

Effects of Guerilla Marketing in Growth of Beauty Shops: Case Study of Matuu Town, Machakos County, Kenya

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Abstract

Marketing in small firms is not the simplistic, promotional activity that it appears at first sight. Nor is it marketing according to the traditional concepts. Marketing indicate that an assessment of market needs comes before new product or service development The purpose of the study is to assess the effects of guerilla marketing practices on the growth of beauty shops in Matuu town, Machakos County. Kiambu County was selected due to the fact that it has a very high level of competition in beauty shop business and therefore, the owners have turned to guerilla marketing tactics to reach to their customers.

This study targets the population of beauty shop owners, focus groups and the clients of the business. Random sampling was used to identify the 27 businesses was focused by the study. The research design used was exploratory research since much has not been done in area of interest. The questionnaire comprised of closed and open ended questions. Descriptive statistics was used to collect data and included frequency tables and charts. Further, a computer statistical package for social sciences (SPSS) was used in entering and analyzing the data. The study established that the beauty shop owners used guerilla marketing to promote their businesses.

Keywords: Guerilla marketing, Entrepreneurial, buzz, Growth.

Introduction

Small businesses as sharing specific marketing problems particularly a narrow customer base, limited scope and impact of marketing activities, variable and unplanned effort, and over-reliance on the owner-manager's marketing competence. Webster (1992) views traditional marketing as conceived of as a deliberate or planned process or a marketing concept assumes that a careful identification of customer needs through formal market research precedes a structured development of new products and services in response to those needs.

Entrepreneurial behaviour on the other hand, is regarded as representing a much more informal, unplanned activity relying on the intuition and energy of an individual to make things happen Chell et al. (1991).

The developing countries have generally come to recognize that the SME sector may well be the main driving force for growth, due to its ability to develop marketing strategies that responds to the market dynamics of modern times. MSE sectors have been seen as a primary means of strengthening the Kenya's economic development (Sessional paper No. 2 of 2005). Despite the vital role played by SMEs, there has been very little done to them in terms of marketing for their sustainable growth. The challenges posed by the dynamics in the global social, technological, environmental and legal circles, calls for the rethinking by the MSEs Owners about the role of marketing for sustainable development of their enterprises.

Traditional marketing have become less affective and it is therefore imperative for the entrepreneurs to focus on the intangible attributes of their offers thus providing psychological benefits and corruption experiences to customers, in order to achieve a competitive advantage. Due to this, SMEs entrepreneurs need to change their marketing strategies from traditional way, which is commonly emphasized to a better strategy that is non-traditional but very responsive with more customers orientation for a competitive advantage. Successful entrepreneurs undertake unconventional marketing, focusing first on innovations to products and services, followed by addressing customer needs.

Drucker (1986) suggests creativity and innovation in product or service development are the hallmarks of successful entrepreneurship, not careful research into customer needs. Therefore entrepreneurs engage in innovative and appropriate marketing strategies which ensure their survival and growth. The main objective marketing is to demand rather than responding to demand. It should be based on man psychology rather than experience. According to Morris (2001) various observers have suggested that entrepreneurship is the principal agent to change. Entrepreneurial marketing sees on-going entrepreneurship as a change agent of the marketing discipline. This is the kind of marketing that enables entrepreneurs to discover, create, motivate, satisfy and meet the demands and desire of customers.

Levison (1994) sees guerilla marketing as characterized by low cost effective communication, co-operative efforts networking, leveraging of resources using energy and imagination. Levison (1994) continuously notes the main characteristics of guerilla marketing, as boosting, creative, leveraging use of available resources and a highly targeted mix of innovative and effective communication techniques, networking, using energy and imagination and low cost. The entrepreneur must never loss focus even if there is growth of business. Knowing that people want relationship, guerilla marketing, does everything to establish and nature a bond between themselves and each individual customers because customers are agents of free marketing. They know that long-term relationships are the key to information dissemination.

Guerilla marketing aims its message at individuals or if it must be a group, a smaller group is preferred. Entrepreneurs see entrepreneurial marketing as the ability to communicate and

respond rapidly to individual customers. Entrepreneurs interact with individual customers through personal selling and relationship building approaches. The manifestation of the inadequate entrepreneurial marketing, where guerilla marketing is a major practice, among the SME in Kenya is evidenced by the stagnated growth and high motility rate among SMEs.

Problem Statement

According to 2003 Economic Survey, the number of employment within the MSEs had increased from 4.2 million people in 2005 to 5.1 million persons in 2001 accounting for 74.2% of the total persons engaged in employment. Entrepreneurship manifests itself across all sectors of the country's economy and provides one of the most prolific sources of employment. This can be attributed to the growing entrepreneurial culture mushrooming through the entire economy.

Stokes (2000) views Medium and Small Enterprises as having a major problems in the field of marketing such as having small range of customers, financial constrains in the field of marketing, little innovation among others. Many MSEs entrepreneurs also operate in a very turbulent environment of increased risk and diminishing ability to forecast, traditional marketing among others. The fragmentation and saturation of conventional media channels has led to the reduced effectiveness of traditional promotional methods.

Kenya like other developing countries has been grappling with the problems of growth and worsening poverty. These and other factors have made the Government strongly prescribe to entrepreneurship as the engine of growth. This is particularly evident in the government's Economic Recovery Strategy Paper for Wealth and Employment Creation (ERS) 2003-2007. According to Webster (1997) many MSEs Owners do not position themselves to be able to sport and utilize opportunities in the market place. This can be interpreted to point out that MSEs are not effectively using guerilla marketing for the acceleration of business growth.

Today, traditional marketing can no longer justify its existence. Firms can no longer just make a product, price it, promote it, and expect to continue to exist in this linier fashion using what is referred to as inside-out thinking. Traditional promotional mix variables are no longer as effective as they used to be. In this legend, the fundamental view of marketing has shifted largely from the 4P's of the 1960s to the 4C's of the 1990's. Enterprises must move towards using outside-in thinking, which means focusing externally on customers' needs and wants.

Perhaps the future directions for the marketing discipline concern the need to embrace strategic relationships, alliances, and networks as opposed to simple buyer-seller exchanges. Therefore, rethinking the marketing concept has emerged as a necessity, in order to face market challenges coming from the new competitive scenario.

There are a number of guerilla marketing strategies, which businesses apply either through planning or without plan. However to date, very little if any empherical studies has been done to assess the effects of guerilla marketing in general, ambush and experiential marketing in

particular. The study will therefore find the effects of guerilla marketing as practiced by Beauty Shops on business growth.

2.0 Literature Review

This chapter gives a summary of relevant literatures that relates to this research. It has reviewed existing literature and other relevant information covered by other researchers. The review covers a theoretical framework, conceptual framework, a critique of the existing literature and seeks to identify a research gap upon which the study will be based upon.

2.1 Theoretical Framework

Ajzen (1991) model of the Theory of Planned Behavior (TPB) is a model associated with human behavior. The individual decision-making is determined the self and also persons or groups of persons who are important to the individual. Hill et al. (1999) suggested that the success of guerilla marketing is a function of the consumers' willingness to use a product depending on the influence of others and the perceived benefits from the product use.

2.2 Conceptual Framework

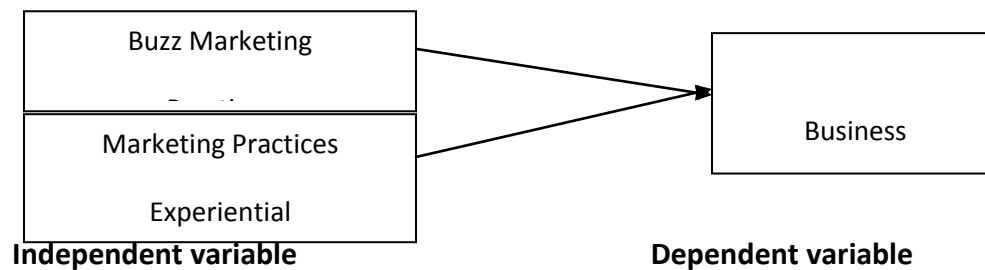


Figure 2.1 Conceptual Framework

2.3 Buzz Marketing Practices

Viral marketing as a communication and distribution concept that relies on customers to transmit digital products via electronic mail to other potential customers in their social sphere and to animate these contacts to also transmit the products. (Helm 2000b). Buzz marketing as one of the most credible forms of advertising because people who do not stand to gain personally by promoting something put their reputations on the line every time they make a recommendation. It can often be word-of mouth delivered and enhanced online. Viral marketing is the online counterpart of word of mouth and is often described as word of mouse. Viral marketing has the opportunity to reach thousands of potential customers at minimal expenditure.

According to Howard (2005) viral marketing is popular because of the ease of executing the marketing campaign, relative low-cost, good targeting, and the high and rapid response rate. The assumption is that if such an advertisement reaches a susceptible user, that user will

become infected and can then go on to infect other susceptible users. The instruments or tools for spreading viral marketing campaigns in the Internet are the people who visit the Web. Viral marketing provides the tool to spread the product in the quickest possible time with the least amount of effort from the customer.

Renee (2001) asserts that today social media plays an important role in creating buzz. Blogs, consumer review sites and social networking sites such as Face book, Twitter and YouTube are key tactics in a buzz marketing campaign. For a marketing message to spread successfully through the population, the message needs to be strong enough that it warrants passing on, whereas a weak message can be easily forgotten. Strong positive conversational word of mouth usually results from a good customer experience or convincing message. Word of mouth is a powerful promotional tool and would be as part of almost every business marketing strategy.

2.4 Experiential Marketing Practices

It is time to leave traditional marketing concepts which focus on the product and marketing experts should focus on customers' experiences about the product. Today, since traditional marketing concepts are insufficient and firms that use the experiential marketing are getting successful as they appeal customers' feeling and sense. Firms owners should have direct relationship with the customers, so customers can reach the firm and the product when wants to get experience.

Economic development is entering into a new stage of experience, which leaves behind the traditional sales methods focusing on product sales and service offering. In order to enhance consumers' emotional connections to the brand and provide a point of differentiation entrepreneurs are turning their attention to creating memorable retail experiences, which appeal to consumers at both physical as well as psychological level. In a sense, these strategies allow consumers to become immersed within the holistic experience design, often creating flow type experiences and connecting the audience with the authentic nature of the brand is one of the prime goals of experiential marketing.

Schmitt (2003) states that experiential retail strategies facilitate the creation of emotional attachments, which help customers, obtain a higher degree of possessive control over in-store activities. This is achieved through participation in personally relevant, credible and memorable encounters. It also allows customers to engage and interact with the brand's products and services. Finally, it emphasizes on the value of the product to the customers and aids them in taking the right decision.

Pine and Gilmore (1999) points that the experiential marketing architecture consists of Strategic Experiential Modules (SEMs). The five strategic experiential models proposed by Schmitt create different experiential forms for customers: sensory, emotional, thinking, action and related experience. Experiential marketing by its very nature is a dialogue that consumers cannot ignore, not because they are being forced into it but because it engages with them but it involves them at a personal level. The strength of experiential marketing is letting consumers

interact with the product before purchasing it. This is because by interacting with the product beforehand, a consumer knows the benefits of the product and he or she is more likely to purchase it.

2.5 Critique of the Existing Literature

According to Kilbourne and Beckmann (1998) scientific approach used in marketing is greatly criticized and examinations at micro-level are outdated and they cannot generate results that could promote the so, marketing researchers have been analyzing still the same marketing issues. A study by Rafiq and Ahmed (1995) found that there is a high degree of dissatisfaction with the traditional marketing. Srivastava, Shervani, and Fahey (1999) conclude that marketing theory and practice fails to connect marketing to cross-functional business practices and to the cash flow consequences of marketing actions.

Popovic (2006) pointed out that the concept of 4Ps has been criticized as being a production-oriented definition of marketing, and not a customer-oriented. There is need to address marketing by converting product into customer solution, price into cost to the customer, place into convenience, and promotion into communication which are much more focused. Consumers in today marketing are the bosses and not mere persons. A producer should rely on the people who count but not those he counts.

3.0 Research Methodology

The research design was exploratory research. Philips & Pugh (1987), Web (1992) and Shari et al. (1995) noted that exploratory research is most useful in the preliminary stages of a research project when the levels of uncertainty and of general ignorance of the subject in question are at their highest, when the problem is not very well understood. Being largely exploratory this study will employ both qualitative and quantitative data collection and analysis approaches with a bias towards qualitative approaches. The bias towards qualitative approaches and the fact that it is largely exploratory explains the decision not to use a testable hypothesis.

The technique used in the study was that of random sampling. Under this technique, every individual of the population has an equal chance of inclusion in the sample (Kothari 2010). The instruments of data collection in this study were questionnaires, interview guides and focus groups.

A pilot study was then carried out before engaging on the main research in order to check the feasibility of the research. The study was carried out on beauty shops owners who were did not form part of the ultimate sample. Data was then summarized with a view of presenting it in forms that were appropriate for the study's requirements. Quantitative data was analyzed by using descriptive statistics and it included frequency tables. Qualitative data on the other hand, was analyzed organized and coded. Further, computer Statistical Packages for Social Sciences (SPSS) was used to generate tables and charts.

4.0 Research Findings and Discussions

The study sought to find out to what extent does buzz and experiential marketing by Beauty Shop Owners to enhance business growth in Matuu town. The study shows that 59.3 % of the beauty shop owners used Word of Mouth to promote their beauty shops, 18.5 % used SMS while 22.2 % of the respondents used posters. None of the respondents used internet to promote their businesses. This was due to ignorance of the power of internet as a promotion to opinion leaders. The majority of the beauty shop owners used the Word of Mouth. The study showed that Word of Mouth encourages dialogue with their customers. Word of Mouth is a very strong selling point because the beauty shop owners have a personal appeal and can use the strategy to deliver the message in the most suitable way. Word of Mouth also helps the shop owners to develop and retain a good customer relationship, which is important for business growth. Word of Mouth is characterized by low cost, effective communication and cooperative effort networking (Levision 1994).

Table 1

Growth rate of beauty shops in relationship to buzz marketing strategies

Buzz marketing strategies	Excellent	Moderate	Slow
Word of Mouth	74.5	29.5	-
SMS	37	48.1	14.8
Poster	10	90	-
Internet	-	-	-

The above analysis shows that 74 % of the respondents attributed the excellent growth of their business with the use of Word of Mouth, 29.5 % of the respondent attributed their moderate business growth to using Word of Mouth, while none of the respondent cited slow growth after using Word of Mouth. 37 % of the respondents who used SMS said their business growth was excellent, 48.1 % of those who used SMS said growth of the business was moderate and only 14.8 % said use of SMS resulted in slow business growth. Analysis also shows that only 10 % of those beauty shop owners who uses posters said that business growth was excellent while 90 % of the respondents said that their business growth was moderate. From earlier analysis, there was no business owner who used internet to promote his or her business.

4.2 Experiential marketing

The research findings revealed that 18.5 % of the respondents used gifts to promote their beauty shops, 33.3 % used samples and 66.7 % used the services of opinion leaders to reach their potential and existing customers. Opinion leaders were preferred because they were a case in point and they gave testimonies of the appropriateness of the goods and services

offered by the beauty shop owners. The overwhelming use of opinion leaders was because they are highly entrusted and their opinion counts when others make their individual decisions.

Table 2

Growth rate of beauty shops in relation to experiential marketing strategies

Experiential marketing strategies	Excellent	Moderate	slow
Gifts	14.8	74.1	11.1
Samples	14.8	85.2	11.1
Opinion leaders	74.1	22.2	3.7

The above shows the relationship between experiential marketing strategies and the level of growth of beauty shops. 14 % of those who use gifts indicated that growth was excellent, 74 % said that growth was moderate while only 11.1 % of those who used gifts said growth was slow. 14.8 % of those respondents who uses samples said growth was excellent, 85.2 % said business growth was moderate while 11.1 % of the beauty shop owners said business growth was slow. 74.1 % of the beauty shop owners who used opinion leaders experienced an excellent growth while 22.2 % said growth was moderate growth while 3.7 % of the respondents said growth of their business was slow. The study showed that researcher opinion, leaders play a significant tool in marketing. This is due to the status conferred to them by the society. Gifts and samples are also key to promotion of the business because the customers relate with the goods hence business growth.

5.0 Conclusion and Recommendation

5.1 Conclusion

From the study and the analysis of data done, there is exists relationships between guerilla marketing and business growth The study revealed that majority of the business shop owners used buzz to promote their businesses. The research indicated that word of mouth posters and Sms were used and none of the business shop owners used internet to promote their businesses.

The research analysis should that there was a relationship between buzz marketing practices and the growth of the beauty shops. The outcome of the study on the use of experiential marketing showed that experiential marketing strategies were used with opinion leader being mostly used. It was evident that there was business growth after the business owners used experiential marketing.

5.2 Recommendation

There is need to comprehensively incorporate guerilla marketing information as a whole to the existing marketing literature at all level of learning. The government in conjunction with other stake holders should come up with computer software that specifically tailored for nascent entrepreneurs to assist them to develop marketing information that would assist them promote their businesses locally and globally.

The success of the guerilla marketing as used by the beauty shop in Matuu town should be introduced to other entrepreneurs in other businesses and those not popular should be objectively analyzed and corrective measures taken to improve them so as to make them relevant. This would ensure that there would be a cross-sectional growth of all the small and medium enterprises.

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