, it assessed the effect of sales promotion on brand image in the Ethiopian banking industry.



Source: Conceptual frameworks (Own Model) 2022

III. RESEARCH METHODOLOGY

3.1. Research Approach

To achieve the aforementioned objectives, this study was adopted a quantitative research approach. Because of Quantitative method is a study involving analysis of data and information that are descriptive in nature and qualified. A quantitative approach was used because this study primarily uses postpositive claims for developing knowledge. According to Bhattacharjee (2012), postpositive claims take a position that one can make reasonable inferences about a phenomenon by combining empirical observations with logical reasoning and employs strategies such as surveys, and collected data on predetermined instruments that yield statistics data.

3.2. Research Design

The study was employed a descriptive study design. Because of a descriptive design seeks to describe the current status of a variable or phenomenon. Qualitative survey was used to boost up the quantitative results of the study and fills the gap where quantitative survey misses to touch. Thus, triangulation of data presentation from the two sources leads towards sound analysis and research findings.

3.3. Sources of Data

There are two types of sources when collecting data; primary and secondary data sources. The data for study was generated from both primary and secondary data so as to address the overall objective of the study and research questions. As to primary sources, information was collected through the use of questionnaire, field observation and focus of the overall investigation. Secondary data are also gathered through reviewing relevant materials such as Reports, Archive documents, books, journals, bulletins, magazines and web sites.

3.4. Population and Sample

A population can be defined as all people or items (unit of analysis) with the characteristic that one wishes to study. The unit of analysis may be a person, individual, organization, country, object, or any other entity that researchers wish to draw scientific inferences about (Kelley et al., 2003). Accordingly, the target population of the study are the customer of four commercial banks (Commercial bank of Ethiopia, Awash bank, Bank of Abyssinia and Dashen bank) that are located in Hawassa city.

3.5. Sample Size

To undertake this consumer survey, the sample size for the study must be defined first. An estimation of appropriate sample size was calculated by using a formula stated below in this paragraph. In order to determine the sample size, a judgment about the confidence level and the maximum allowance for random sampling error should be determined. 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% was selected together with a level of confidence of 95% (z), a sampling error no greater than 5% (e). This resulted in a sample size of 384 people for the study.

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

n = Sample size
 e = Acceptable error
 p = Proportion of success
 q = Proportion of failure
 z = Standard variant at a given confidence level

Adopted from Kothari (2004)

Stratified random sampling suggests the assignment of samples from each stratum should be proportional to certain criteria (usually the stratum's representation in the total population), this work followed a disproportionate stratified sampling, which is a stratified sampling procedure in which the number of elements sampled from each stratum is proportional to their representation in the total population. This study assigned equal number of sample sizes of 96 respondent customers to each bank type.

Table 3.1. Sample Breakdown

Type of bank	Banks	Sample size
Public Bank	Commercial bank of Ethiopia	96
Private Banks	Awash Bank	96
	Bank of Abyssinia	96
	Dashen Bank	96
	Total sample size	384

Source: Own computation, Microsoft Excel (2022)

3.6. Sampling Techniques

The researcher selected commercial bank of Ethiopia, Awashbank, Bank of Abyssinia and Dashenbank using a purposive sampling technique to draw the sample from. Purposive sampling enables an initial understanding of the situation. It produces a sample where the included groups are selected according to specific characteristics that are considered to be important. With such a sample, group differences can be compared and contrasted and a range of experiences can be summarized.

3.7 Method of Data analysis

After all the relevant and available data are collected, the analysis process was done using a number of relevant techniques. Data Collected from the survey respondents was entered in to computer for analysis using Statistical Packages for Social Science (SPSS) version 21 which is the latest version. The descriptive statistics (mean, frequency, percentage and standard deviations) was used to analyze the general trends of the data and presented in graphs. The descriptive statistics was analyzed using the Statistical Package for Social Sciences (SPSS 21). And Multiple Linear regression employed to know cause and effect of the relationship between variables and to assess the effect of sales promotion in brand loyalty. In Addition to this, Pearson correlations was used to determine the relationship between the independent and dependent variables by the help of SPSS

IV. RESULT AND DISCUSSION

4. Descriptive Summary of Dependent and Independent Variables

Under this topic, the questions that were collected using likert scale items were analyzed. To make the analysis easy, the researcher used Al-Sayaad, Rabea and Samrah (2006) proposed techniques of mean score ranges and summarized in Table 4.4 as follows:

Table 4.4 Mean Score Range for Five Scale Likert's Response

Mean	Response
1.00 - 1.79	Strongly Disagree
1.80 - 2.59	Disagree
2.60 - 3.39	Neutral
3.40 - 4.19	Agree
4.20 - 5.00	Strongly Agree

Source: Al-Sayaad et al. (2006)

As can be seen from Table 4.4, the ranges of values were presented as disagreeing if the mean score is between 1.00 and 2.60, neutral if the mean score is between 2.60 and 3.40 and agree if the mean score is above 3.4. Based on these classifications the interpretations of all Likert scale item such as Coupons on customer loyalty, Build a Recognizable Brand, Attract new customer's knowledge, Increase the level of deposit accounts, and Increase market share factors were presented as follows:

Table 4.4.1: Sampled Respondents on Coupons on customer loyalty

	Coupons on customer loyalty	N	Minimum	Maximum	Mean	Std. Deviation
1	Coupons attract new residents when they are actively in the market for products and services	346	1.00	5.00	4.47	1.10100
2	Coupons can help to introduce new product lines and encourage customers to try a more profitable brand or service	346	1.00	5.00	4.51	1.09074
3	Coupons have become an important and required part of retail and Customers are demanding them now from every retailer	346	1.00	5.00	4.22	1.35118
4	Coupons can entice customers to build loyalty with a specific company or product	346	1.00	5.00	4.15	1.20972
5	Coupons can also help attract existing customers to come back to your store	346	1.00	5.00	4.14	1.37056
	Grand Mean	346			4.29	

Source: Field Survey, 2022

From above Table 4.4.1 shows the respondent's perception towards the relationship **Coupons on customer loyalty** and effect of sales promotion in brand loyalty in Hawassa. It shows that most respondents were strongly agreed on the Coupons attract new residents when they are actively in the market for products and services with a mean score of 4.47 which is under the category of strongly agreed as per the rule of thumb presented in Table 4.4. they reasoned out that what they hear is supported by Coupons can help to introduce new

product lines, Similarly, respondents strongly agreed that Coupons can help to introduce new product lines and encourage customers to try a more profitable brand or service with a mean score of 4.51 which is under the category of strongly agreed as per the rule of thumb presented in Table 4.4. As well as, respondents strongly agreed that Coupons have become an important and required part of retail and Customers are demanding them now from every retailer with mean score of 4.22

And also, the respondents agreed that Coupons can entice customers to build loyalty with a specific company or product with a mean score of 4.15 which is under the category of agreed as per the rule of thumb presented in Table 4.4. Finally, most respondents were agreed that Coupons can also help attract existing customers to come back to your store with a mean score of 4.14 which is under the category of strongly agreed as per the rule of thumb presented in Table 4.4.

In summary, the **Grand mean of Coupons on customer loyalty** is 4.29 which implies strongly agreed. Thus, **Coupons on customer loyalty** are significantly related to overall effect of sales promotion in brand loyalty in Hawassa. Though the result is significant as an individual component still driving orientation shows positive sign on effect of sales promotion in brand loyalty in Hawassa.

Table 4.4.2 Sampled Respondents on Build a Recognizable Brand

	Build a Recognizable Brand	N	Minimum	Maximum	Mean	Std. Deviation
1	Building a brand identity is all about differentiation, making your brand visible, relevant, and unique	346	1.00	5.00	4.09	1.26108
2	A strong brand requires a strong brand identity, brand image, brand culture, and brand personality	346	1.00	5.00	4.33	1.10481
3	Strong brands have clear brand core values, an unequivocal positioning, and a long-term brand strategy	346	1.00	5.00	4.19	1.28400
4	Companies should also consider the various sizes and shapes their logo will be expected to take, from website headers to products to stationary	346	1.00	5.00	3.64	1.19366
5	To build a brand Research target audience and your competitors is very important	346	1.00	5.00	4.29	1.34911
	Grand Mean	346			4.11	

Source: Field Survey, 2022

Table 4.4.2 shows the respondent's perception towards the relationship between **Build a Recognizable Brand** and effect of sales promotion in brand loyalty in Hawassa. It shows that most respondents were in agreed on Building a brand identity is all about differentiation, making your brand visible, relevant, and unique with a mean score of 4.09, which is under the category of agreed as per the rule of thumb presented in table 4.4. Similarly, respondents strongly agreed that, a strong brand requires a strong brand identity, brand image, brand culture, and brand personality with mean score of 4.33 which is under the category of agreed as per the rule of thumb presented in table 4.4.

In the same fashion, respondents were in agreed that, strong brands have clear brand core values, an unequivocal positioning, and a long-term brand strategy with mean score of 4.19 which is under the category of agreed as per the rule of thumb presented in table 4.4. On the other hand, respondents agreed that Companies should also consider the various sizes and shapes their logo will be expected to take, from website headers to products to stationary with mean score of 3.64 and finally respondents strongly agreed that to build a brand Research target audience and your competitors is very important with mean score of 4.29.

As indicated in the table, the respondents perceived the same towards **Build a Recognizable Brand** and effect of sales promotion in brand loyalty in Hawassa. From the first three items, the respondents were agreed while they strongly agreed for the last two items. However, the **Grand Mean** value of the variable **Build a Recognizable Brand** is 4.11, which represents agreed. Hence, it can be inferred that most of the respondents are sure about their relationship between **Build a Recognizable Brand** and effect of sales promotion in brand loyalty in Hawassa.

Table 4.4.3 Sampled Respondents on Attract new customer’s knowledge

	Attract new customer’s knowledge	N	Minimum	Maximum	Mean	Std. Deviation
1	Adding new customers to your existing customer base can increase your sales, which often leads to increased profits	346	1.00	5.00	4.17	1.265
2	For businesses that require high customer engagement location is crucial to attracting new clients, managing operations with suppliers and even staying ahead of competition	346	1.00	5.00	4.26	1.237
3	Location is one of the most important things to consider when starting up a new venture or small business	346	1.00	5.00	4.39	1.127
4	Attract new customer’s knowledge can give your company the capital necessary to stay in business and develop new products and services	346	1.00	5.00	4.44	1.016
5	This can give your company the capital necessary to stay in business and develop new products and services	346	1.00	5.00	4.25	1.244
	Grand Mean	346			4.36	

Source: Field Survey, 2022

As shown in the Table 4.4.3above, Respondents agree that Adding new customers to your existing customer base can increase your sales, which often leads to increased profits with a mean score of 4.17 which is under the category of agreed as per the rule of thumb presented in table 4.4. Respondents also strongly agree that For businesses that require high customer engagement location is crucial to attracting new clients, managing operations with suppliers and even staying ahead of competitionwith a mean score of 4.26 which is under the category of strongly agreed as per the rule of thumb presented in table 4.4. In addition, respondents strongly agree that Location is one of the most important things to consider when starting up a new venture or small businesswith a mean score of 4.39which is under the category of strongly agreed as per the rule of thumb presented in table 4.4.

Furthermore, respondents were strongly agreed that Attract new customer’s knowledge can give your company the capital necessary to stay in business and develop new products and serviceswith a mean score of 4.44 which is under the category of strongly agreed as per the rule of thumb presented in table 4.4. Finally, the respondents were strongly agreed that This can give your company the capital necessary to stay in business and develop new products and services with mean score of 4.25 which is under the category of strongly agreed as per the rule of thumb presented in table 4.4. In general, respondents perceived that the **Attract new customer’s knowledge**effect of sales promotion in brand loyalty in Hawassa. Since, the grand mean value is 4.36 which is under the category of strongly agreed as per the rule of thumb presented in table 4.4 Hence, it can be concluded that the **Attract new customer’s knowledge**have great effect of sales promotion in brand loyalty in Hawassa.

Table 4.4.4: Sampled Respondents on Increase the level of deposit accounts

	Increase the level of deposit accounts	N	Minimum	Maximum	Mean	Std. Deviation
1	Use online advertising is Strategies to increase bank deposits for driving bank deposits	346	1.00	5.00	4.32	1.11560
2	1. Working with Partner with reputable businesses will increase level of deposit account	346	1.00	5.00	4.14	1.01843
3	Promote Popular Draws and Through surveys, try to find out what entices people to deposit money in your	346	1.00	5.00	4.44	1.92593
4	You should deposit money in a bank to create savings and earn interest on it	346	1.00	5.00	3.96	1.30282
	Grand Mean				4.17	

Source: Field Survey, 2022

As shown in the Table 4.4.3above, respondents strongly agreed that Use online advertising is Strategies to increase bank deposits for driving bank deposits with a mean score of 4.32 which is under the category of agreed as per the rule of thumb presented in table 4.4. Respondents also agree that Working with Partner with reputable businesses will increase level of deposit account with a mean score of 4.14 which is under the category of agreed as per the rule of thumb presented in table 4.4. In addition, respondents strongly agree that Promote Popular Draws and through surveys, try to find out what entices people to deposit money in your with a mean score of 4.44 which is under the category of strongly agreed as per the rule of thumb presented in table 4.4.

Furthermore, respondents were agreed that you should deposit money in a bank to create savings and earn interest on itwith a mean score of 3.96 which is under the category of agreed as per the rule of thumb

presented in table 4.4. In general, respondents perceived that the Increase the level of deposit accounts effect of sales promotion in brand loyalty in Hawassa. Since, the grand mean value is 4.17. which is under the category of agreed as per the rule of thumb presented in table 4.4 Hence, it can be concluded that the Increase the level of deposit accounts have great effect of sales promotion in brand loyalty in Hawassa.

Table 4.4.5: Sampled Respondents on Increase market share

	Increase market share	N	Minimum	Maximum	Mean	Std. Deviation
1	Market sharing occurs when competitors agree to divide or allocate customers, suppliers or territories among themselves rather than allowing competitive market forces to work	346	1.00	5.00	4.12	1.115
2	When a company increases its market share, this can improve its profitability	346	1.00	5.00	4.04	1.018
3	Market share is a measure of the consumers' preference for a product over other similar products	346	1.00	5.00	4.54	1.925
4	When the market share is huge, it means that the company is experiencing higher sales through the expansion of its consumer base	346	1.00	5.00	4.96	1.302
	Grand Mean	346			4.42	

Source: Field Survey, 2022

As shown in the Table 4.4.5 above, respondents agreed that Market sharing occurs when competitors agree to divide or allocate customers, suppliers or territories among themselves rather than allowing competitive market forces to work with a mean score of 4.12 which is under the category of agreed as per the rule of thumb presented in table 4.4. Respondents also agree that when a company increases its market share, this can improve its profitability with a mean score of 4.04 which is under the category of agreed as per the rule of thumb presented in table 4.4. In addition, respondents strongly agree that Market share is a measure of the consumers' preference for a product over other similar products with a mean score of 4.54 which is under the category of strongly agreed as per the rule of thumb presented in table 4.4. Furthermore, respondents were agreed that When the market share is huge, it means that the company is experiencing higher sales through the expansion of its consumer base with a mean score of 4.96 which is under the category of agreed as per the rule of thumb presented in table 4.4.

In general, respondents perceived that the Increase market share effect of sales promotion in brand loyalty in Hawassa. Since, the grand mean value is 4.42 which is under the category of strongly agreed as per the rule of thumb presented in table 4.4. Hence, it can be concluded that the Increase market share have great effect of sales promotion in brand loyalty in Hawassa.

Table 4.4.6: Sampled Respondents on Sales promotion in brand loyalty

	Sales promotion in brand loyalty	N	Minimum	Maximum	Mean	Std. Deviation
1	Increases employees' loyalty, makes a sense of belonging, increases employee satisfaction and performance of the company	346	1.00	5.00	4.36	1.115
2	A loyalty discount is a way for a business to reward a loyal customer by giving them a reduced rate	346	1.00	5.00	4.24	1.018
3	Implementing a successful brand strategy that develops all four of these components increases brand trust, loyalty, and awareness	346	1.00	5.00	4.55	1.923
4	The solution provides the flexibility to define the attributes of different deposit product offerings, method of operation and system utilization	346	1.00	5.00	4.86	1.282
5	Sales promotion has effect on customers' awareness to the product	346	1.00	5.00	4.33	1.389
	Grand Mean				4.47	

Source: Field Survey, 2022

As presented in Table 4.4.6 above, the respondents were strongly agreed that Increases employees' loyalty, makes a sense of belonging, increases employee satisfaction and performance of the company with mean score of 4.36 which is under the category of strongly agreed as per the rule of thumb presented in table 4.4. On the other hand, the respondents strongly agreed that the a loyalty discount is a way for a business to reward a loyal customer by giving them a reduced rate with mean score of 4.24 which is under the category of strongly agreed as per the rule of thumb presented in table 4.4

As well as, the respondents strongly agreed that Implementing a successful brand strategy that develops all four of these components increases brand trust, loyalty, and awareness with mean score of 4.55 which is under the category of strongly agreed as per the rule of thumb presented in table 4.4. And respondents strongly agreed that the solution provides the flexibility to define the attributes of different deposit product offerings, method of operation and system utilization with mean score of 4.86 which is under the category of strongly agreed as per the rule of thumb presented in table 4.4. And also, respondents agreed that Sales promotion has

effect on customers’ awareness to the product with mean score of 4.33 which is under the category of agreed as per the rule of thumb presented in table 4.4

Finally, most respondents agree that if there is another brand having the same price as brand they prefer to buy. The grand mean score is 4.47, which is under the category of neutral as per the rule of thumb presented in Table 4.4. This indicates most respondents were the same to judge about effect on my Sales promotion in brand loyalty

Table 4.4.6 Summary of Descriptive Statistics of variables

No.	Variables	Grand Mean	Rank
1	Coupons on customer loyalty	4.29	3 rd
2	Build a Recognizable Brand	4.11	5 th
3	Attract new customer’s knowledge	4.36	2 nd
4	Increase the level of deposit accounts	4.17	4 th
5	Increase market share	4.42	1 st

Source: Field Survey, 2022

Based on Table 4.4.5 above, Increase market share has the highest mean score of 4.42 followed by Attract new customer’s knowledge with a mean score of 4.36 with, Coupons on customer loyalty with a mean value of 4.29, Increase the level of deposit accounts with a mean value of 4.17 and Build a Recognizable Brand with a mean value of 4.11. From the summary table it is understandable that most of respondents perceived that Increase market share is the best determinant factor for effect of sales promotion in brand loyalty in Hawassa, followed by Attract new customer’s knowledge factor respectively.

4.5. Correlation Analysis

A correlation analysis was performed to investigate whether there is association between the dimensions of effect of sales promotion in brand loyalty. Besides; significance levels of the association were computed. A correlation coefficient is a very useful means to summarize the relationship between two variables with a single number that falls between -1 and +1 Field (2005). A correlation analysis with Pearson’s correlation coefficient (r) was conducted on all variables in this study to explore the relationships between variables. To interpret the strength of relationships between variables, the guidelines suggested by Field (2005) were followed. Field’s classification of the correlation efficient (r) is as follows: 0.1 – 0.29 is weak; 0.3 – 0.49 is moderate; and > 0.5 is strong.

Table 4.5.1 Correlations among variables

		Coupons	Recognizable Brand	customer’s knowledge	deposit accounts	Increase market share	sales promotion
Coupons on customer loyalty	Pearson Correlation	1	.612	.416	.543	.705	.721
	Sig. (2-tailed)	.000	.001	.001	.000	.000	.000
	N	346	346	346	346	346	346
Build a Recognizable Brand	Pearson Correlation	.518	1	.556	.651	.673	.691
	Sig. (2-tailed)	.001	.000	.000	.000	.00	.000
	N	346	346	346	346	346	346
Attract new customer’s knowledge	Pearson Correlation	.406	.556	1	.499	.893	.706
	Sig. (2-tailed)	.001	.000	.000	.000	.000	.000
	N	346	346	346	346	346	346
deposit accounts	Pearson Correlation	.743	.651	.799	1	.558	.743
	Sig. (2-tailed)	.000	.000	.000	.001	.000	.000
	N	346	346	346	346	346	346
Increase market share	Pearson Correlation	.651	.799	.562	.411	1	.558
	Sig. (2-tailed)	.000	.000	.002	.001	.000	.000
	N	346	346	346	346	346	346

Source: Field Survey, 2022

Table 4.5.1 above illustrates the relationship between each dimension and overall sales promotion in brand loyalty. The results indicated that there is a strong positively significant correlation between Coupons on

customer loyalty and effect of sales promotion in brand loyalty where ($r = 0.721$ $p = .000 < 0.01$). Moreover, there is a strong positively significant correlation between Build a Recognizable Brand and effect of sales promotion in brand loyalty where ($r = .691$ $p = .000 < 0.01$). In addition, there is a strong positive significant correlation between Attract new customer's knowledge and sales promotion in brand loyalty where ($r = .706$ $p = .000 < 0.01$). Moreover, there is a strong positively significant correlation between Build a Recognizable Brand and effect of sales promotion in brand loyalty where ($r = .691$ $p = .000 < 0.01$). In addition, there is a strong positive significant correlation between increase deposit accounts and sales promotion in brand loyalty where ($r = .743$ $p = .000 < 0.01$). In addition, there is a strong positive significant correlation between Increase market share and sales promotion in brand loyalty where ($r = .558$ $p = .000 < 0.01$).

As a result, a conclusion can be derived that and sales promotion in brand loyalty dimensions are interrelated with each other and all the dimensions are strong positively related to the overall and sales promotion in brand loyalty. As per table 4.5.1. Above, the coefficients show that the five factors measuring and effect of sales promotion in brand loyalty in Hawassa city administration and all positively related with each other within the range of 0.055 to 0.893.

4.6. Multiple Linear Regression Analysis

The value of the correlation coefficient showed the strength of the correlation, and the regression provide with a linear model that could be used to predict values of the dependent variable using values of the independent variable. When researchers examine more than two variables, they can extend the correlation and regression analysis to take account of these variables but still assumes that the relationship between the variables is linear. For the multiple regression, one must decide which variable is to be the dependent variable (also called the criterion variable) and which variables are to be the independent variables (called the predictor variables).

In case of the current study, the dependent variable in this model is the effect of sales promotion in brand loyalty symbolized by (Y)

Independent Variables: The independent variables were expected to determine the sales promotion in brand loyalty such as:

X_i is explanatory variables where $i = 1, 2, 3, \dots, 4$

- X_1 = Coupons on customer loyalty
- X_2 = Build a Recognizable Brand
- X_3 = Attract new customer's knowledge
- X_4 = Increase the level of deposit accounts
- X_5 = Increase market share

e = error term

Hence, the regression model is:

$$Y = \beta_0 + X_1 + X_2 + X_3 + X_4 + X_5 + e$$

Besides, the β_0 is the intercept that indicates the average value of the dependent variable when the explanatory or independent variables considered constants. In addition, each β_s represents the coefficients of the independent variables by which the dependent variables vary in average whenever the respective independent variables increased by one unit (Perry, 2004).

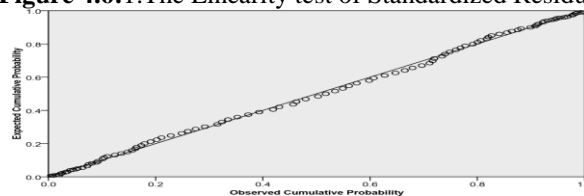
Nevertheless, before directly embarking up on multiple regression analysis, it is compulsory to check important assumptions of multiple linear regression analysis.

Assumption 1 – The dependent variable should be continuous

According to Gujjirati (2006), in order to run multiple linear regressions, the continuous variable must be in a continuous nature. In this case, although the original nature of the data is ordinal scale, it would be very necessary to transform in to ration scales using transformation (computation) technique. Hence, this assumption was validated using such technique.

Linearity refers to the degree to which the change in the dependent variable is related to the change in the independent variables. Therefore, the results of the linearity test were presented in Figure 4.1.

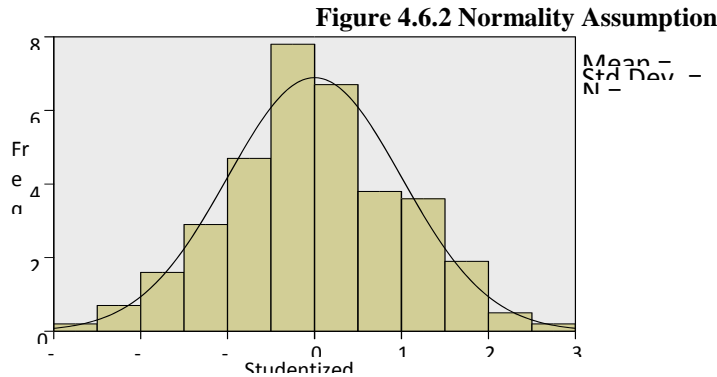
Figure 4.6:1. The Linearity test of Standardized Residual



The P-P plot of Student zed residuals compares the distribution of the residuals to a normal distribution. The diagonal line represents the normal distribution. The closer the observed cumulative probabilities of the residuals are to this line, the closer the distribution of the residuals is to the normal distribution.

Assumption 2: Normality Assumption

Normality of the data should be tested before running the regression analysis because multiple regressions require that the independent variables in the analysis be normally distributed. This figure signifies that normality assumption holds as the histogram is a bell- shaped and the residuals are normally distributed around its mean of zero.



The histogram of Student zed residuals compares the distribution of the residuals to a normal distribution. The smooth line represents the normal distribution. The closer the frequencies of the residuals are to this line, the closer the distribution of the residuals is to the normal .

Source: Field Survey, 2022

Assumption 3: Multi co linearity Test Assumption

In regression, multi co linearity occurs when independent variables in the regression model are more highly correlated with each other than with the dependent variable. Multi co linearity can be detected using tolerance value and variance inflator factor (VIF) value. As it can be seen from Table below multi co linearity does not exist among all the independent variables if the tolerance value of all the independent variables are greater than 0.1 and the VIF values of all the independent variables are less than 10.

Table 4.6.1. Multi co linearity Test

Model	Co linearity Statistics	
	Tolerance	VIF
(Constant)	.250	.113
Coupons on customer loyalty	.346	2.243
Build a Recognizable Brand	.546	2.243
Attract new customer’s knowledge	.738	1.355
Increase the level of deposit accounts	.635	1.575
Increase market share	.520	1.423

Source: Field Survey, 2022

The regression analysis has been conducted to measure the variables that explain the variance in the overall effect of sales promotion in brand loyalty in Hawassa. Multiple linear regressions were conducted to identify the relationship dependent and independent and to determine the most dominant variables that influenced customers on sales promotion in brand loyalty. Moreover, it was used in order to test the effect of independent variables (Coupons on customer loyalty, Build a Recognizable Brand and Attract new customer’s knowledge). The result has been shown in Table 4. 6.2 below

Table 4.6.2 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.890 ^a	.858	.854	.14218

a. Predictors: (Constant) Coupons on customer loyalty, Build a Recognizable Brand and Attract new customer’s knowledge
 Source: Field Survey, 2022

The result indicated that correlation of the dimensions of effect of sales promotion in brand loyalty in Hawassa (dependent variables) with (independent variable) is 0.890 and 89 percent of the variance was explained by the dimensions of effect of sales promotion in brand loyalty in Hawassa. The R Square statistic tells us the proportion of variance in the dependent variable that is accounted for by the independent variables. In this case the co- efficient of determination (R^2) = 0.858 which means 85.8 percent of the variance of effect of sales promotion in brand loyalty in Hawassa which can be Explained by the five dimensions of sales promotion in brand loyalty (Coupons on customer loyalty, Build a Recognizable Brand and Attract new customer’s knowledge) while the rest 14.2 percent to be explained by other factors.

An **ANOVA** Table is then produced, which tests the significance of the regression model. The following table shows the ANOVA that shows the details of the significance of the regression model of the current study.

Table 4.19. ANOVA Table

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	109.669	5	21.934	373.973	.000 ^b
Residual	19.941	340	.059		
Total	129.610	345			

a. **Dependent Variable:**Sales promotion in brand loyalty

b. **Predictors: (Constant),**Coupons on customer loyalty, Build a Recognizable Brand and Attract new customer’s knowledge

The ANOVA table above shows that the F value 373.973, a value of (.000), with $p < 0.05$ when the four variables are considered together. The model explains the relationship between the independent variables (Coupons on customer loyalty, Build a Recognizable Brand and Attract new customer’s knowledge and the dependent variable (sales promotion in brand loyalty). The ANOVA test table confirms the acceptability of the model.

Table 4.20 Predictors’ Sales promotion in brand loyalty

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
	(Constant)	-.213	.083	.125	1.415	.000
X1	Coupons on customer loyalty	.749	.035	.520	15.75	.000
X2	Build a Recognizable Brand	.691	.205	.401	16.52	.001
X3	Attract new customer’s knowledge	.630	.034	.051	2.05	.000
X4	Increase the level of deposit accounts	.612	.325	.301	6.52	.000
X5	Increase market share	.756	.054	.051	1.05	.000

Independent variable:Coupons on customer loyalty, Build a Recognizable Brand and Attract new customer’s knowledge

Dependent variable: Effect of sales promotion in brand loyalty

The results of the regression analysis highlighted that all the dimensions of effect of sales promotion in brand loyalty contribute not equally. The Beta values show the magnitude of relationship between variables, higher values being an indication of strong relationship. The study indicated that among the five-effect of sales promotion in brand loyalty factor is the first with the largest β value of 0.792 followed by transport factor with the β value of .670.

Hence, the regression model is:

$$Y = -0.213 + 0.749X_1 + 0.691X_2 + 0.630X_3 + 0.612X_4 + 0.756X_5 + 0.083$$

Interpretation:

Keeping all other variables Constant;

If there are no independent variables (X1-X5), the Effect of sales promotion in brand loyalty (Y) decreased by 21.3 percent. The availability of independent variables adds the value of dependent variable.

- 1) If Coupons on customer loyalty is increased by one unit, the Effect of sales promotion in brand loyalty will increase by 74.9%.
- 2) If Build a Recognizable Brand is increased by one unit, the Effect of sales promotion in brand loyalty increase by 69.1%
- 3) If Attract new customer's knowledges increased by one unit, the Effect of sales promotion in brand loyalty will increase by 63%
- 4) If Coupons on customer loyalty is increased by one unit, the Effect of sales promotion in brand loyalty will increase by 61.2%.
- 5) If Build a Recognizable Brand is increased by one unit, the Effect of sales promotion in brand loyalty will increase by 75.6%

Hypotheses of the study

Ho1: Coupons on customer loyalty has no significant brand loyalty in Commercial banks.

Types of Coupons on customer loyalty factors have no positive and significant effect on the Effect of sales promotion in brand loyalty (Reject Ho1 if $p < 0.05$ (α -value). Otherwise, accept it. In table 4.21, the significant value is .042 which is less than 0.05. Accordingly, reject Ho1 and accept Ha1 which states that Type of Coupons on customer loyalty factors have positive and significant effect on the Effect of sales promotion in brand loyalty Moreover, the value of Beta for Type of Coupons on customer loyalty is ($\beta = .749$) which shows that If Coupons on customer loyalty is increased by one unit, the effect of sales promotion in brand loyalty will increase by 74.9%. This also shows there is effect of Type of Coupons on customer loyalty on the Sales promotion in brand loyalty

Ho2: There is no significant and positive relationship between Build a Recognizable Brand and Sales promotion in brand loyalty

Build a Recognizable Brand factors have no positive and significant effect on the Sales promotion in brand loyalty (Reject Ho1 if $p < 0.05$ (α -value). Otherwise, accept it. In table 4.21, the significant value is .002 which is less than 0.05. Accordingly, reject Ho1 and accept Ha1 which states that Build a Recognizable Brand factors have positive and significant effect on the Effect of sales promotion in brand loyalty Moreover, the value of Beta for Build a Recognizable Brand is ($\beta = .691$) which shows that If Build a Recognizable Brand is increased by one unit, the effect of sales promotion in brand loyalty will increase by 69.1%. This also shows there is effect of Build a Recognizable Brand on the Sales promotion in brand loyalty

Ho3: Attract new customer's knowledge has no significant effect on the Brand loyalty.

Attract new customer's knowledge factors have no positive and significant effect on the Sales promotion in brand loyalty (Reject Ho1 if $p < 0.05$ (α -value). Otherwise, accept it. In table 4.21, the significant value is .000 which is less than 0.05. Accordingly, reject Ho1 and accept Ha1 which states that Attract new customer's knowledge factors have positive and significant effect on the Effect of sales promotion in brand loyalty Moreover, the value of Beta for Attract new customer's knowledge is ($\beta = .630$) which shows that If Attract new customer's knowledge are increased by one unit, the effect of sales promotion in brand loyalty will increase by 63%. This also shows there is effect of Attract new customer's knowledge on the Sales promotion in brand loyalty

Ho4: Increasing the level of deposit accounts has no significant effect on the Brand loyalty

Increasing the level of deposit accounts factors have no positive and significant effect on the Sales promotion in brand loyalty (Reject Ho1 if $p < 0.05$ (α -value). Otherwise, accept it. In table 4.21, the significant value is .000 which is less than 0.05. Accordingly, reject Ho1 and accept Ha1 which states that Increasing the level of deposit accounts factors have positive and significant effect on the Effect of sales promotion in brand loyalty Moreover, the value of Beta for Increasing the level of deposit accounts is ($\beta = .612$) which shows that If Attract new customer's knowledge are increased by one unit, the effect of sales promotion in brand loyalty will increase by 61.2%. This also shows there is effect of increasing the level of deposit accounts on the Sales promotion in brand loyalty

Ho5: Increase market has no significant effect on the Brand loyalty.

Increase market factors have no positive and significant effect on the Sales promotion in brand loyalty (Reject Ho1 if $p < 0.05$ (α -value). Otherwise, accept it. In table 4.21, the significant value is .000 which is less than 0.05. Accordingly, reject Ho1 and accept Ha1 which states that Increase market factors have positive and significant effect on the Effect of sales promotion in brand loyalty Moreover, the value of Beta for Increase market is ($\beta = .630$) which shows that If Attract new customer's knowledge are increased by one unit, the effect

of sales promotion in brand loyalty will increase by 75.6%. This also shows there is effect of Increase market on the Sales promotion in brand loyalty

Major Findings

The main objectives of the study were to identify the effect of sales promotion in brand loyalty in Hawassa City Admiration. Thus, after gathering the inquired data from the target respondents using a survey questionnaire, linear regression analysis was made using statistical package for social science to assess the relationship between the independent (Coupons on customer loyalty, Build a Recognizable Brand, Attract new customer's knowledge) and effect of sales promotion in brand loyalty in Hawassa City Admiration.

The finding shows that:

➤ In summary, the Grand mean of Coupons on customer loyalty is 4.29 which implies strongly agreed. Thus, Coupons on customer loyalty are significantly related to overall effect of sales promotion in brand loyalty in Hawassa. Though the result is significant as an individual component still driving orientation shows positive sign on effect of sales promotion in brand loyalty in Hawassa.

➤ As indicated in the table, the respondents perceived the same towards Build a Recognizable Brand and effect of sales promotion in brand loyalty in Hawassa. From the first three items, the respondents were agreed while they strongly agreed for the last two items. However, the Grand Mean value of the variable Build a Recognizable Brand is 4.11, which represents agreed. Hence, it can be inferred that most of the respondents are sure about their relationship between Build a Recognizable Brand and effect of sales promotion in brand loyalty in Hawassa.

➤ In general, respondents perceived that the Attract new customer's knowledge has effect of sales promotion in brand loyalty in Hawassa. Since, the grand mean value is 4.36. which is under the category of strongly agreed as per the rule of thumb presented in table 4.4 Hence, it can be concluded that the Attract new customer's knowledge have great effect of sales promotion in brand loyalty in Hawassa.

➤ In general, respondents perceived that the Increase the level of deposit accounts effect of sales promotion in brand loyalty in Hawassa. Since, the grand mean value is 4.17. which is under the category of agreed as per the rule of thumb presented in table 4.4 Hence, it can be concluded that the Increase the level of deposit accounts have great effect of sales promotion in brand loyalty in Hawassa

➤ In general, respondents perceived that the Increase market share effect of sales promotion in brand loyalty in Hawassa. Since, the grand mean value is 4.42 which is under the category of strongly agreed as per the rule of thumb presented in table 4.4. Hence, it can be concluded that the Increase market share have great effect of sales promotion in brand loyalty in Hawassa.

Finally, from the summary table it is understandable that most of respondents perceived that Increase market share is the best determinant factor for effect of sales promotion in brand loyalty in Hawassa, followed by Attract new customer's knowledge factor respectively.

5.2. Conclusion

As a result, a conclusion can be derived that and sales promotion in brand loyalty dimensions are interrelated with each other and all the dimensions are strong positively related to the overall and sales promotion in brand loyalty. As per table 4.5.1. Above, the coefficients show that the five factors measuring and effect of sales promotion in brand loyalty in Hawassa city administration and all positively related with each other within the range of 0.055 to 0.893.

The R Square statistic tells us the proportion of variance in the dependent variable that is accounted for by the independent variables. In this case the co-efficient of determination (R^2) = 0.858 which means 85.8 percent of the variance of effect of sales promotion in brand loyalty in Hawassa which can be Explained by the five dimensions of sales promotion in brand loyalty (Coupons on customer loyalty, Build a Recognizable Brand and Attract new customer's knowledge) while the rest 14.2 percent to be explained by other factors.

The ANOVA table above shows that the F value 373.973, a value of (.000), with $p < 0.05$ when the four variables are considered together. The model explains the relationship between the independent variables (Coupons on customer loyalty, Build a Recognizable Brand and Attract new customer's knowledge and the dependent variable (sales promotion in brand loyalty). The ANOVA test table confirms the acceptability of the model.

The results of the regression analysis highlighted that all the dimensions of effect of sales promotion in brand loyalty contribute not equally. The Beta values show the magnitude of relationship between variables, higher values being an indication of strong relationship. The study indicated that among the five-effect of sales promotion in brand loyalty factor is the first with the largest β value of 0.792 followed by transport factor with the β value of .670.

5.3 RECOMMENDATIONS

Further support for the concept of a weak force of advertising's influence is provided by who suggest that product preferences are often formed after an initial trial and that, in low involvement purchasing, experience with a product is a stronger influence on future purchasing decisions than is advertising, which they regard as primarily reinforcing existing preferences and helping to defend the consumers' perceptions of a brand. Thus, advertising in mature markets may be substantial but focused on protecting existing market share or obtaining share from other competitors. Failure to maintain presence in the market and awareness among purchasers may result in a loss of market share to competitors.

➤ An organization uses the advertising to help them survive from the impacts of economic trends advertising strategies that increase the number of units sold stimulate economies in the production process. Researcher wants to recommend that Comparative advertising may be particularly useful for new brands, since it allows a new market entrant to position it directly against the more established brands and to promote its distinctive advantages. Direct comparisons can help position a new brand in the evoked, or choice, set of brands the customer may be considering of Coupons on customer loyalty.

➤ Researcher suggests different ideas on effect of sales promotion in brand loyalty and their corresponding states of loyalty. Thus, there is strong effect of sales promotion in brand loyalty. Therefore, marketing managers design strategies, targeting consumers at each segment, based on the level of preference. However, consumers with a negative brand preference cannot be loyal; rather, they can end up with a weak or moderate preference level. Therefore, it is better to give Consumers' moderate or neutral brand preferences can be stimulated to become strong and to build a Recognizable Brand.

➤ Marketers of highly technical product recruit salesperson with specialized technical backgrounds in engineering, computer science, and other areas to ensure their expertise. But companies must be careful when selecting celebrities to represent their brands. Picking the wrong spokesperson can result in embarrassment and a tarnished image. Therefore, it is better when company attention for the ways of advertising to Attract new customer's knowledge.

➤ In general, Increase the level of deposit accounts has great impact on sales promotion in brand loyalty. Besides, to have credibility, and to get target audiences attention during advertising there has to be product-celebrity and audience-celebrity match, otherwise, it might not catch the attention of consumers and the company may not meet its predetermined goal in selling more volume market share and Increase the level of deposit accounts

➤ Finally, researchers highly recommend that Increase market share is the best determinant factor for effect of sales promotion in brand loyalty. Therefore, it is better when concerned body gives attention for market share.

5.4. Limitation and Further Research Direction

This study was conducted on assessing the effect of advertisement on sales promotion in brand loyalty in Hawassa City Admiration to bring about the effectiveness of advertisement on consumer brand preference. This area is open for further investigators.

➤ The study was conducted on limited sample size and in limited study area. It would be better if more sample size was taken and if the study was conducted on larger study area. This is also open for further investigation.

➤ This study looked at four independent variable (Coupons on customer loyalty, Build a Recognizable Brand and Attract new customer's knowledge) which according to study contributes to 84.6% of the variation in the sales promotion in brand loyalty. The researcher recommends the further research to investigate the other factors that affect the sales promotion in brand loyalty. Equally ,further research should be carried out in other public sector offices to ascertained whether this finding are universal and researches on sales promotion in brand loyalty measurement should be carried out as this was not the objective of the study.

Reference

- [1]. Adcock, D., Halborg, A. & Ross, G. (2001), Marketing Principles and Practice. 4th PearsonsEducation, Harlow, England.
- [2]. Aggarwal, P. &Vaidyanathan, R., (2003), "Use it or lose it: purchase acceleration effects time-limited promotions", Journal of Consumer Behaviour, 2(4): 393-412.
- [3]. Belch, G.E & Belch, M.A (1995), Introduction to advertising and promotion: An IntegratedMarketing Communication Perspective. 3rd Edition. Irwin, Chicago.
- [4]. Belch G.E & Belch, M.A (1998), Advertising and Promotion: An Integrated MarketingCommunication Perspective. 4th Edition. Irwin/ McGraw- Hill.
- [5]. Berkowitz, K., Harley, R., Kerin, R.A. &Rudelius, W. (1994), Marketing, 4th Ed Irwin,Boston
- [6]. Blair, E.A. & London, L. (1991), The Effects of Preference Price in Retail Advertisement. Journal of Marketing, Vol. 45, pp 83-93.

- [7]. Blattberg, R.C. & Neslin, S.A. (1990), Sales promotion: Concepts, Methods, and Strategies, Englewood Cliffs, NJ: Prentice-Hall, Inc.
- [8]. Churchill, G.A. & Peter, J.P. (1995), Marketing: Creating Value for Customers, Irwin, Inc. Burr Ridge.
- [9]. Cox, R. & Britain, P. (2000), Retail Management. 4th Pearson Education, Harlow, England.
- [10]. Czinkota, M.R. & Ronkainen, I.A. (2004). International Marketing, 7th edition, Ohio: Harcourt. Inc. Gilbert, D.C. & Jackaria, N. (2002), The efficacy of sales promotions in UK supermarkets: a consumer view, International Journal of Retail & Distribution Management, p 315-
- [11]. Gupta, S. (1993), Reflections on the impact of sales promotions on when, what and how much to buy, Journal of Marketing Research, 30 (4): 522-4.
- [12]. Solomon, M., Bamossy, G., Askegaard, S. (1999), Consumer Behaviour, a European Perspective. Fourth edition. New Jersey, Prentice Hall Inc. 589 p.
- [13]. Ram, S. & Sheth, J.N. (1989), Consumer resistance to innovations: the marketing problem and its solution, Journal of Consumer Marketing, 6(2): 5-14.
- [14]. Todd P. A., (1997) Consumer reactions to electronic shopping on the World Wide Web. International Journal of Electronic Commerce, 1 (2): 59-88.
- [15]. Ward, J.C. & Hill, R.P. (1991), Designing effective promotional games: opportunities and problems, Journal of Advertising, 20(3): 69-81.
- [16]. Yeshin, T. (1998): Integrated Marketing Communications, the holistic approach, Butterworth Heinemann, Oxford.
- [17].