

Does Marketing Research Really Matter for Smaller Businesses Under Competition? A Case Study of Hair Salons in Dr. Ruth S Mompoti District, South Africa

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ABSTRACT This research is about *marketing research activity*, an important business imperative when confronted with intense competition, among hair salon owners (mainly Black and previously disadvantaged people) in South Africa. With hair salons becoming unarguably the most affordable means through which the previously advantaged people of South Africa are able to enter mainstream economic activity, their proper management for to ensure survival and profitability has become a key concern for government and policy makers. Easy entry due to low setup cost and no legal need for formalisation, have contributed to proliferation of the hair salon business leading to intense competition for customers and this has unfortunate consequences for hair salons' survival and economic performance. From a strategic management perspective, it is only logical for hair salons to conduct marketing research to obtain accurate information on product prices and customer preferences in order to perform better. But the question is whether hair salons ever consider marketing research relevant to them given resource constraints of such micro businesses. The purpose of this paper is to assess the attitude of hair salons towards marketing research. The findings are that marketing research is not much practiced among the hair salons studied. Implications are discussed.

INTRODUCTION

This study assesses the attitude of hair salon owners - mostly Black people in the Dr Ruth S Mompoti District, a rural area in the North West province of the Republic of South Africa. Historically, the Blacks who live in Dr Ruth S Mompoti District were excluded from self-determination as far as economic activity is concerned in the apartheid era. After democratisation in 1994, hair salon business has become the main means of self-employment hence engagement in meaningful economic activity for the previously disadvantaged Blacks in the whole of South Africa including the Dr Ruth S Mompoti District. From socio-economic point of view, hair salon business has become the livewire for those Blacks who cannot find formal employment due to various reasons. Promotion of best practices that can ensure survival and profitability is therefore

important to the livelihood of individuals, families and the entire community of Dr Ruth S Mompoti District. The problem is that proliferation of hair salon business in South Africa has resulted in intense competitive rivalry within the hair salon business environment which threatens survival and growth of hair salons. Conventional wisdom suggests that in the kind of competitive environment, owners/managers of hair salons find themselves in, they will in line with strategic management thinkers (Lazenby 2014; Hough et al. 2011) continuously scan the internal and external business environments for information that they can use to make sound business decisions. In doing so, the hair salon will be able to identify threats and opportunities in the external environment and weakness and strengths in its internal environment (Lazenby 2014). Hair salons will then be able to leverage strengths in exploiting opportunities whilst using same to ward off threats. Further, hair salons will be able to devise means to address weaknesses.

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The Conception of Marketing Research

Several conceptualisations of *marketing research* exist in the literature. For the purpose of

this study, some of the relevant definitions of the concept over the last decade include: “a systematic process of designing methods for collecting information, managing the information collection process, analysing and interpreting results, and communicating findings to decision makers” (Hair et al. 2008); “determining what customers want so that appropriate products can be offered to meet their needs” (Brumbaugh 2010); “the planning, collection, and analysis of data relevant to marketing decision making and communication of the result of this analysis to management” (McDaniel Jr. and Gates 2010); “scanning the internal environment for strengths and weakness and opportunities and threats in the external environment to be used for informed decisions by the owner/managers of businesses to ward off competition” (Hough et al. 2011); “activities that help an organization to get the information it needs to make decisions about its environment, its product and service mix and its present and potential customers” (Rix 2011); *“the process of gathering, analyzing and interpreting information about a market, about a product or service to be offered for sale in that market, and about the past, present and potential customers for the product or service; research into the characteristics, spending habits, location and needs of your business’s target market, the industry as a whole, and the particular competitors you face”* (Entrepreneur.com 2014). The stand out issue from all these definitions, is that marketing research involves *continuously collecting information on customers’ preferences as well as competitors’ marketing practices and then using the information to ward off competition on one hand, and on another hand to create value for customers*. And this is the operational definition for this study. This viewpoint has long been made in Porter’s (1980) five forces model of competition which allows managers to analyse the industry environment to identify opportunities and threats namely: bargaining power of suppliers, threats of substitute products and services, threats of new entrants, bargaining power of customers and jockeying for positioning among current competitors. Thus from a strategic management perspective, it makes perfect sense for hair salons to carry out marketing research.

Misconceptions as Barriers to Marketing Research in Small Businesses

Authors have pointed out certain misconceptions and barriers to small businesses en-

gaging in marketing research. For example, many think that: (i) a small business should only conduct marketing research when it is making profit with the belief that marketing research requires large amount of money; (ii) one cannot do research unless one is a sophisticated researcher; small businesses are sceptical about the benefits of marketing research as they regard marketing research to be cost-prohibitive and non-value adding. Others cite reasons such as resource constraints, scepticism about benefits, and owner/manager’s self-perceived inability to carry out research as the main reason for small business lack of interest in marketing research. However, according to Berton et al. (2008), Hinson and Mahmoud (2011), and Jones and Rowley (2011) these are all misconceptions that discourage small business owner/managers from engaging in marketing research. Unfortunately, these misconceptions seem to be rife among the hair salon business environment in the research locale. In fact, preliminary finding from informal interviews with salon operators revealed the perception that engagement in marketing research may be too expensive, cumbersome, and time consuming. Yet the perception that marketing research may not be economically beneficial to smaller businesses may not be true as scholars have also indicated various ways in which marketing research can be important to a small business such as a hair salon. For example marketing research is said to provide entrepreneurial opportunity as well as market intelligence information for sound decision making in all kinds of business regardless of size (Crane 2010; Solanki 2010). This suggests that for small business like hair salon, marketing research may well lead to superior performance.

Theoretical and Conceptual Frameworks

This study is underpinned by two important theoretical considerations. The first one is the ever enduring five force model of how a business can survive in a competitive environment (Potter 1980) and the second and of no less importance is the idea of market orientation.

Potter’s five force model of competition in the business environment emphasises on the evaluation of internal and external environments of the organization. As Lazenby (2014) agrees to, the external environmental forces can manifest as opportunities or threats that affect or-

organisation's competitiveness, sustainable growth, and profitability. In the same way, internal forces or factors represent inherent competitive strengths or weaknesses in an organisation. This theory further explains that organisations need to know and understand their external as well as their internal environments to respond effectively to external and internal challenges so that they can obtain the relevant information they need for effective strategy formulation. Studies indicate that most owner/managers of small businesses use intuitive and "gut feeling" to do internal analysis subjectively, relying on their past experience which may cause near-sightedness on the part of the management, creating emotive and subjective decisions which are inimical to success (Ehlers and Lazenby 2011).

Theoretical conceptualisations of market orientation indicate that is all about a firm focusing on customers and competitors. For example Heins and Plekosh (2011) state that market orientation means the extent to which a firm generates intelligence in the form of information about customers, competitors and its own internal environment and how it responds to competition such information. According to Elliot and Boshoff (2008), one of the marketing strategies of market oriented businesses is that they constantly research and exploit the immediate business environment to identify competitor and customer trends. Van Zyl and Mathur-Helm (2007) aver that in a competitive environment, owner/managers of small businesses need to gather information from the environment on customers' needs and wants, and to appropriately respond to customer preferences in order to prosper. Hair salons will do well to heed these calls.

Conceptually, it is argued in this study that market research (as a component of market orientation) will reveal variables such as prices for hair products, styles in vogue, cheapest product suppliers, and new entrants, which if scientifically analysed can produce information that hair salons can use in making informed decision that can lead to superior business performance in the face of the competitive environment they operate in. This should make marketing research theoretically appealing for hair salons.

The Problem

As stated above, hair salons in Dr Ruth S Mompoti District are operating in an environment where virtually on daily basis, new salons

spring up due to low setup costs and virtual non-existence of legal requirements to formalise these businesses. As a result, intense competition for customers is the order of the day. In line with Lazenby (2014), hair salons Dr Ruth S Mompoti District need to engage in marketing research to gather information from the environment on customers' needs and wants, and to appropriately respond to customer preferences if they are to attract and retain sizeable customer base that guarantees survival and profitability. This is based on the belief that marketing research will reveal variables such competitor hair prices, styles in vogue, cheapest product suppliers, and new entrants, which if scientifically analysed can produce information that hair salons can use in making informed decision that can lead to superior business performance, marketing research becomes imperative for hair salons. The problem is that, in line with misconceptions discussed earlier, hair salons in Dr Ruth S Mompoti District may not: find marketing research appealing; might regard marketing research as unimportant to their business success; may not even know which types of marketing research information to collect; integrate marketing research information in decision making; know of affordable marketing research activities to engage in. These concerns remain mere speculation because of lack of empirical study on the subject in the area. And so long as this remains the case, misconceptions will ever remain in the minds of hair salon owners and managers in the region to the extent that they may not engage in marketing research at all or even if they do, the marketing research activities they engage in might not be the most cost effective hence they will lose out on the numerous benefit of sound marketing research earlier mentioned. Following the above discussion, it is now possible to propose research questions.

Specific Research Questions

The following specific attitudinal research questions were derived:

1. To what extent do hair salons in Dr Ruth S Mompoti District engage in formal marketing research?
2. Do hair salons in Dr Ruth S Mompoti District regard marketing research as important to their business success?

3. What type of marketing research information do hair salons in Dr Ruth S Mompoti District collect?
4. To what extent do hair salons in Dr Ruth S Mompoti District integrate marketing research information in decision making?
5. How affordable are certain marketing research activities for hair salons in Dr Ruth S Mompoti District?

METHODOLOGY

Research Design

This study was an exploratory and mainly quantitative study to answer five (5) specific research questions. It was exploratory because marketing research activity within hair salons in the South African context has been largely a virgin territory. Quantitatively, statistical calculations were done to determine the relationship between marketing research and economic performance of hair salons.

Population and Sampling

The target population was all hair salons operators in the Dr. Ruth S Mompoti District both registered and unregistered. In line with Hinson and Mahmoud (2011), owners or managers were chosen as respondents. According to Hinson and Mahmoud (2011), owners or managers of hair salons are the most information rich since they are normally the ones conversant with and who have control over all business activities. As is often the case with micro business a sample frame was not readily available for hair salons even at the local municipality. Using five hired and subsequently trained enumerators, 989 hair salons were identified, and this constituted the sample frame. With the population size of 989, a sample size of 280 was considered adequate for the study.

Data Collection

Lack of a suitable previous study on the subject necessitated the construction of a custom made questionnaire. The measurement questions were structured. It consisted of 53 items structured along the Likert-type scale which is quite easy to complete. The questionnaire was made up of six sections. Section "A" comprised

of questions on owner/manager and business characteristics. Section "B" required respondents to indicate the number of times their salons engaged in certain marketing research activities within a specified time period. In section "C", respondents had to indicate how often they used marketing research information in their decision making process. In Section "D", the respondents were asked to score the perceived usefulness of marketing research information in decision making. The main theme of Section "E" was to determine the affordability of certain marketing research activities to hair salons on a four-point scale – not expensive; moderately expensive; expensive and very expensive.

Ensuring Credibility of Findings

To ensure credibility of research findings, steps need to be taken to assure the validity and reliability of the research instrument used (Kumar 2014; Sekaran and Bougie 2013; Bryman 2012; Cooper and Schindler 2011). Concerning validity, efforts were limited to content validity and construct validity. In line with popular approach, an initial questionnaire was developed and sent to experienced research experts in marketing and related fields to make inputs. In terms of content validity, these experts were required to make inputs concerning coverage of the full spectrum of marketing research constructs and firm performance indicators – *content validity*. In terms of construct validity, the construct *marketing research* was operationally defined taking into account extant definitions. Further, the elements of marketing research were also identified through an exhaustive literature review. This was done to ensure that the sections of the questionnaire on the elements of marketing research fit well with theory – *construct validity*. The emergent final questionnaire took into account all inputs.

Reliability of the findings was ensured according to recommendations of (Kumar 2014; Sekaran and Bougie 2013; Bryman 2012; Cooper and Schindler 2011; Rohilla 2010). Reliability is defined as an estimate of the degree to which a measurement is free from random or unstable errors or biases (Kumar 2014; Sekaran and Bougie 2013; Bryman 2012; Cooper and Schindler 2011). To reduce the possibility of errors and biases the questionnaire was pre-tested. As advised by Cooper and Schindler (2011), a two-

stage approach was followed in the pre-testing. The first level involved two research students who were engaged in doctoral studies and who also operate hair salons. The second level was pre-testing on 30 randomly sampled hair salon operators. Problems that emerged from the pre-testing were duly rectified to ensure reliability of the final measurement instrument.

Data Analysis

The nature of the study required only descriptive analyses. Statistical tools embedded in Microsoft excel version 2013 were used to calculate frequency distributions, percentages, means. Thereafter, cross-tabulations were used to summarize and describe the data collected. The resultant statistics are shown in Table 1.

RESULTS AND DISCUSSION

Response Rate

A total of 280 sets of questionnaires were distributed of which only 118 were returned meaning a response rate of 42.1%. All the 118 returned questionnaires were found usable for analysis. This poor response rate is not unique to this study because several small business researchers including Mosweunyane (2013) have complained about very low response rates from owners and managers. This notwithstanding, the 118 responses were considered sufficient for meaningful statistical analysis. It is noteworthy that Mosweunyane's (2013) research on hair salons in the same geographical area came up with a 55% response rate. So, by all accounts, it appears that high response rate for hair salons in the area is difficult.

Profile of Respondents

Out of 118 respondents, the results show that majority 76.1% were foreigners and only 23.7% were South Africans. This situation whilst not surprising should raise questions such as why are locals so few in the hair salon business when one considers the fact that set up costs are said to be so low. Or, is it the case that salons were opened by locals but have folded up in no time? Gender distribution appears even with males accounting for 48.35% while females represented 51.6%. This finding should be seen in

context and not raise the false impression that women participation in mainstream activity matches that of males. Whilst not being sexist, one should be concerned that, hair business that has been traditionally women dominated is now becoming men dominated. Perhaps the most important finding in terms of demographics is that the owner managers appear reasonably educated. The results show that 75.4% of respondents reached Matric level of education, while majority 73.7% received hair styling training. Unfortunately, only 11.0% had training in marketing. With this type and level of educational background, one could safely assume say that owner/managers have the right industry training. However, the potential of these owner/managers to carry out sophisticated marketing research with only 11.0% having had training in marketing becomes very bleak. However, since as much as 75.4% of respondents received matric education, it is possible to train them in at least basic marketing research. Like the response rate, the demographic results of this study are also consistent with Mosweunyane's (2013) findings.

Business Profile

Majority (73.7%) of the respondents established the salons for a living. This explains why majority of the businesses (98.3%) were sole proprietors of which 54.2% employed between 3-5 employees. In other words, these businesses are survivalists in nature. Said differently, only 27% started the business based on sound business opportunity. This finding mirrors the findings of the Global Entrepreneurship Monitor (GEM) that portrays the South African SMME sector as largely survivalist with only 35% starting business because of opportunity spotted (Turton and Herrington 2012). In terms of daily turnover, 44.1% make between R251-R500; followed by 31.4% who earned R101-R250; 19.5% made R750 and above and only 5.1% made R501-R750. In other words almost half (44.1%) fell under the lowest turnover range. Readers should bear in mind that R1 is approximately equal to \$1 as at September 2013 when this article was written. Regarding gross profit/loss, 10.2% made losses and 28.0% break even. This means a sizable proportion (38.2%) is not profitable. The greatest proportion (39.0%) of the businesses earned 1-5%; 17.8% earned between 6-10% profits; 3.4% earned between 11-15% profit and only

0.8% made 21% or more profit. These figures paint a bleak picture of hair salon business as far as profitability is concerned.

Findings Related to the Specific Research Questions

As stated earlier, the empirical investigation focused on: (1) extent to which hair salons engaged in marketing research; (ii) perceived importance of marketing research to business success; (iii) the types of marketing research information collected; (iv) the use of marketing research information in decision making, and (v) affordability of engaging in marketing research. Percentages, cross tabulations, and frequency tables were used to summarize and describe the results.

The types of marketing research activities that hair salons engaged in are captured in the composite Table 1 column A. Columns B – E are the research questions. For the purpose of this article, responses for each research question were combined into two categories as follows. For research question 1, all the positive responses are combined into “engage in,” and “never” remains the same. For research question 2, not useful and little useful, becomes “not useful”, and useful and very useful become “useful”. For research question 4, occasionally, fairly often and very often becomes “often”, and never remains the same. For research question 5, moderately expensive, expensive and very expensive becomes “expensive” as against “not expensive”.

With respect **research question 1- extent of marketing research in hair salons** - Table 1 (Column B) shows that not many businesses engage in formal marketing research. According to Table 1, the majority (66.6%) of the hair salons do not engage in activities related to marketing research meaning that only 33.4% conduct what can be called marketing research. In some ways, this finding is surprising because the importance of marketing research even for smaller businesses has long been acknowledged (Hinson and Mahmoud 2011; Jones and Rowley 2011; Solanki 2010; Crane 2010). On another note the findings may not surprise some because earlier studies had found smaller business reluctance towards formal marketing research. For example, a recent research by Paulette et al. (2011) investigated 144 small firms in the USA and the results

showed low uptake of marketing research. Earlier on, Hart et al. (1994) found out that compared to larger organisations, marketing research is less popular with smaller businesses. So, as noted by Hinson and Mahmoud (2011), Jones and Rowley (2011), Solanki (2010), and Crane (2010), the low level of formal marketing research in the hair salons could be attributed to the resource limitations imposed by their small nature.

Research Question 2: Perceived Usefulness of Marketing Research - Table 1 (Column C) shows that majority (72.1%) of respondents say their businesses consider marketing research to be useful for business success. Paulette et al. (2011) state that the value of marketing research has been recognised. The findings of this study supports this assertion and more so, that of Snepenger (2007) that generally, small businesses regard marketing research beneficial to business. The question then becomes why they do not go on to actively engage in marketing research if they regard it as important. This finding again leads one to believe that in line with Hinson and Mahmoud (2011), Jones and Rowley (2011), Solanki (2010), and Crane (2010), although hair salons value formal marketing research they are unable to fully engage in it due to the resource limitations imposed by their small nature.

Organisations must have formal systems in place to monitor changes in the business environment so that they can quickly adapt and remain competitive. This is what marketing research does. As Hinson and Mahmoud (2011) intimate, a formal marketing research involves activities such as intelligence generation, intelligence gathering and responding to intelligence data. In this study, **research question 3** – probed *the types of marketing research activities the salons engage in*. Table 1 (Column A) identifies the extent to which listed activities were formally carried out. According to Table 1, on the average, an overwhelming majority of 66.6% of respondents say they never engage consciously in marketing research. Individually, Table 1 shows that only customer complaints appear to be something that hair salons focus on. Even then, the odds were evenly split at exactly 50%. That customer complaints emerged as the dominant marketing research activity of hair salons is understandable because this is information they do

Table 1: Marketing research activities of hair salons

A Marketing research activities	B Extent of marketing research			C Perceived usefulness of marketing research into decision making			D Integration of marketing research			E Affordability of Marketing research information													
	Never			Regularly engage in			Useful			Often			Not expensive			Expensive							
	f	%		f	%		f	%		f	%		f	%		f	%						
Salon's prices	60	50.8		58	49.2		31	26.3		87	73.7		58	50.0		58	49.9		99	83.9		19	16.1
Salon's hair styles	62	52.5		56	47.4		30	25.4		88	74.5		57	49.1		59	50.9		98	83.1		20	16.9
Salon's hair chemicals	86	72.9		42	27.1		40	33.9		78	66.1		85	73.3		31	26.7		95	80.5		23	19.5
Work of stylists	62	52.5		56	47.4		32	27.1		86	72.9		62	53.4		54	46.6		100	84.7		18	15.3
Customers' complaints	59	50.0		59	50.0		29	24.5		89	75.5		58	50.0		58	50.0		97	82.2		21	17.7
Salon's environment	89	75.4		29	25.0		35	29.6		83	70.3		87	75.0		29	25.0		95	80.5		23	19.5
Competitors' chemicals	90	76.3		28	24.0		35	29.6		83	70.3		86	74.1		30	25.9		5	4.2		113	95.8
Competitors' hair styles	85	72.0		33	28.0		35	29.6		83	70.3		83	71.6		33	28.4		4	3.4		114	96.7
Competitors' promotions	90	76.3		28	24.0		34	28.8		84	71.2		88	75.9		28	24.2		5	4.2		113	95.8
Competitors' prices	83	70.3		35	30.0		34	28.8		87	73.3		85	73.3		31	26.7		5	4.2		113	95.8
Modern hair equipment	84	71.2		34	29		31	26.4		87	73.7		83	71.6		33	28.5		5	4.2		113	95.8
Current hair chemicals	83	70.3		35	30.0		32	27.1		86	72.9		81	69.8		35	30.2		5	4.2		113	95.8
Current hair styles	79	66.9		39	33		32	27.1		86	72.9		80	69.0		36	31.0		5	4.2		113	95.8
Average percentage		66.6			33.4			28.0			72.1			66.0			34.1			40.3			59.7

not have to out looking for. It is reasonable to expect that disgruntled customers would not hesitate to complain right in the salon. The low level of marketing research activity in the hair salons mirrors studies by Snepenger (2007), Berton et al. (2008), Hinson and Mahmoud (2011), Jones and Rowley (2011) and Ehlers and Lazenby (2011) who all found reluctance on the part of small businesses to conduct marketing research on a formal basis. So, it is quite understandable that rather than being formal, hair salons engage in informal marketing research.

Hinson and Mahmoud (2011) reiterate Kotler and Keller's (2009) position that customer oriented, competitor oriented and inter functional coordination activities are enhanced by the integration of marketing research information into these activities. Research question 4 sought to determine the extent to which hair salons integrate marketing research information in decision making. It can be seen from Table 1 that majority (66.0%) of respondents say their salons never used marketing research information in decision making whilst only a small minority (34.0%) say they used marketing research information in decision. This finding is consistent with the results in Table 5.1 (Column D) which shows that on the average, majority (66.6%) of the respondents say their salons do not engage in marketing research. However, this finding contradicts Snepenger (2007:2) who says that overall, small businesses incorporate the research findings into their decision making process. It is not clear why hair salons acknowledge that marketing research information is important to business success but do not actually incorporate it into their own decision making process. Further research is needed to explicate the situation.

Finally, no matter how appealing marketing research may appear to be, in reality, actual adoption by hair salons will reasonably be influenced to a large extent by the affordability of the various marketing research activities because of resource constraints typical of most small businesses. **Research question 5** sought to determine the affordability of selected marketing research activities for hair salons. To do this, respondents were required to state how expensive they considered certain marketing research activities to be. The results in Table 1 (Column E) provide interesting insights. Table 1 (Column

E) shows that on the average, about 60% consider marketing research an expensive activity. However, on deeper examination Table 1 (Column E) shows that all customer related activities were considered not expensive. In fact, all the customer related marketing research activities scored 80% or above for the response category "not expensive". On the other hand, all competitor and market trend research activities were regarded as expensive. This would suggest that overall, marketing research activities that focus on collecting customer related data would be more affordable for hair salons whilst data gathering on competitors or the market may not be so affordable to them. These results affirm the position of earlier researchers that resource constraints deter smaller businesses from engaging in formal marketing research especially those that require external environmental analysis (Snepenger 2007; Berton et al. 2008; Hinson and Mahmoud 2011; Jones and Rowley 2011; and Ehlers and Lazenby 2011).

CONCLUSION

The following conclusions are based on the empirical findings that were discussed in the previous section. Firstly, with the majority 66.6% not practicing marketing research it is concluded that marketing research is not a popular activity for hair salons. In other words, marketing research is not practiced by hair salons to any appreciable extent. However, the few salons that engage in it do it on a regular basis. Secondly, with a vast majority (72.0%) of the respondents saying they find marketing research useful, it is concluded that hair salons in the region regard marketing research as important to their business success. Thirdly, based on the percentages reflected in Table 1 (Column B), it is concluded that hair salons only are more concerned with collecting data on own customer complaints and pay little attention to other types of market research data. In other words, from a strategic management point of view, hair salons focus on internal analysis at the neglect of external factors. Fourthly, based on the fact that the vast majority of respondents (66.0%) never used marketing research information in decision making, it is concluded that to a large extent, hair salons in the region do not make use of marketing research information in decision making. Finally but not the least, based on data in Table 1

(Column E) where on the average majority (59.7%) of the respondents say that it is expensive to collect marketing research information, it is concluded that overall, marketing research is not affordable for hair salons.

RECOMMENDATIONS

Policy and Practice

Firstly, if hair salons are to do well, then owner/managers that operate these businesses should be encouraged and given support to engage in marketing research especially on the four activities price, promotion, product and place. In other words, owner/managers should be encouraged and given support so that they can gather information on their competitors' hair styles, products, prices and promotional activities competitively. Second, hair salon owner/managers should be encouraged to use marketing research information in decision making. But for them to take this up, it is important for them to comprehend the concept and its usefulness. This requires workshops. They should also be made to seek expert advice from local institutions on how to conduct affordable marketing research. Third, because current marketing research approaches can be quite expensive and time consuming and therefore may not be affordable for hair salons, local economic developing agencies can consider the establishment of shared service centres to make it affordable for hair salons to obtain market research information.

FURTHER RESEARCH

The results of the empirical research necessitate further research on the following pertinent issues. First and foremost, there is need to verify whether the findings of this study is applicable to hair salons in other parts of South Africa by replicating this research on a larger scale preferably nation-wide. Secondly, there is need to understand why only few South African nationals are involved in the hair salon business. Furthermore, acceptance of the use of marketing research information by hair salons and all other small businesses can be promoted if it can be shown that market research and the use of the information gathered from the research indeed has economic benefits for them.

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