

Guerilla Marketing in Restaurant Business Is it applicable in Dubrovnik?

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Guerilla Marketing in Restaurant Business

Is it applicable in Dubrovnik?

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Beginning of Guerilla Marketing

Guerrilla marketing is a marketing tactic in which a company uses surprise and/or unconventional interactions in order to promote a product or service. Guerrilla marketing is different than other traditional marketing methods, since this method often relies on personal interaction, has a smaller budget, and focuses on smaller groups of promoters that are responsible for getting the word out in a particular location rather than through widespread media campaigns (Kenton, 2018).

Some people would say that guerilla marketing is an old-fashioned method of marketing, but it is already clear that many companies with a small budget have to use that method to survive on the market. Through the history, guerilla marketing has been very effective in some companies that later on became worldwide famous because of the creative implementation of guerilla marketing. For instance, Marlboro is one of the first companies that started advertising with this type of campaign in the American history. They made a huge impact on the market using only one picture of a cowboy who was smoking. After that picture, the company jumped from 31st place in ranking to number one brand of cigarettes in America. This is considered as the beginning of guerilla marketing. The purpose of this paper is to research the implementation of guerilla marketing methods in one area, or, most specifically, in the restaurant business in order to see if this method can be used in restaurant business in Dubrovnik.

Guerilla marketing characteristics

Operating restaurant is not an easy enterprise. The competition is huge in restaurant business and, in order to have a competitive advantage, choosing the right type of marketing, and the

right marketing tool becomes crucial. Small restaurants have mostly a very limited budget for the marketing, so those restaurants must be creative and innovative in marketing to promote themselves. Even though knowledge and experience are crucial for the success in guerilla marketing, but creativity makes a difference.

As stated above, the main point of guerilla marketing is to find a good way to surprise consumers and get their attention, to send the right message and to make contact with potential consumers. In addition, it is important that marketing message make surprise effect. It is clearly important that people continue to talk about a restaurant in order to get more of their attention. The owners of restaurants have to give their potential customers a good reason to talk about the restaurants and their offer. It needs to be very clear what your top products are and who your top customers are. When this is clear, then an advertising campaign should be created for that particular product or restaurant.

There are several methods for guerilla marketing according to Aida Behmen Milicevic, prosssetcor.com: the usual method is to print T-shirts with important information, or to use vehicles to advertise products decorated it in a different creative ways to get the attention of possible consumers. Another good and not costly solution could be to design and print flyers and posters, but, above all, it is important that a strategic plan is created and developed first so that it is clear where and how these posters and fliers will be distributed. Mascots are also a great marketing solution to get the customers' attention, especially in those situations where your target are kids who are very fond of these mascots. Another interesting solution for guerilla marketing is to create interesting packages of products, for example, smaller packages of pizza, and it could a great idea to decorate it and to put useful information on it. The graffiti are also a great idea, but the problem with this type of advertising is that one

cannot put graffiti on every building. Therefore, it must be a specific location with a building that needs to be decorated anyhow so it is easier to get the permission from local authorities.

Burger King example

As previously mentioned, mascots can be a valid method in guerilla marketing. One of the most famous fast food chains Burger King used mascots to get attention of their customers. Their famous message, which was old for decades, is “have it your way”. With this simple slogan, Burger King also created a chicken mascot who learned 400 different commands. The author of this idea was Crispin Porter Bogusky. When the web surfers noticed that mascots appeared on the official web site page, people started to ask the chicken to do many different things, for example “breakdance”, “fart” and other prerecorded functions. People were so fascinated by this chicken that they thought that it was alive.

During the first two weeks of launching, the chicken showed on the 63 different broadcast streams segments. What is fascinating is that during the period of only 6 months that site was hit by 338 million visitors, and that was an amazing result in this type of guerilla marketing. The example of Burger King shows us how the creativity of the marketing department can affect the future sales of the company since Burger King got attention of all generations using a chicken mascot and adapting it in a unique and creative way to its purpose and its product. This is an excellent example of a good usage of guerilla marketing.

High tech guerilla marketing

Guerilla marketing is changing today and becoming more closely connected to changes in technological world, thus becoming itself more of a technology adjusted type of guerilla marketing. Marketing through social media is today very affordable and a very effective way to promote a company. The rise of social media as a marketing tool is constant and most of the companies use it for their self-promotion.

One of the most relevant reasons why different blogs, YouTube channels, Facebook, Twitter and other social media networks has become so popular is their low cost. When you look at social media and mini blogs, it is clear that their cost is very low if compared to the costs of marketing on television and radio. The cons to social media are not just that they provide quick and precise information: with social media, you also get engagement and interaction with your possible guests. What restaurants usually do is that they develop a plan to create a social media campaign to promote their venue and to increase site visits and make their customer more loyal. Looking at some of the restaurant chains Facebook profile more content can be found, such as fan photos and message boards. Another possibility is that even some particular events organized by the provider of the service can be marketed as well as promoting a new menu in the restaurants. Recently it has become very popular to give awards, such as free meals, to those followers who send the craziest photos. These networks tweeter and Facebook companies use them as some kind of info system in which they answer questions to the clients very quickly. With that info system, many problems get spotted and resolved very fast and customers can also get engaged in developing of some products.

CRM Guerilla marketing (customer relationship marketing)

To survive the jungle of the restaurants is a very difficult task and something interesting needs always to be created to attract potential customers. It is very important that a restaurant owner knows what guests want from you. In a town like Dubrovnik, where restaurant competition is overwhelming, and most restaurants' menus are similar, it is really important to take advantage in front of the competition, as well as to develop customer relations and find a smart way to use marketing tools available. According to Heilpern, Jerry A in article "Operators need to adopt CRM, guerilla marketing tactics to survive restaurant jungle". When choosing one's best marketing strategy, one must also realize the needs of your target audience: "Satisfaction does not equal guest loyalty, by the time most people are 21 years old they have spent a sum total of one year of their lives watching commercials. Restaurant customers are some of the least loyal customers if they are not prompted, just when you thought it is safe, here comes different restaurant. You can spend a fortune on print and radio media and still not see movement in sales."

The key to success in a big competition of restaurants is to apply the model of customer relations managements and guerilla marketing. When customer-relations management is applied, causal relationship with customers gets created in order to make greater value and emotional preferences for the business. According to Heilpern, Jerry A in article "operators need to adopt guerilla marketing tactics to survive restaurant jungle" when you create that type of relationship, "you can reduce the churn of your customer base and increase dining frequency." With CRM method, one can get in touch with communities and neighborhoods with personal and high touch method. (method to reach clients) In such a case, radio and television and all other expensive advertising can be forgotten and what really drives that approach is the usage guerilla marketing. CRM – Guerilla-marketing approach should rely on the database of the customers. For example, what can be used are the data on certain

important dates such as holidays or other milestones, like some birthdays or anniversaries. Using the data from the database restaurants can send customers some special offers, invitations for events, wine tasting and other things. CRM Guerilla marketing approach according to Heilpern, Jerry A in article “operators need to adopt CRM, guerilla marketing tactics to survive restaurant jungle” includes “Creating concierge, incentives and gifts. Creating guest loyalty programs. Reviewing menu mix and pricing as well as menu layout. Targeting new homeowners. Creating newsletters. Creating in store marketing contests to drive check averages.”

Methodology

A questionnaire was chosen as the method to be the most appropriate method to collect the information needed for this research. The purpose of the questionnaire was to find the data relevant to the restaurant business in Dubrovnik, and most specifically, how many respondents who worked in restaurants know about guerilla marketing. My goal was to find out if this method could be effective in restaurant business today, and, if it could be used in the restaurants in Dubrovnik. I used a Google Form to create a questionnaire and I think that visually those questionnaires look very effective. The participants in this survey either worked at least for one season in a restaurant or owned one in Dubrovnik. Most participants are still active students, fifteen of them are juniors, and eight are seniors, and there are also ten other participants that are not active students. All participants are younger than 35 years of age, and they all have experience in restaurant business. There were thirty-three respondents to the questionnaire. Seventeen respondents were male and sixteen were female.

In my research I wanted to focus on our students since most of them do work in hospitality industry and have previous experience in this area. Due to isolation caused by the virus

COVID-19 it was not possible to reach out to many more restaurant owners, and therefore our college has become the main source of information, and the other ten participants work in the restaurants and are not students, only two of them who participated in this survey are actual restaurant owners.

Results

The main purpose of this research was to find out how much this type of marketing, guerilla marketing is recognized in this area, and see if the respondents consider it as an acceptable marketing tool in restaurant business. I was hoping to find out if in a town like Dubrovnik, with so many restaurants, there are different marketing tools that are used, or just the usual marketing tools. The competition is very strong and anything that could improve the position on the market should be considered as useful.

ut there is demand for that market in the season, so I am interested do they use that method?

For me one of the most important questions in my questionnaire is “Are you familiar with method of guerilla marketing” because that is the base of my research. Thirty-three participants solved this questionnaire. I wanted to know how many actually people really know about that method. The results show me that 54, 5% of people actually know what guerilla marketing is. 36, 4% actually do not know what that is and 9,1 % maybe know what is guerilla marketing, but not sure. More than a half people know what is it and surprise me, but still there is a big number who do not know what guerilla marketing is.

In second question, with short answer I wanted to see where participants heard for the term guerilla marketing. The term that is the mentioned, the most was the school and college. I put that all in one category educational system, eight people heard for the term guerilla marketing in educational system. Second largest had four same answers and that was internet. It seems that the biggest sources are educational system and internet, where participants find out about guerilla marketing.

Third question was about do participants ever experienced or seen guerilla marketing. The biggest number 48.5% answered with yes, the second biggest answer was maybe with 30.3% and that really surprised me because there is a still big number of people who are not sure to recognize the guerilla marketing. The answer with lowest percentage was no with 21.2%.

In fourth question, I asked participants could they provide me an example of guerilla marketing. Answer was mostly negative 20.2% answers are no, nope and not really. It seems to me when it comes practical way that participant did not show positive results. In this question, there were 8% of participants who mentioned restaurants as an example. For me that was interesting fact that some people mentioned that since, I am focus on restaurant business.

In fifth question, I was interested have they ever seen this strategy in Croatia. The results in this question was almost equal all three, but the answer "maybe" have highest percentage 36.4%, 33.3% participants have seen and 30.3% answered with no. They are almost equal all results, but what seems to be that participants are not sure what is guerilla marketing.

In sixth question, I was asking the opinion, which business would be best advertised with this method? The question was short answer. The biggest number six of them answered with "don't know", but there are 4 of them who wrote a small business and 3 of them mentioned

restaurants. Also this question show us that again big number do not know where to implement, but these who know think that would be best to implement in small business or restaurant.

In seventh question, I wanted an opinion of participant, could guerilla marketing be effective tool. In the question was a high percentage of 66.7% who answered yes, 9.1% answered with no, and 24.2% answered maybe. In this question it shows me that big number of people actually think that can be effective method, but I think that there is certain percentage that are not sure is it effective.

Eight question was a long answer in Google Form; I was wondering would people use this type of advertisement in restaurant business and why. Five people wrote me because it is affordable and I think that is biggest strength of guerilla marketing, it is very affordable to everyone.

Final question was, are you willing to use this type of advertising to close family members, long answer question. Eleven participants answered with yes, eight of them said no and five participants wrote that are not sure. I see in the results that people mostly thing that cannot be harmful and that can be even more creative.

Discussion and conclusion

The purpose of this research was to identify if people in restaurant business in Dubrovnik recognize guerilla marketing as a valid marketing strategy and to evaluate if this marketing strategy could improve marketing in restaurant business in Dubrovnik. The answers provided in the questionnaire provided important insight into this question since they showed that most participants do not really know this strategy or they do not know it enough to be able to

use it. There are still considerably many people who should know more about this type of advertising and about how this can be beneficial to the restaurant business.

It was also surprising to find out that most respondents could not provide clear examples of guerilla marketing, and it also shows the lack of understanding and knowledge of this matter. Based on my research and my findings on guerilla marketing, I was hoping to find out that this marketing strategy will be recognized as an effective tool in marketing since it is very affordable and could be then used by small restaurants and small business. The research has shown that the affordability is the only characteristic of this marketing that has been recognized by the respondents. Still, in order to identify this as a competitive advantage the people should know more about this strategy to be able to use it properly, not only that there is a minimum investment in guerilla marketing.

During my research I have found many interesting things about the usage of this strategy, I have seen cases like Burger King where the application of this method has made a great and positive influence on the overall business. The history shows that Burger King made a revolution with a chicken mascot, which was very impressive and a fantastic example of guerilla marketing. This also proved one of the important facts about marketing: in order to succeed in marketing one needs to be creative and innovative in every type of marketing, and especially in this type of advertising just as Burger King did. The data from my research confirmed that most of my respondents believe that this method can be effective in restaurant business, and this confirms my hypothesis. Even though, according to some researchers, this method is considered to be somewhat old-fashioned method, if it is use in an innovative way it can still make an impact on the market.

The limitations of this research question is the small sample of participants, and the impossibility to survey all restaurant owners and find out how many of them recognize this method and this strategy and would be willing to use it.

The findings of this research confirm that guerilla marketing would be best suitable for small business, and small private companies which do not have a big budget for advertising. It can be an opportunity for owners of smaller enterprises to join the “game” with “big” players and get more chances to reach their customers.

Today, the world is in one of the biggest economic crisis because of COVID-19 and many business enterprises are struggling to survive. I believe that in this situation specifically today more businesses will have to rely more on the usage of guerilla marketing because of the economic situation. I also believe that, based on what I have found out in my research, more restaurants in the future will have to learn how to use this type of advertising. In Dubrovnik, most restaurants work only during the season, and out of season, they do not know how to attract their guests, and will have problems to survive on the market. Minimizing the costs of advertising will probably become necessary due to the crisis and lot of things will have to change. The budgets of many companies in the hospitality industry will be much lower and everybody will need to adapt to new times and work conditions. My research has shown that guerilla marketing could be a helpful strategy in these difficult times and could provide restaurant owners an opportunity to use advertising techniques in a more affordable way. This type of marketing will be crucial for many small private businesses who need to survive on the big restaurant market. There are lot of who will not survive crisis, but companies who adapt on the innovative way will be winners on the market.

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