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The Adoption of Marketing Plans by Micro-Enterprises in Zimbabwe: A Case of Fashion Boutiques in Masvingo

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Abstract:

The successful performance of any business organization has been proved to be a result of the effective adoption and use of marketing plans. Marketing plans should not just be wishful thinking but rather a realistic deliberate action based from information about the market and customer needs and also be based on organizational potential and its strengths to satisfying the identified needs. With this view micro firm in the fashion boutique sector in Zimbabwe could grow into formal organizations if they had adopted the use of marketing plans. This study was meant to measure the extent of adoption of marketing plans by micro fashion boutiques in Zimbabwe. The study was done on a sample of 100 respondents who were picked from 40 micro fashion boutique firms in Masvingo town, of which 40 respondents were Owner-managers and 60 respondents were workers from the same firms so that unbiased information could be obtained. The data was collected through the use of a questionnaire since it enabled the respondents a time to understand and answer questions during their spare time. The researcher adopted the descriptive research design because of the reasons that it enabled the respondents to give their views freely. An extensive literature study was done to examine the relevant materials in the same topic and see the views of different authors regarding the effective use of marketing plans for growth of firms. The study revealed that most micro fashion boutiques have not yet adopted the use of marketing plans which might be a possible reason for failure to grow. It was concluded that their efforts originates from owner-managers so lack continuity in case owners are absent. Management implications and recommendations were given if micro firms are to grow.

Key words: Adoption, Marketing plans, Micro Enterprises, Fashion products, marketing elements

1. Background of the Study

The normal and common scenario in business is that after the formation of a firm it aims to grow and move from one stage to the next until it reaches the more attractive formal business which enjoy dominance in the market. The normal situation is for any firm to pass through start up, expansion, maturity, and diversification. This important view has been supported by Stephen et al (2002) when they said that, 'Dynamic approaches consider making use of the biological metaphor of the life-cycle where the enterprises are born, grow, and decline.' Therefore, if an organization has resources both financial, human and then it fails to grow or move through these stages, it's a sign that there may be an operational problem in that firm. Some authors suggested that most micro enterprises find it difficult to grow because of lack of financial resources, but Mpofu (2007) argues that micro firms have the necessary financial support since micro-lending companies have been set up to provide the financial resources needed by the micro businesses, including fashion boutiques. In Zimbabwe the government facilitated and opened institutions to provide the needed financial resources, such as SEDCO, Ministry of Small and Medium Enterprises, there is a number of Non-Governmental Organizations (NGO) that provides group loans for example, Credit against Poverty (CAP). Apart from the provision of funds, there are several training programs which the Ministry of Small to Medium Enterprises started to equip new entrepreneurs and improve existing firms, so that micro firms grow into small firms and small enterprises grow into medium enterprises and medium enterprises grow into formal organizations. With all these efforts aimed at enabling micro firms as well fashion boutiques grow into formal firms, little evidence of growth is there and one area to check is the adoption of the marketing philosophy. A lot was researched about the micro business growth and challenges noted, but little has been researched on the adoption of marketing plans by these micro firms in the micro fashion boutique businesses in the Zimbabwean market.

There are four major arguments that have been given to explain why a micro firm may opt to remain small once a certain size has been achieved as given by (O'Farrell and Hitchens 1988)

- the firm aims to effectively serve a limited market niche;

- The owner-manager has fears of growth risks so deliberately chooses to remain small.
- The director voluntarily wants to maintain the business small due to lack of expansion motivation. and
- In developing countries like Zimbabwe, micro firms are informal and hesitant to grow beyond a certain size due to fears of formalization. This research will find if marketing plans have been adopted in these micro firms.

2. Literature Review

2.1. Definition of Fashion

Fashion normally involves change, defined as a series of short-term fads. (Easy 2009) Fashion garments can be seen as an art as explained in countries such as France, Italy and United Kingdom. The continual change in fashion requires a great deal of creative design skills to enable firms provide a wide range of goods from basic to rare clothes. The fashion designers play a major part in the mechanism of different garments in this industry as they respond to the changes in the needs, wants and personal tastes and preferences of customers. Marketers also play a major role to help with marketing information and expertise that is needed to ensure that the garments are well placed, promoted and even priced to suit the customer segments.

Marketing is a way of thinking about the business as seen from the view of the customer or the potential customer. (Kotler 2004). Such a perspective has more weight in business decisions as it focuses on the acid test for all firms that is if a fashion boutique fail to meet the expectations of its customers it will not survive. The survival of fashion boutiques depend largely upon repeat buying and new buyer references and the secret behind customer loyalty is the customer satisfaction from garments which are unique, stylish, durable and easy to care for.

The notion of meeting customers' needs also includes profitability as this enable business continuity because if profit is not sought there won't be any business growth and the ability to satisfy the needs will be hindered in the long run. Other aspects of fashion marketing decisions are product development and branding, pricing, publicity, sales promotion, selling, forecasting and distribution without which the fashion boutique cannot succeed (Costantino 1998).

2.2. The Marketing Plans

The marketing plan is a document that details marketing action for a specified period. It points out what has to be done, when it is to be done, how it will be done and with what expected effects. The plan provides details of the strategy and how it will attain its intended set objectives. In this marketing plan, details are given in terms of resource allocation (financial), persons responsible for each identified task and schedules of their attainment periods (Easy 2009) Another important aspect is the manager's role to supervise the implementation of the fashion marketing strategy. The fashion retail market also has become increasingly turbulent over the years. Supermarkets are moving into apparel retail, selling branded goods at discounted prices by taking advantage of the grey market (Mintel, 1999; Mintel, 2000).

2.3. Micro Enterprises

There are many different definitions of the term 'micro firms' as given different writers from different countries which have different economic levels and therefore it's essential to first of all define it according to the Zimbabwean perspective. According to Elaian (1996) as given in The United International Development Organization (UNIDO) defines Micro Enterprises in terms of the firm's size according to the number of employees. Thus, in developing countries such as Zimbabwe, micro firms employ less than five people and are run by the owner being assisted by family members or close relatives. (Mutsikiwa et al 2012) It is clear from the various definitions that there is not an agreed position over what constitutes a micro firm. As noted above definitions vary depending on industries and also across countries.

2.4. Fashion Products Promotion

Displays and advertising are the functions used to promote the fashion merchandise and work as the driving force of increasing sales (Frank, 1999). Advertising works to create a long- distance memory of the uses, benefits and create a desire for the product and has effects away from the shop, and displays provide an impression of the merchandise to customers inside the shop. The customer does not have to be in the shop because displays are seen from the windows and it pulls customers into the shop. Frank (1999) adds to it by saying that displaying fashion goodies tempts people to buy and also attracts others inside to have a feel of the goods. In practice it has been noted that fashion designers use exclusivity as a promotional strategy to take advantage of small retailers and boutiques. Instead of selling bulk quantities of a design, they make small orders (e.g., 50 – 100 units) can be packed. Fashion marketers also make special offers so that each design is sold out fast before it goes out of fashion. Again fashion marketers from the manufacturers supply fashion boutiques and small retailers have more product knowledge, selling skills, and motivational training to encourage them to market effectively (Winogrand 1997)

2.4.1. Type of Clothing Merchandise

According to Bennett (1995) retailers may be classified by the merchandise they hold, as well as the variety and assortment of clothes they carry. As well as the merchandise they offer often dictates the size of the shop, the shop location in town and the selling methods to adopt for example self-service, counter service etc. The type of merchandise carried depend on the plan of the business. Product assortment may refer to the different varieties of products carried within a product line and for effective marketing micro fashion

boutiques in Zimbabwe need to balance their product assortments and this can be achieved through merchandise planning. The buyers and marketer's plan, may take a long time especially if buying is internationally which may be designed to take up to eight months before the marketing period and this plan can be used to come up with the volume and varieties of goods required. These days it is noted that companies are recognizing that a quick response (QR) plan can result in accurate forecasts of up to 95 per cent, and goods supplied directly to the buyers (Mattila et al., 2002).

2.4.2. Fashion Merchandise Quality

Quality can be the level of excellence that a company's goods and services have as defined by customers as opposed to view of the organization (Peter and Donnelly 2009). Technically, quality can be viewed in terms of physical traits of a product such as features, performance, reliability, durability, aesthetics serviceability and conformance to specifications. In fashion boutiques in Zimbabwe quality is a vital aspect which requires proper marketing planning. In the fashion business the most important attributes are price, quality, product selection and service offered by the shop's personnel. However, it can be observed that different market segments will prefer different levels of these marketing attributes. Therefore knowing the exact tastes and preferences of each target groups is essential to fine-tune the interior and exterior design of the shop, the point of purchase materials, the product styles and assortment and the overall image of the store (Pelsmacker, Geuens, and Van den Bergh (2010) The customer is the key perceiver of what quality is, therefore customers' purchase decisions are based on perceived quality of products or services.(Tungate 2005) Quality is often confused with the term value, which refers to what the customer receives in exchange for money. The Micro fashion boutiques in Zimbabwe need to study the customers' perceptions regarding quality clothes and then make plans to maximize on the rapid speed of fashion changes.

2.4.3. Fashion Merchandise Supply And Demands

The success of any marketer is to be able to judge whether or not there is a potential demand for the fashion goods and find whether that demand is sufficient enough to warrant a targeting of that segment (Kotler 2004). The demand for fashionable goods is normally steep and falls rapidly which means that it takes a short time for them to decline. Therefore lack of marketing plans may result to a disaster as the micro firm can collapse due to the lapse of its fashionable taste. If there is limited supply of the product the price will rise on the market. This require marketing planning so that price is kept high and market growth maintained In managing in store product placements the high demand items are placed in the back of the shop. This arrangement requires buyers to walk throughout the shop so that they see the varieties of products on stock, and it is a strategy known as destination placement (Easy 2008).

2.5. Marketing Planning

Marketing concept can be defined as a customer orientation that holds the key role of management to identify the needs and wants of customers and to drive the organisation to give the desired satisfactions more efficiently than the competitors in a way that maintains the customers and environment safe to stay (Kotler 1994). Customer focus is a primary factor of market orientation that drives the behaviour characteristic of market-driven firm. (Narver and Slater, 1990; Kohli and Jaworski, 1990; Day, 1994), looks at the need for a long range plan where the firm makes the mission and vision of the firm, which enable effective allocation of the resources to various activities of the firm as a strategy for growth. Easy (2008) argues that fashion marketers who take all customers in the market to be the same are adopting an undifferentiated marketing approach that may not suit the present customer perspective. Today customers are fully aware of their needs and they do not just accept anything from the marketer, they only buy if their needs are met Therefore micro fashion boutiques need a mission statement of firm which gives direction on where it should be going and the direction and purpose are the driving force for all businesses regardless of their sizes. Large organisations put their (plans) vision, mission and goals on paper, whilst micro or small organisations may operate without a formal (plan) paper. The rate at which the business environment is changing requires micro firms to move from the informal way of doing business to the formal way.

2.6. Marketing Objectives

Baker, (2007) noted that managers are responsible for setting goals that are in line with their levels in the organisation. This means that objectives should be set at every level of the firm regardless of its size and its type i.e. strategic, operational and tactical levels supported this view by saying that setting goals and plans sometimes is the responsibility of the owner-manager especially in small firms (Blythe, J. 2006). In larger firms this duty is assigned to the Chief Executive Officers. In support of that point, Brassington and Pettit (2006) identified the CEO as the single most important person in any firm's planning strategy. Micro fashion boutique firms in Zimbabwe should be directed by marketing objectives because micro firms are sales oriented and their success is measured in terms of sales level.

2.7. Reviewing Marketing Plans

It can be noted that marketing plans need to be reviewed and even changed each time they are reviewed so that they are adjusted to suit the changing market environment Blythe, J. (2006). Some of the plan changes are to meet issues like customer preferences and tastes, changes in market demographics and issues of price especially in fashion products. This means that plans would have been out dated and need to be adjusted to suit the present state in the market. Bruno and Damijan (2000) have identified three basic goals for environmental analysis to enable change in plans. The first is that analysis provides an idea of present and potential changes to take place in the business environment. The second reason is that analysis furnishes us with market intelligence for use in strategic

decisions and thirdly analysis facilitates strategic thinking in the micro firm. Micro fashion boutiques can make informed decision if they apply marketing plans and changes in business environment will not affect the firm heavily than that without plans.

3. Methodology

This research study sought to find the extent of adoption of marketing plan by Fashion Boutiques in micro enterprises in Masvingo Urban, Zimbabwe. A descriptive research design was adopted as it allowed the respondents to give their views pertaining to the problem under study. This design also enabled the researcher to examine the relationship between firms' growth and adoption of marketing plans and competitiveness of the enterprises. The researcher used the following marketing plan variables (marketing tactics, marketing objectives, market segmentation, and marketing environment analysis,) in an attempt to assess how far the marketing plans have been adopted to enhance company growth and sustainability.

A questionnaire was employed to gather data from respondents on how far they use the marketing plan variables in their day to day business operations. The questionnaire focused on three key variables namely: marketing tactics (product, price, place and promotion) marketing objectives (growth, survival, profitability) market segmentation (age group, social class, income level, no segment). The ordinal scale was used where respondents were asked to rank variables on a scale (not used, sometimes used, always used). It was done in order to measure how marketing plans were used in micro fashion boutiques in order to grow and sustain such businesses. Convenience sampling was used in which 100 respondents were used (40 owner managers) and (60 workers) since most of these micro firms rely on them. The research was focused on Masvingo town and not the other areas outside.

3.1. Hypothesis

- H1 Micro Enterprises in the fashion boutique sector have adopted marketing plans.
- H2 Micro Enterprises in the fashion boutique sector are guided by marketing plans
- H3 Micro Enterprises in the fashion boutique business have not fully adopted marketing concept.

3.2. Data Analysis and Discussion

The focus of data analysis was to determine whether micro fashion boutiques in Zimbabwe had adopted marketing plans in conducting their daily business activities. The data was analysed through the use of simple percentage and the results were obtained and shown in the tables below. The marketing planning was measured in terms of product analysis, price analysis, place analysis, promotion analysis and competitor analysis. The researcher used the results on the first, second, third, fourth and fifth tables to analyse the data collected on the use of marketing plans by fashion boutiques in Zimbabwe.

Products	Quality of merchandise sold	High	Low
	scores	60 %	40 %
	How do you rate quality vs. price of goods	Consistent	Inconsistent
	Scores	72 %	28 %
	Product variety handled	Narrow	Wide
	Scores	42 %	58 %

Table 1: Products

3.3. Product Marketing Element

The product is taken as the heart of any marketing plan, because all the other elements depend on the nature of the product. This study shows that some fashion boutique firms (60%) handle quality merchandise and the remainder handle low quality products. The quality is in consistent with the price they charge for 72% of the firms and micro fashion firms in Zimbabwe do not handle a narrow variety (42%) but sell all sorts of fashionable products (58%) which is not deep but it's a shallow assortment of merchandise. The results means that in Zimbabwe micro fashion boutiques are not doing well and this may be the reason for their failure to grow, it's clear that they are operating without laid down marketing plans to direct them towards their intended direction. Their businesses are drifting in any direction like a ship without a compass which is a dangerous move especially these days where the environment is changing fast. This means that hypothesis (H2) is rejected which says that micro enterprises in Zimbabwe are guided by marketing plans.

Price	Which one do you use	Cost based pricing	Competitor based
	scores	80 %	20 %
	Who determine prices	Owner-manager	Sales reps/owner
	Scores	95 %	5 %
	Do you meet sales targets	Yes	No
	Scores	80 %	20 %

Table 2: Place

3.4. Price Marketing Element

Respondents from most micro fashion boutiques of 80% indicated that they used the simple cost based pricing, where they considered cost of acquiring their merchandise. The remainder of 20% use competitor based price that is charging the price according to what others are charging. Almost all fashion boutiques owners dominate the decision on how to price the merchandise as shown on the table. The micro fashion boutiques in Zimbabwe indicated that they normally attain their set targets. The above results may mean that micro firms in Zimbabwe are owner managed and have limited knowledge of other pricing strategies and make use of the simple cost plus mark-up method and do not operate in line with marketing plans.

Place	How is your shopping space	Adequate	Inadequate
	scores	20 %	80 %
	How do rate shopping convenience	Good	Bad
	Scores	30 %	70 %
	Is location suitable for you	Suitable	Not suitable
	Scores	70 %	30 %

Table 3: Place

3.5. Place Marketing Element

The general results shows that most fashion boutiques (80%) are crowded and have limited space for shoppers, and this removes the shopping convenience (30%) as shown above. The store locations seem to be good (70%) for them due to low rentals and also they share rooms which results in a crowded shopping environment. The fact that the aspect of place is not that suitable means that micro firms in Zimbabwe have not fully adopted the use of marketing plans as expected. These results make me accept the hypothesis (H3) that says that micro fashion boutique firms have not fully adopted the marketing concept. They should come up with marketing plans to determine the location, shopping space and consider suitability of the shop for fashion clothes than to use any found shop space. (Geoff and Lester 2011)

Promotion	How do you promote your products	Posters	Leaflets, other
	scores	80 %	20 %
	Frequency of promotion	Once a year	Month ends
	Scores	87 %	13 %
	Plan promotions in advance	No	Yes
	Scores	97 %	3 %

Table 4: Promotion

3.6. Promotion Marketing Element

This study noted that 80% of micro fashion boutiques in Zimbabwe promote their merchandise through posters and the remainder use leaflets and other forms of promotion such as newspapers and shout marketing. Frequency of promotion is very low since 87% of micro fashion respondents carry it once a year and the remainder promote monthly. These results may imply that very little (3%) or no planning is in place for implementation. These results lead the researcher to deny the hypothesis (H1) which says that the use of marketing plans will enable the micro fashion boutiques businesses in Zimbabwe to schedule promotional activities and spread these activities throughout the year and vary them to suit the demand changes of the year.

Competition	How do you react to competition	Ignore it	Retaliate
	Scores	93 %	7 %
	Nature of competition faced	Price	Customer care
	Scores	82 %	8 %
	Dream of business in next 5 years	Growth	Not to grow
	Scores	100 %	0 %

Table 5: Competition

3.7. Competition

Competition is one of the major aspects that marketers have to plan and manage properly, but most micro fashion boutiques in Zimbabwe (93%) ignore it and only 7% react to it by retaliating which may be a wrong approach. The form of competition is mostly pricing oriented (82) and a few (8%) face customer care oriented competition. All the micro fashion boutiques (100%) have an inner motive to expand in the next five years. These results may show that micro fashion boutiques in Zimbabwe do not plan on how to compete while by its nature fashion goods have a short life cycle and if it fails to scoop high profits in a short time it declines early. Therefore having a marketing plan may be a way to see these micro firms graduating from this micro size into more formal businesses in order to enjoy the benefits of large scale operations.

4. Management implications

From the above information there are a number of conclusions that can be drawn. The micro fashion boutiques in Zimbabwe generally do not have formal marketing plans and documentation that they use to for marketing decision making. The owners- managers of these micro businesses are mainly the managers of the enterprises and their decisions are done without following any marketing plans. It was noted that location was not planned but was due to convenience and nothing was done to improve accessibility to reach them. Promotion was not constant and not planned in most micro fashion boutiques but was done as a reaction to other businesses 'actions. The common promotional tools used were price cuts and advertising through small posters and fliers which were distributed during month ends. Owner-managers for micro fashion boutiques therefore should start working on the use and adoption of the marketing plans so that all the elements of marketing are planned and implementation according to an action plan, Product quality, assortment, and range must be done to suit the target market, prices of goods must be charged to match aspects like quality etc.

5. Further Research

This research study was carried out in Masvingo urban which is a limited geographical area which may not represent the whole of Zimbabwe. The research was focused on the adoption of marketing plans and did not cover other factors that play a role for growth of micro firms. Very little was researched regarding micro enterprises especially in the Zimbabwean market, therefore more can be researched on micro enterprises.

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