

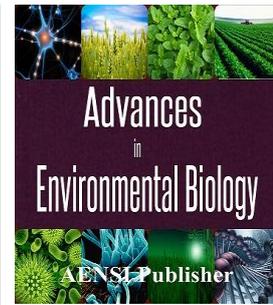


AENSI Journals

## Advances in Environmental Biology

ISSN-1995-0756 EISSN-1998-1066

Journal home page: <http://www.aensiweb.com/AEB/>



### The Evaluation of Advertising Effectiveness on Attracting Customers for Agricultural Bank of Iran (Keshavarzi Bank)

Sajad Fatah Naserabad and Yaghoub Ansari

Department of Management, Yasouj Branch, Islamic azad University, Yasouj, Iran

#### ARTICLE INFO

**Article history:**

Received 11 October 2014

Received in revised form 21 November 2014

Accepted 25 December 2014

Available online 16 January 2015

**Keywords:**

Agricultural Bank of Iran (ABI), advertising, customers, effectiveness, awareness and attracting

#### ABSTRACT

Current study aims to evaluate the role of advertisement in making awareness and attracting customers for the branches of Agricultural Bank of Iran (ABI) in Yasuj, Iran. The study is descriptive and applied in which the statistical society is consisted of 500 of customers of ABI among which by random sampling and Cochran formula a total number of 384 persons are selected as statistical samples. Data collection is carried out by Schering questionnaire for which by using Cronbach's alpha the reliability is calculated as 0.89. Also SPSS software is used to carry out Spearman tests, chi-square, and single-sample t test on the data. The results indicate that the variables such as awareness, attention, interest, stimulating of desire, propelling and level of customer loyalty show significant differences from their average value and therefore have impacts on the effectiveness of advertising of ABI branches in Yasuj.

**To Cite This Article:** Sajad Fatah Naserabad and Yaghoub Ansari., The Evaluation of Advertising Effectiveness on Attracting Customers for Agricultural Bank of Iran (Keshavarzi Bank). *Adv. Environ. Biol.*, 9(2), 219-223, 2014

#### INTRODUCTION

• *Stating the problem:*

Marketing is defined as a social Managerial Process by which individuals and groups become able to conduct transactions in forms of production and exchange of goods and providing services through the use of money which all take place in market [3]. In today's competitive world, marketing is essential for making any attentive moves in the market and its role is non-negligible in the beginning of all attempts to produce goods or provide reliable services for the community. The extensive and rather limitless growth of advertising has caused cultural and ethical challenges in many countries recently in a way that it has become a threat for the public. The scope the usage of advertisement had been limited in Iran until the recent decades. However, recently advertisement has been quite increasingly used as a means of marketing in its main area namely business [8]. Commercial advertising is a dynamic science which evolves within the social transformations and economic or political alterations. It takes specific forms in different environments regarding differences in thoughts, beliefs, customs and cultures, and religions. In Iran, commercial advertisement is an unknown science despite its old background. Even Iranians who live abroad have not been able to exploit this powerful tool in introducing Iran and the opportunities within it. In this regards, one of the most important subjects for marketing studies, especially advertisement is the "effectiveness of advertisements". Therefore, evaluation of effectiveness of the advertisements seems inevitable. One of the issues that managers face today is trying to balance the intensity of competition with company characteristics. One of the successful and effective marketing tools that can be entrepreneurial and its implementation results to achieve the goals of organization is effective advertising. The costs of media advertising are increasing in current competitive market while its effectiveness is actually decreasing due to the intense competition between suppliers of similar goods and services. However an effective advertising is one that successfully attracts attention and makes well communication. Good advertising is of essential importance in current costly and rather chaotic advertising environment. Nowadays we are living in the era of cost-profit. Every organization that tries advertising expects to be able to fully reach its goals which are ultimately attracting customers and also to be compensated for the costs of advertising. Today in our country, due banks are facing with great problems in attracting customers and consequently their deposits to the increasing number of banks and similar services. Hence banks need to have suitable plans for their advertising in order to maintain or increase their share of the market in such competitive environment. They are also needed to note that just advertising itself is not enough but evaluation of the advertising effectiveness is also an important step. Unfortunately in Iran not much attention is paid to effectiveness assessment of advertising for which novelty of

**Corresponding Author:** Sajad Fatah Naserabad, Department of Management, Yasouj Branch, Islamic azad University, Yasouj, Iran

advertising industry, lack of sufficient knowledge, unfamiliarity of coordinators with effectiveness assessment models, and the lack of practical examples are the main reasons. Also identifying important factors that increase advertising effectiveness and considering them in preparing advertising program can be effective in improving and enhancing the effectiveness of the advertising. Considering the importance of advertising as an essential element of marketing and given that they are costly for firms and organizations, they must be done correctly with appropriate expenses in order to be effective and be profitable even in long term. However the shortage crisis of financial resources as well as intense competition between firms have caused some sensitivities about advertising costs which consequently increases the necessity of effectiveness assessment of advertisements. Attracting financial resources can help banks to establish development and to achieve economic growth for which advertising is an essential economic factor. Also Banks and financial institutions must be attractive in order to attract more customers. On the other hand they should know who their customers are and what are to be shared with them. In summary it can be said that the increase in competition in banking system caused by private banks and financial institutions in recent years, important role of advertising in introducing services especially in banking industry, high costs of advertising, failure to properly measure advertising effectiveness by advertising companies, creating awareness about the impact of advertising in banks executives in attracting customers and their profitability for their banks are the reasons which reflect the importance of advertising effectiveness assessment [5]. We're surrounded by advertisements and are somehow exposed to it. Different forms of advertising are in front of us in walking, resting, reading newspaper, watching television, and etc. Cinema, television, radio, publications, exhibitions, sports and entertainment, announcements, posters, signs, lights display, vehicles, catalogs, correspondence, mail, calendar and messages are different forms of advertising. Therefore, given the importance of evaluating the effectiveness of advertising, the need for research on the advertising of the Agricultural Bank, a leader bank with an emphasis on multimedia clearly seems to help and guide the future publicity of the bank.

- Specific research objectives (including: desired objectives, overall objectives, specific objectives):
  - Desired objectives: the desired objective of this research is the development of ABI branches of Yasuj
  - overall objectives:
    - Determining the effectiveness of advertising in awareness and attracting customers for Agricultural Bank branches of Yasuj.
    - Determine the effectiveness of advertising on interest for Agricultural Bank branches of Yasuj.
    - Determining the effectiveness of advertising on excitement and tendency of customers of Agricultural Bank branches of Yasuj.
    - Determining the effectiveness of advertising on the loyalty of customers of Agricultural Bank branches of Yasuj.

#### *Research methodology:*

The nature and purpose of the study should be considered before selecting appropriate research methods for the study. In most cases, appropriate research methods can be adopted by careful attention to the research questions. "The purpose of selecting a research methodology is that the researcher determines that what method must be adopted in order to reach an answer rapidly and precisely" [1]. Accordingly, the current paper aims to study the factors contributing to the optimization of customer service with a customer-oriented approach in view of customers of ABI. The method of the research is survey descriptive. It is descriptive since the researcher aims to report the situation regularly and objectively as it is. It is also a survey since the researchers seeks to find the views and opinions of the respondents. The general characteristic of surveys is a set of regular data which is called the matrix of data based variables in which the researcher puts together the features and qualifications of each case study. The result is a rectangular structured set of data. In summary, since the data are objectively reported the research is descriptive and since questionnaires are used it is a survey. Statistical society is referred to all the individuals or items that have one or more characteristics in common. The statistical society of this research is all the customers of ABI in 2014 which have a total number of 384 persons. It is not always necessary to conduct the research for the case study as a whole, in fact most of the times a partly observation is sufficient for the purposes of most studies. In other words, most of the sampling researches satisfy the purposes of the researchers. Using the Morgan's table, the size of the sample is estimated as 384 persons with respect to the size of the case in the present work. The sample is a part of the case under study that is collected with a predetermined method by which one becomes able to obtain inferences about the subject as a whole. Therefore, sampling is defined as the selecting individuals, items, or events of a case study that as its representatives would best reflect its features and qualities. In random sampling each member of the society has independent and equal chances to be selected as a sample. The term independent indicates that choosing one sample does not affect the chance of the other members in being selected. The random sampling method is used in this research. There are various methods and techniques for collecting data. Each of which may be adopted by the researcher depending on the research purposes and features of the samples. "The questionnaires are used in quantitative researches, because they are consistent and coherent in structure and they are also standard which suits the quantitative researches." [9].

Thus questionnaire, as the most common means of collecting data in survey researches, are used in present work which are researcher made. These questionnaires consist of 7 main components and 54 items and a sample of which can be found in the appendix.

After collecting the questionnaires, the extracted data are entered in the SPSS software in which the data are analyzed by means of 2-dimensional tables and plots in two levels of descriptive and inferential statistics. In the inferential level the one-way variance analysis, Pearson correlation test, and T-test are conducted on the data depending on the type of variables.

**Table 1:** Main hypothesis table: the advertising has resulted in awareness and attracting of the customers of ABI.

The variable under study	Acquired average	Assumed average	Standard deviation	T-Score	Degree of freedom	Level of significance	Accepted hypothesis
Awareness	4.41	3	0.658	36.96	299	0.0001	H <sub>1</sub>
Attracting attention	4.16		0.661	30.34		0.0001	H <sub>1</sub>
Creating interest	3.97		0.271	61.98		0.0001	H <sub>1</sub>
Loyalty	3.51		0.537	16.52		0.0001	H <sub>1</sub>
Leading	3.96		0.295	56.57		0.0001	H <sub>1</sub>
attraction	3.56		1.08	9		0.0001	H <sub>1</sub>

**Table 2:** Comparison of the average variables of advertising and effectiveness on the awareness of the ABI customers.

The variable under study	Acquired average	Assumed average	Standard deviation	T-Score	Degree of freedom	Level of significance	Accepted hypothesis
Awareness	4.41	3	0.658	36.96	299	0.0001	H <sub>1</sub>

It can be seen from the above one-sample T- test that the acquired average of advertising effectiveness on attracting customers by awareness for ABI is 4.41 which is higher than assumed average,3. This difference is approved in the significance level of 0.001 which is less than 5%.

**Table 3:** Comparison of the average variables of advertising and effectiveness on attracting attention of the ABI customers.

The variable under study	Acquired average	Assumed average	Standard deviation	T-Score	Degree of freedom	Level of significance	Accepted hypothesis
Attracting attention	4.16	3	0.661	30.34	299	0.0001	H <sub>1</sub>

It can be seen from the above one-sample T- test that the acquired average of advertising effectiveness on attracting customers by attracting attention for ABI is 4.16 which is higher than assumed average, 3. This difference is approved in the significance level of 0.001 which is less than 5%.

**Table 4:** Comparison of the average variables of advertising and effectiveness on creating interest in the ABI customers.

The variable under study	Acquired average	Assumed average	Standard deviation	T-Score	Degree of freedom	Level of significance	Accepted hypothesis
Creating interest	3.97	3	0.271	61.98	299	0.0001	H <sub>1</sub>

It can be seen from the above one-sample T- test that the acquired average of advertising effectiveness on attracting customers by creating interest for ABI is 3.97 which is higher than assumed average,3. This difference is approved in the significance level of 0.001 which is less than 5%.

**Table 5:** Comparison of the average variables of advertising and effectiveness on creating interest in the ABI customers.

The variable under study	Acquired average	Assumed average	Standard deviation	T-Score	Degree of freedom	Level of significance	Accepted hypothesis
Loyalty	3.51	3	0.537	16.52	299	0.0001	H <sub>1</sub>

It can be seen from the above one-sample T- test that the acquired average of advertising effectiveness on attracting customers by royalty for ABI is 3.51 which is higher than assumed average,3. This difference is approved in the significance level of 0.001 which is less than 5%.

**Table 6:** Comparison of the average variables of advertising and effectiveness on leading in the ABI customers.

The variable under study	Acquired average	Assumed average	Standard deviation	T-Score	Degree of freedom	Level of significance	Accepted hypothesis
Leading	3.96	3	0.295	56.57	299	0.0001	H <sub>1</sub>

It can be seen from the above one-sample T- test that the acquired average of advertising effectiveness on attracting customers by leading for ABI is 3.96 which is higher than assumed average,3. This difference is approved in the significance level of 0.001 which is less than 5%.

**Table 7:** Comparison of the average variables of advertising and effectiveness on attraction in the ABI customers.

The variable under study	Acquired average	Assumed average	Standard deviation	T-Score	Degree of freedom	Level of significance	Accepted hypothesis
attraction	3.56	3	1.08	9	299	0.0001	H <sub>1</sub>

It can be seen from the above one-sample T- test that the acquired average of advertising effectiveness on attracting customers by attraction for ABI is 3.56 which is higher than assumed average,3. This difference is approved in the significance level of 0.001 which is less than 5%.

#### Discussions and Conclusions:

Each research project aims to find facts that are based on scientific studies by which one can prove or reject the researcher's proposed hypotheses. Therefore they can be used as references for further studies. In this section, it is aimed to achieve an overall conclusion of the study With regard to the analysis of data, collected through questionnaires. Thus, it is hoped that the results of this section can assist bank officials in making future decisions and policies.

- *Description of research findings:*

- The comparison of two variables of advertising effectiveness and gender (male and female), according to the table 1:

In order to compare the effectiveness of advertising and gender, Levene non-equal variance test is performed on the data for awareness and interest with significance level values equal to 0.043 and 0.004 while the equal variance T-test is carried out in the case of variables with equal variances including attracting attention, loyalty, creating interest, leading with the level of significance values equal to 0.37, 0.511, 0.397, and 0.316 respectively. The study and interpretation of T-test suggest that only in cases of creating interest and attraction (significance levels equal to 0.028 and 0.0001 respectively) a meaningful difference between females and males can be observed; in creating interest, acquired average for females equals of 4 whereas it is 3.93 for males and in attraction the acquired average for females with a value of 4.35 is higher than males with the value of 2.78.

- *The comparison of two variables of advertising effectiveness and age:*

According to the above variance test, the significance level of all variables indicate the effectiveness of advertising except the awareness (level of significance = 0.266) and attracting attention (level of significance = 0.186). The results are as follows: (i) Creating interest (level of significance=0.004); the highest effectiveness of advertising on creating interest in choosing ABI is on customers of younger ages and as the effectiveness decreases as the customers' age increases (the average for customers is as follows: under 30 years old=4.06, 31-40 years old =3.95, 41-50 years old =3.92, and above 50 years old =3.84). (ii) Royalty (level of significance=0.0001); the highest effectiveness of advertising on creating interest in choosing ABI in customers is in older ages. . Therefore the effectiveness increases as the customers' age increases (the average for customers is as follows: under 30 years old=3.26, 31-40 years old =3.48, 41-50 years old =4.10, and above 50 years old =4.11). (iii) Leading (level of significance=0.0007); the average for customers is as follows: under 30 years old=4, 31-40 years old =3.38, 41-50 years old =4.11, and above 50 years old =4.05). (iv) Attraction (level of significance=0.0001); under 30 years old=3.92, 31-40 years old =3.38, 41-50 years old =3.87, and above 50 years old =4.05). (v) Awareness and attracting attention (level of significance=0.0001); under 30 years old=4.01, 31-40 years old =3.38, 41-50 years old =4.07, and above 50 years old =4.08).

- *The comparison of two variables of advertising effectiveness and level of education:*

According to the above variance test, the significance level of all variables indicate the effectiveness of advertising except the awareness (level of significance = 0.266), attracting attention (level of significance = 0.186) and royalty (level of significance =0.145). The results are as follows: (i) Attracting attention (level of significance = 0.006); the highest effectiveness of advertising on attracting attention in choosing ABI is on customers of higher level of education and as the effectiveness increases as the customers' level of education increases; (the average for customers is as follows: high school degree and lower =3.98, bachelor degree= 4.15; master degree= 4.12; PhD = 4.39). (ii) Creating interest (level of significance = 0.006); (the average for customers is as follows: high school degree and lower =3.93, bachelor degree= 3.92; master degree= 3.96; PhD = 4.02). (iii) Attraction (level of significance = 0.006); (the average for customers is as follows: high school degree and lower =3.31, bachelor degree= 3.35; master degree= 3.64; PhD = 3.90). (iv) Awareness and leading (level of significance = 0.004); (the average for customers is as follows: high school degree and lower =3.83, bachelor degree= 3.87; master degree= 3.95; PhD = 4.05).

The purpose of this research is to examine a main hypothesis and 5 subsidiary hypotheses. In this part, the descriptions of the hypotheses are discussed by referring the results obtained in the previous chapter.

The main hypothesis is "the advertising of ABI is resulted in creating awareness and in attracting customers". The results of one sample T-test (table 2) indicate that advertising has impacts on awareness of ABI customers.

The acquired average is 4.41 which is higher than the assumed average 3. This difference is confirmed by the significance level of 0.0001 which is lower than 5%.

The first subsidiary hypothesis is "the advertising of ABI is resulted in attracting of customers' attention". The results of one sample T-test (table 3) indicate that advertising has impacts on attracting the attention of ABI customers. The acquired average is 4.16 which is higher than the assumed average 3. This difference is confirmed by the significance level of 0.0001 which is lower than 5%.

The second subsidiary hypothesis is "the advertising of ABI is resulted in creating interest in customers ". The results of one sample T-test (table 4) indicate that advertising has impacts on creating interest in ABI customers. The acquired average is 3.97 which is higher than the assumed average 3. This difference is confirmed by the significance level of 0.0001 which is lower than 5%.

The third subsidiary hypothesis is "the advertising of ABI is resulted in leading the desire of customers". The results of one sample T-test (table 6) indicate that advertising has impacts leading the ABI customers. The acquired average is 3.56 which is higher than the assumed average 3. This difference is confirmed by the significance level of 0.0001 which is lower than 5%.

The fifth subsidiary hypothesis is "the advertising of ABI is resulted in creating royalty in customers ". The results of one sample T-test (table 5) indicate that advertising has impacts on royalty of ABI customers. The acquired average is 3.51 which is higher than the assumed average 3. This difference is confirmed by the significance level of 0.0001 which is lower than 5%.

The results indicate that all the calculated values of sub-scale averages which influence advertising effectiveness on choosing ABI have meaningful differences with assumed average (significance level of 0.0001). all the above variables have higher acquired averages than the assumed average 3. the summary of the calculated average values is as follows: Awareness with the average of 4.41, creating interest with average of 3.97, attracting attention with the average of 4.16, royalty with the average of 3.51, leading with the average of 3.96, and attraction with the average of 3.56.

The significance levels of all sub-scales are 0.0001 which is less than %5 and hence indicate that there is a meaningful relationship between all the sub-scales and the effectiveness of advertising.

The Pearson coefficient also suggests that: advertising and its effectiveness have a direct and strong relationship with attracting customers by awareness (correlation = +0.725). Advertising and its effectiveness have a direct and strong relationship with attracting customers by attracting attention (correlation = +0.731). Advertising and its effectiveness have a direct but weak relationship with attracting customers by creating interest (correlation = +0.282). Advertising and its effectiveness have a direct but weak relationship with attracting customers by royalty (correlation = +0.164). Advertising and its effectiveness have a direct, strong, and meaningful relationship with attracting customers by leading (correlation = +0.842). Advertising and its effectiveness have a direct and strong relationship with attracting customers with attracting attention (correlation = +0.731). Advertising and its effectiveness have a direct, strong, and meaningful relationship with attracting customers by interest (correlation = +0.729).

## REFERENCES

- [1] Naderi, H., 2010. Fundamentals of Marketing Management, Tehran: look for knowledge dissemination, pp: 305-312.
- [2] Manor, P., 2005. Tbyghat Business School Press Social Communication Sciences, Tehran, first edition.
- [3] Alvdary, H., 2014. Marketing and Market Management, published by PNU, Eleventh Edition.
- [4] Sarai, H., 2010. "Analysis of factors affecting the profitability of commercial banks: Monthly financial research." Year, 8(21): 3-26.
- [5] Dehdashti, G., 2014. Mass media and audience attitudes, psychological approach to publicity, research and evaluation Quarterly, 29: 54.
- [6] Naderi, M., 2010. Ensure ongoing communication in the ad, Tehran, publisher, second edition.
- [7] Intelligence, S., 2004. Effects of Agricultural Bank of deposit programs, commercials.
- [8] Farokhi, M., Basil, 2012. Evaluating the effectiveness of advertising Parsian Bank and identify the most important factors in increasing its effectiveness in the area of scientific Thran.mjlh-Pzhvhshy Modern Marketing Research, 6(2): 0.39-18.
- [9] Gal, M., *et al.*, 2009. Procedure of qualitative and quantitative research in education and psychology. Translation: Nasr, A., *et al.*, Tehran, publication of books, reading and editing of Social Sciences (right).