An exploratory study into the strategic marketing planning practices of micro businesses in Ireland.

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Declaration

I declare that all the work in this dissertation is entirely my own (with the exception of specific sources that are referenced in the text and bibliography), no portion of the work referred to in this dissertation has been submitted in support of an application for another degree or qualification to any University or learning institution. Furthermore, all the work in this dissertation is entirely my own.

Signed: ..........................................

Lynda McElherron

Dated: ..........................

16 August 2013
Abstract:

Small businesses are the cornerstone of our economy. Yet every year, thousands of businesses fail. It is recognised that an essential element of economic recovery will be the support and development of micro and small businesses.

This study explores the practise of strategic marketing planning within micro-businesses in Ireland. In order to obtain an insight, the author first looked into the literature around strategic marketing planning, micro-businesses and small firms in Ireland, Marketing practise in micro-business and small business, Characteristics of Micro-Business and Small Business Owners and Marketing Education in SMEs.

To gather the data a qualitative case study methodology was used, using documentations and interviews of four Irish micro-businesses. Each business owner participated in an in-depth semi-structured interview. The findings suggest that there is evidence of some strategic marketing practises in micro-businesses in Ireland. However, micro-business owners show strength in certain marketing areas but perform poorly in others. The study concludes that micro-business owners are being hampered by their lack of marketing knowledge and expertise. Further study is advised on the implementation and effectiveness of marketing activities for small businesses. Also recommended is further investigation into the role played by Government and Enterprise organisations in meeting the marketing education and training needs of small business.
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Chapter One: Introduction

1.1 Introduction to the Research

Minister Richard Bruton said in December 2012 at an inaugural meeting of the New Frontiers Entrepreneur Network: ‘Micro and small businesses are the engine of the Irish economy, and employ over 650,000 people. If we are going to create the jobs and growth we need we must provide better supports to this sector so that more of these businesses can start-up, grow, export and create the jobs we need.’

At the same meeting, Tom Hayes, Enterprise Ireland Head of Micro Enterprise and Small Business, added: ‘Micro and small businesses are the lifeblood of the economy. More than 90% of the enterprise base is made of small and micro companies and between them they employ 650,000 people. Entrepreneurship is critical to a modern developed economy and the lifeblood of thriving communities’.

The Irish Government recognises that a crucial element of the nation’s economic recovery will be the support and development of micro and small businesses. Expanding insight into the key determinants of the success of micro-businesses and SMEs is vital, given that they are major providers of new jobs. (Audretsch & Keilbach 2004) The SME sector has been the central point of EU industrial policy and funding due to the belief that the sector contains the regeneration potential required for invigorating a wide range of sectors in regional and local economies. (McGrath and O’Toole 2011)

Small business success levels are very low and that is without the tough economic conditions that currently exist. Patterson et al (1983) identified a lack of managerial competency as the foremost reason for business failure. According to Jasra et al (2011), there are seven factors strategy, technological resources, access to information, business planning, government support and entrepreneurial skill. Financial resources are the key factor; however, lack of financial resources can have a significant impact on the marketing and planning resources available to the business.

Between 2008 and 2011, almost 47,000 Irish businesses ceased trading (Irish Independent). The failure of a business has far reaching effects beyond its immediate effect on employees and suppliers. A plethora of literature exists linking the practice of marketing and the success of small businesses yet there seems to be little evidence of the adoption of the practice of strategic marketing planning in small and micro-businesses. (Fuller (1993), Audretsch & Keilbach (2004), Ogunmokun and Tang (2012)). In times of economic uncertainty, businesses look at every opportunity to cut running costs, marketing spend is often one of the first costs to occur. O’Sullivan and Abela (2007)
Richbell et al (2006) discovered that a high proportion of owner-managers of small firms did not have a business plan. A micro-business or SME can gain considerable competitive advantage and improved performance when they fully understand their marketplace and develop the ability to construct market-focused strategies based on a clearer knowledge of how to make sound marketing decisions. (Parrott et al 2010)

In an uncertain environment, it may seem that planning and, in particular, strategic marketing planning have little value to small and micro-businesses, with survival being the primary aim of many such businesses. Small business owners tend to be experts in their product or service area but lack expertise in the matter of marketing and therefore struggle with implementing strategic planning, a marketing plan, and other elements necessary for success. (Kotler 2009) A lack of planning does not suggest that a small business is badly run, however, is there a missed opportunity for owners/managers to achieve their goals in practising strategic marketing planning? (Richbell et al 2006)

The role of Government, in fostering straightforward business-friendly policies, offering wide-ranging supports and creating a favourable trading environment is central to the enhancement of small entrepreneurs’ skills and successes. (Jasra et al 2011) Small to medium-sized enterprises have been acknowledged by most governments as the driver of economic progression, the cultivator of innovation, and the solution to continuing unemployment. (Audretsch & Keilbach 2004)

Qualitative assessment of the incidence of strategic marketing planning exists; however, there is little literature available on micro-businesses and even less on such businesses in Ireland. Carson (1989) has made useful contributions to the overall comprehension of marketing practise in small business in Ireland; however, this research will go deeper into small firms by investigating micro-businesses.

1.2 Background of the Researcher

Saunders et al. (2007) proposes that the dissertation topic must be something researcher is capable of undertaking and one that the researcher feels excitement and enthusiasm for, as well as having the necessary competency to complete. A genuine interest in the subject area is also helpful.

In the case of this research, the researcher has long had an interest in the area of micro-businesses stemming from long-term familial involvement in micro-businesses. Added to this is a professional background in sales, grown from an earlier academic interest in marketing.

The researcher has long had an interest and affection for the role of the entrepreneur, especially those in smaller businesses and over the last number of years has been fortunate enough to be involved in the area of training specialising in sales, marketing and planning in ‘Start your own business’ training.
Whilst working with those involved in small business, the researcher was aware that there seemed to be a lack of knowledge basic of marketing principles and an absence of understanding in the role of marketing and the relationship between marketing activities and successful performance by micro-business owners. The researcher also noticed a distinct lack of awareness of the value that strategic planning plays in the survival and growth of small businesses.

The above experiences developed researcher’s interest in exploring the strategic marketing planning practices within micro-businesses in Ireland.

1.3 Dissertation Aims and Approach

This research aims to explore the role that strategic marketing planning has in micro-businesses in Ireland today. The approach taken will be through qualitative research using four case studies. Each case study will involve and in depth semi-structured interview which a micro-business owner.

This research will also look into what constitutes marketing in micro-businesses and what value, if any, do micro-business owners place on strategic marketing planning. Also to be probed are the reasons that micro-businesses adopt strategic marketing planning – what are the perceived benefits? For micro-business owners that do not adopt strategic marketing planning—is there anything preventing or obstructing them in implementing the practise?

1.4 Objectives of the Research

Saunders et al (2007 p 600) defines “research objectives as clear, specific statements that identify what the researcher wishes to accomplish as a result of doing the research”. A researcher with a clear sense of purpose and direction can lead to superior and acceptable results. On completion of the initial research proposal and following a preliminary review of the current literature, the researcher has formulated her research objectives.

The following objectives have been focused upon in this research exercise:

1. To explore the understanding of the practise of marketing by micro-businesses in Ireland?
2. To discover the actual practise marketing by micro-businesses in Ireland?
3. To investigate the existence of and value given to strategic marketing planning practises by micro-businesses in Ireland?
4. To determine the education, experience and competencies that micro-businesses owners in Ireland hold in relation to marketing?
1.5 Limitations of the Research

Master’s level dissertation research is by its nature constrained, particularly due to the time and the resources available to the researcher. The researcher has chosen four case studies for analysis; this is a very small number and not enough to be able to make any significant findings. Also, this is the first research project of this nature undertaken by the researcher, so inevitably, there may be errors and omissions, due to inexperience, despite the researchers best efforts.

1.6 Organisation of the Dissertation

This dissertation is organised according to the following structure:

Chapter One: This is a presentation of the background to the study, including the background to the research, the suitability of the researcher, the objectives and limitations of the research.

Chapter Two: In this chapter the researcher critically accesses academic literature with the view of exploring the range of thought in the area of Strategic Marketing Planning Practises and micro-businesses. Although the research is primarily taken from an Irish aspect, international businesses and practises were also researched.

Chapter Three: This chapter is to inform the reader of the research framework used in the study. It describes the research methodology addressing such areas as the objectives, philosophy, approach, strategy and design, and choice of the research methods used. It also covers the time horizon, data collection, data analysis, sampling and ethical issues connected with the research. Also discussed here are the alternatives available and the appropriateness of the research methods used in exploratory research.

Chapter Four: Here, the data analysis and findings, based on the Case Study Interviews, are addressed and reported.

Chapter Five: This is a presentation of a discussion and the conclusions of this dissertation. This chapter will also contain recommendations for further academic study and recommendations for education and training practitioners.

Chapter Six: This is a review of Self Reflection on the researcher’s Learning & Performance whilst undertaking this dissertation. It describes the experiences of the researcher and also notes the skills and competences that the researcher has developed and enhanced though the process of embarking upon this dissertation.
Chapter Two: Literature Review

2.1 Strategic Marketing Planning:

In order to maximise the value of strategic marketing planning, businesses first need to start with a clear set of objectives that they wish to achieve. Once the objectives have been agreed upon, then the marketing and planning functions serve to move the business toward achieving their objectives. (Anderson 1982)

Kotler and Keller (2009) describe strategic marketing planning as outlining the target markets and the value proposition to be recommended to the prospective customers constructed after a thorough examination of the market opportunity.

Cravens (2008) developed a four step programme that needs to be followed in order to undertake strategic marketing planning. These steps are (i) analysing the environment, (ii) designing a marketing strategy, (iii) formulating a marketing programme, and (iv) implementation and control of the marketing programme. Cravens (2008) also highlighted the importance of involving all functional areas of a business (finance, marketing, HR, operations) when compiling the strategic marketing plan.

Ogunmokun and Tang (2012) classified strategic marketing planning activities employed by small-to medium-sized business as (i) gathering external information, (ii) setting objectives in the area of profits, market share, pricing, promotion and distribution, (iii) developing an action plan, and (iv) monitoring the results. Companies, that apply these strategic marketing activities, will see an improved business performance.

However, Kobylanski & Szuc (2011) define Strategic Marketing Planning as “a continuous process, designed to help management create, change or retain a business strategy, to create strategic visions and build long term competitive advantage.”

Carson & Cromie (1997) characterise Marketing Planning as “allowing the marketing profile to permeate a firm’s activities and instills a marketing perspective into activities such as setting objectives, motivating and directing staff, establishing priorities, and improving the quality of market information.”

Ogunmokun and Tang (2012) correlated high levels of performance success in small businesses that performed strategic marketing planning activities versus those that did not practise such activities. Along with performing strategic marketing activities, successful business also documented their planning. Piercy and Giles (1989) indicate that strategic marketing planning needs to be considered in a practical setting and that textbook planning rarely existed in the real world. They further suggested that strategic marketing planning
could be ‘turned on its head’ to produce valuable results. The reality being that in large and small companies, plans were formulated but then ignored so that managers could get on with the ‘real’ job of running the business.

In looking at SMEs in Bosnia and Herzegovina, Civic (2013) found that over 60% of the companies have neither determined marketing goals for their business nor have they connected such goals with the overall business goals. However, those companies with clear strategic marketing plans, found such particularly plans useful in three areas; adapting resources to meet changes in their circumstances, react to changes in the external trading environment and providing a valuable structure to monitor the company’s progress.

Such sentiment seen in relation to corporations and multinational companies can be applied equally to those operating micro-businesses. Where a business can monitor their marketing performance this leads to a higher appreciation of the marketing function and an improvement in business performance.

McDonald (2006) states that the introduction of formal marketing planning, almost certainly means a change in the overall style of management and strategic approach, usually leading to an enhanced performance.

A wealth of research exists around success and Strategic Marketing Planning Practises that examine various types and sizes of firms operating in assorted markets/countries at different points in time, and in numerous ways, they all, nonetheless, share the same basic aim: “to profile the marketing practices of successful companies, and compare them against those of less successful companies in order to offer insights to researchers and managers into ways of improving company performance”. Existing research (Brooksbank et al (2008); Civic (2013)) deemed that in modern business conditions, establishing the practise of strategic marketing planning on a formalised and systematic basis is essential in order to improve their business performance.

Morgan et al (2000) noted that significantly greater returns in business performance terms are achieved by companies with marketing input in all areas of strategy formation (from goal setting to strategy selection) in comparison with those companies where marketing does not have such an influence on strategy formation. Rust et al (2004) in looking at the measurement of marketing performance found that “The effective dissemination of new methods of assessing marketing productivity to the business community will be a major step toward raising marketing’s vitality in the firm and, more important, toward raising the performance of the firm itself”. Companies that measure marketing performance tend to outperform competitors, leading to greater satisfaction with CEO’s of such companies of the strategic marketing planning function. (O’Sullivan and Abela 2007)

Srivastava et al (1998) contend that, in relation to value, the primary function of marketing is develop and manage market-based assets, such as, customer relationships, channel relationships and partner relationships. These market-based assets value of the business by growing and improving cash flows and increasing the financial value of the company.
2.1.1 Barriers to Strategic Marketing Planning:

While it is important to look at the practise of strategic marketing, it is equally vital to identify any barriers that exist within micro and small businesses to developing and implementing such plans. McDonald (2006) determines a number of barriers to the successful implementation of Strategic Marketing Planning. He concluded that weak support from the business owner through a lack of skills, information, resources and organisational structure (either on their own or a combination of these concerns) were the primary barriers to the practise of Strategic Marketing Planning. However, he also noted that a lack of a plan for planning, confusion over planning terms, numbers in lieu of written objectives and strategies, too much detail and a failure to integrate marketing planning into total organisation planning were also factors to be considered. Lastly, it was observed that planning was also seen as an annual procedure that focussed on operational matters rather than strategic matters.

From their research, Lancaster and Waddelow (1998) discovered that the main reasons cited by small business owners for not producing a strategic marketing plan were;

- Lack of awareness of marketing concept
- Naivety of marketing role
- Lack of knowledge of the planning process
- Marketing lack of value
- Rather than an orientation, marketing is seen as a ‘job’.

Overall, a lack of engagement in the strategic marketing planning process can be due to a lack of focus, capability or will. (Lancaster and Waddelow, 1998) Furthermore, Piercy and Craven (1989) citing Mintzberg (1975) show that managers prefer to be orientated toward short term goals and results rather than reflecting upon long-term goals and strategy. This is also evidenced by McGrath and O’Toole (2011) who found that marketing is not a priority for small business moreover it is a reactionary activity conducted in slow times or in response to a perceived competitive threat.

However, Carson & Crombie (1997) argue that a lack of formal marketing practises within small businesses does not necessarily mean that the company does not practise marketing. Small companies conduct their marketing according to their own needs and requirements.
2.2 Micro-businesses and small firms:

According to the EU (Europa.eu), the definitions of micro, small and medium-sized enterprises were updated to take account of economic developments since 1996.

The new definition thus qualifies small and medium-sized enterprises (SMEs) and the concept of the microenterprise.

Micro, small and medium-sized enterprises are defined according to their staff headcount and turnover or annual balance-sheet total.

A medium-sized enterprise is defined as an enterprise which employs fewer than 250 persons and whose annual turnover does not exceed EUR 50 million or whose annual balance-sheet total does not exceed EUR 43 million.

A small enterprise is defined as an enterprise which employs fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 10 million.

A microenterprise is defined as an enterprise which employs fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed EUR 2 million.

While the research is primarily concerned with micro-businesses, the term micro-business is a relatively new one where previously micro-businesses were included with small businesses. There is a lack of specific research on micro-businesses.

2.3 Marketing practise in micro-business and small business:

Traditionally, small firm marketing practices have been measured, in terms of the existing models and theories, based on large firm practices, (Coviello et al 2000) hence why such practices have generally been criticised as non-traditional, informal, short-term, and non-strategic. This view is supported by Weinrauch et al, (1991) who noted that the average small firm has a limited customer base and limited marketing ability. In conjunction with the lack of formalised planning, it is challenging to use traditional marketing techniques as these require extensive resources, especially financial and human resources that are usually in short supply in small businesses.

Hogarth-Scott et al (1996) found evidence of some level of marketing practise in new small businesses even where the owner-manager had little exposure to marketing. Customer orientation, pricing concerns and market research were all in evidence to a greater or lesser degree. Word of mouth communications were deemed to be the most effective way of communicating with customers and prospective customers. Overall a firm grasp of basic marketing principles and techniques can provide business owners the ability to create a sustainable and profitable enterprise. Parrott et al 2010 note that a ‘one size fits all’ approach
is frequently found with SMEs with little evidence of analysis of the market-place, differentiation or positioning their product or service as successfully as they could.

Fuller (1993) notes that many small business failures stem from the absence of marketing, in particular, the management style of small businesses can mean that there is scarcely any marketing planning conducted.

Nonetheless, just as the firm must adapt to survive, so marketing adapts to correspond with the owner-manager experience and the needs of the firm. (Carson, 1985) Owners-managers do not follow a traditional marketing mix but tend to prefer interactive marketing. They concentrate on interactions with their target markets because they have preferences for personal contact with customers. (Day, 1997) This choice of marketing style may simply reflect the limited resources of the smaller firm.

Carson and Cromie (1989) suggest that marketing planning is, primarily a formal process although informal marketing is evident in smaller organisations. In a formal manner, the planning should, in general, encompass the following stages; internal audit, external audit, strategy creation, strategy implementation and control of marketing activities. Central to a company’s revenue generating activities is effective marketing planning. (McDonald 2006)

While marketing undertaken by micro-businesses and SMEs, is recognised as being different to marketing practised by larger firms, (Carson 1985, Kotler 2009) that’s not to say that ‘classic’ mistakes made by larger organisations are also made by SMEs. Replicating activities that were successful in the past, work on ‘gut’ instinct, guessing, assuming and failing to create or adopt new methods or experiment with alternative methods can leave the SME facing, at best, stagnation, or a worst, catastrophe. (Parrott et al 2010)

Marketing decisions in small firms tend to be reactive, where decisions are made intuitively than proactively where decisions are made by conscious and information-based findings. (Kobylanski & Szulc 2011) SMEs are inimitable position to be in close proximity to the marketplaces they seek to trade with, yet there is a lack of even the most basic marketing information processes, such as the capture of relevant marketing details, quality record keeping or evaluation of previously used marketing methods. Simple databases, review and evaluation of marketing methods and smarter communication could improve the performance and success of many SMEs. (Parrott et al 2010)

On the other hand, Weinrauch et al (1991) examined how limited financial resources affected ability of small enterprises to conduct marketing effectively and suggested that such business owners look for creative inexpensive methods of marketing their products and services.

Olteanu and Curmei (2012) investigated the application of management methods by SMEs in planning their marketing activities. The methods were; management by objective, management by budget, management by project and management by product. Management by objective and budget were found to be ineffective in small firms due to their size, however management by project and product were successfully applied.
Management by project entailed the application of a project based action plan detailing specific tasks to designated personnel and management by product took the view that each product became a ‘profit centre’ with its own specific marketing plan to be operated strategically and tactically.

O’Sullivan and Abela (2007) assert that in times of economic uncertainty, every opportunity is taken to reduce and cut costs related to running the business and marketing is often one of the first costs to be deemed unnecessary. Small business owners to CEO’s are often sceptical of the value of marketing particularly those with engineering/technology or financial backgrounds. Marketing activities are seen in terms of its cost rather than in terms of its contribution to the value of the company. However, McDonald (2006) notes that “the problem is not that the philosophy of marketing is not believed, rather it is that most companies just cannot make it work.”

2.3.1 Networking as Marketing

Carson et al (2004) define marketing networking in SMEs as “the network processes that are undertaken by SME owner-managers in managing their marketing activities”.

Carson states that marketing networks as managed by SMEs contain three dimensions;

1. Structural Dimension: The resources and structures of the marketing network, specifically, what the networks look like and who is involved in them.
2. Relational Dimension: The connections and bonds that exist within the network, specifically, how do the networks operate?
3. Usage Dimension: The value that SME owners place on these networks, specifically, how they impact their marketing activities.

Micro-businesses can be quite sophisticated in their networking, in that, rather than creating networks based on customers and potential customers, O’Donnell (2004) found that there were different types of networking practised by different owner-managers and that networking was an activity that owner-managers utilised to fit their circumstances and the needs of their businesses. Business networking can offer a solution to satisfy the business knowledge gaps that may exist in the business owners skill-set. (McGrath and O’Toole 2011) In building their network relationships, business owners seek and gain expertise relevant to their needs, relevant interaction with a wide array of different network participants may open the business owner to the solutions they need, marketing and otherwise.

Networks can be both beneficial and detrimental to micro-business owners, in that, existing network groups can ‘block’ the entrance of new members to the benefit of existing members where business is given to ‘friends and favourites’. (Chell and Baines 2000) Furthermore, Curran et al. (1993) contend that owners of small firms do not actively engage in networking activities as they simply lack the time required for extensive networking activities. And,
Gromun et al (2012) suggest that business networks have a minor positive correlation with sales development and scale of product or service development, but no connection was apparent with profitability and productivity development.

### 2.3.2 Relationship Marketing

Interpersonal relationships are of significant value to small businesses. Regular close communication with the customer is an advantage that smaller businesses have over larger ones and can provide them with an opportunity to survive and grow. (Hogarth-Scott et al 1996) Communication with customers is at the centre of marketing in SMEs and tends to be constant, informal, and open, with the purpose of creating mutual value (Carson (1985) O’Dwyer et al (2009)). There also can be a social aspect to these face-to-face (Carson et al, 2004). As such, communication with customers in SMEs is unlike communication with customers in bigger organisations. In the end, by keeping open communication channels with customers, SMEs can meet their needs more effectively and efficiently (Day, 1999).

Relationship building and relationship maintenance are about two things, creating value for the business and creating loyal customers. The two are indivisible, one underpins the other. Zontanos and Anderson, (2004) Chell and Baines (2000) also support the notion that there is a close positive association between relationship building and business performance.

In contrast to a large firm, a small firm's marketing advantage can be the close relationships between the entrepreneur and customers. Small firms often have a narrow customer base and that customers are usually concentrated in a local market. (Weinrauch et al, 1991) This often means shorter lines of communication between the business and its customers. Owner-managers frequently know their customers personally and strong customer loyalty and higher levels of customer satisfaction can be the beneficial result of such close relationships. (Carson, 1985) The flexibility of the small business is another aspect that helps reinforce the relationship between the entrepreneur and its customers.

Zontanos and Anderson, (2004) found that owner-mangers need to capitalise on relationships to stay in business. Small businesses have little competitive advantage, few ways of developing process innovation and operate in a very competitive environment therefore networking and relationship building are vital to the success of small firms.

Parrott et al (2010) question the reliance and emphasis that SMEs place on their networking and existing customer relationships. They feel that such reliance hinders the small firm from gaining a fuller comprehension of the needs and wants of their customers and potential customers and hence they fail to capitalise on new and emerging opportunities.

Relationship marketing appears to be the most advantageous form of SMEs marketing. Moravevic et al (2013) Identifying, establishing, maintaining and strengthening the relationship with customers can be a simpler way of achieving profit objectives and growing
marketing networks. The emergence of new ICT, especially the Internet, can greatly assist communication and relationships with customers through online activities.

### 2.3.3 Innovative Marketing

O’Dwyer et al (2009) determined innovative marketing variables that can be exploited by SMEs to provide a sustainable competitive advantage. These variables include marketing variables (product enhancement, alterations to marketing mix, and alterations to distribution channel), modification (pro-action and change), customer focus, integrated marketing (marketing integration and permeation of marketing throughout SME), market focus (vision, market-centred, profit) and unique proposition (new, unique and unconventional). Regardless of size, SMEs can achieve organisational goals of profitability, long-term growth and survival by employing such innovative practises. Valeriu et al (2011) believe that SMEs have a vital role to play in the present economy where entrepreneurial abilities can be fostered through innovative practises. Levinson (2007) suggest that rather than traditional marketing small businesses can easily adopt innovative alternative strategies and tactics such as ‘guerrilla-style’ marketing due to their size and flexibility.

On the other hand, Kiran et al (2012) ascertain, in the current environment, that traditional marketing strategies now offer little effectiveness for Micro and small enterprises and that new innovative strategies are needed. They identify nine innovative marketing practises for use in such businesses; Internet as a Promotional Tool, Customer Relationship Management (CRM), Digital Advertising, ICT as a tool, Permission Marketing Focus on Fresh Ideas, Corporate Social Responsibility Activities, Cluster Approach. These practises can speed up decision making and bring the businesses closer to their customers.

### 2.3.4 Marketing Orientation

The adoption of market orientation has a positive effect on firm performance and success. (Jaworski & Kohli, 1993; Hogarth-Scott et al 1996; Srivastava et al (1998)) Day (1999) expresses the essence of marketing orientation effectively with a view that marketing orientated firms are superior in the gathering, interpreting and use of market information than other firms. This view is supported by Brookesbank et al (2008) who found that companies who adopted basic strategic marketing practises and orientation (performance of a situational analysis, setting of marketing objectives, creation of marketing strategy and applications of marketing control systems) had a higher performance rate than companies who did not engage in strategic marketing practises.

On pursuing a marketing orientation in a small business, Kobylanski & Szulc (2011) citing [Carson (1985)] describe “the conditions of marketing orientation as a function of marketing management and created the four-stage evolution process: 1) initial marketing activity; 2)
reactive selling, which entails the need for more sales, and change in attitude; 3) the DIY marketing approach; and 4) integrated proactive marketing. Each stage represents an organization’s progress through growth in sales level, whereas the fourth stage represents the highest dynamic of this growth.

Furthermore, this process presents a considerable difficulty for micro and small businesses as the level of knowledge and expertise needed to advance to the final stage of the process is lacking in such businesses. Therefore only a small number of enterprises are using a proactive marketing approach to the running of their business.

Market orientation is shown in innovativeness which leads to customer loyalty and better product or service quality and through that to enhanced performance. (Jaworski & Kohli, 1993) McDonald (2006) points out that focussing on customers’ needs at all times through the marketing orientation may provide the company with a differential advantage over its competitors. Slater and Narver (1999) contend that pursuing a market orientation is not beyond the realm of small businesses as it does not have to be a costly activity. Simply put, the business owner needs to take time to observe the actions and behaviours of their most important customers.

Delivering value to customers is another way to achieve competitive advantage and market leadership. Treacy and Wiersema (1993) present the idea of delivering value to customers in one of the following three ways; (i) operational excellence, (ii) customer intimacy or (iii) product leadership. By operational excellence, this means delivering consistent products/services with convenience and ease at ‘competitive’ prices. Customer intimacy, means understanding the needs and demands of the segments and target markets that most closely match the company’s offerings. Product leadership, in turn, refers to providing customers with leading edge products/services that enhance the customer’s use and application of the product/service, thus rendering competitors offerings redundant. Of these three approaches, company’s following a customer intimacy and product leadership approach could be considered to have a marketing orientation.

It is important to recognise that in strategic marketing, customers and companies are jointly involved in the creation of value; defining, developing, delivering and maintaining. Understanding customer needs and delivering customer satisfaction are found in high levels in marketing orientated companies and are a strong competitive combination. (Day 1999)

Verhees & Meulenberg, (2009) noted that businesses with a marketing orientation created a culture where behaviours and actions leading to the creation of higher value to customers was found to be considerably linked with better company success. More specifically, it been stated that market based orientation is beneficial in decision-making around the profitable selection the most suitable product mix when the SMEs operates in markets with relatively similar products.
2.4 Characteristics of Micro-Business and Small Business Owners:

Hogarth-Scott et al (1996), in looking at the characteristics of a small business owner note “the owner has to be the generalist who can see both where the business is going and at the same time look after the operational details.”

However, Lancaster and Waddelow (1998) found that owner-manager with a technical qualification were more likely to focus on the process of the business. Work value is placed on the performance of current activities rather than the time invested thinking and planning of future activities. Short term goals and results have a greater priority in the minds of the business owners.

It was also observed that ‘technical’ owners such as accountants, designers, lawyers or engineers are inwardly focused and more interested in the ‘doing’ of their business rather than the ‘planning’ of their business. (Lancaster and Waddelow 1998)

On the other hand, Richbell et al (2006) established that there was a greater propensity among owner-managers with a formal business plan to have a higher level of education, previous experience in a medium/large company and to have been involved in running a business in a sector outside their current experience. Also identified were the antecedent influences that can impact on the propensity of owner-managers to prepare business plans. These include age, experience, education, entrepreneurial history, previous company size, previous position, sector experience, born locally and local embeddedness.

Kobylanski & Szulc (2011) suggest that in the search for new marketing opportunities and broadening of their customer base, small firms need a tactical marketing action plan that connects their actions to the changing external environment. A structured approach to marketing by small business owners’ signals a responsible business maturity that can lead to a sustainable competitive advantage. (Kobylanski & Szulc 2011)

2.5 Marketing Education in SMEs

Many small business owners obtained their marketing knowledge using informal methods of communication with suppliers, customers, distributors and others within their trade, however, such methods, however beneficial cannot replace an organised approach to pursuing marketing assistance and creating marketing plans. (Weinrauch et al 1991)

Maclaren et al (1997) believe that the most appropriate system for enhancing, developing and improving the marketing knowledge, competencies and skills within micro-businesses and SMEs is through a work-based learning approach.

Carson & Cromie (1997) recommend that development of marketing knowledge, skills and competencies should be based on the level of marketing sophistication that exists within the
An exploratory study into the strategic marketing planning practices of micro businesses in Ireland.

small firm, with a view to improving the base level rather than overwhelming the business owner with complex and ‘new & better’ marketing programmes. Educators also need to recognise that improving marketing performance will take time and come as a result of experience.

Organisations involved with the development and growth of micro and small businesses, such as Government and Enterprise agencies need to develop a greater insight into the nature and scope of micro and SME marketing education and training needs. (Parrott et al 2010) In a similar vein, Weinrauch et al (1991) also questioned the responsibility of Government and academia in their role of communicating the marketing support available to small business and in publishing research, theories and findings applicable to smaller enterprises.

Lancaster and Waddelow (1998) believed that a new approach to marketing planning must be created for owners and managers in SMEs, this approach must be;

• simple (to understand and execute)
• deliver valuable planning benefits (consensus, direction, focus, control)
• clearly demark the underlying assumptions (internal and external)
• bring about meaningful change
• provide management with a measure for the degree of change
• be an ongoing process.

Along with exploring the marketing competencies within micro-businesses, it is evident that there are gaps relating to what processes/methods can be undertaken to improve such competencies.
Chapter Three: Methodology

The purpose of this research is to explore the practice of strategic marketing planning in micro-businesses in Ireland. This chapter will explain the most suitable methods of philosophy, design, approach, sample selection, data collection and analysis that will be used to research the proposed topic.

According to Kumar (2005 p6) “research is one of the ways to find answers to your questions”. Malhotra (1996 p34) defines marketing research as “the systematic and objective identification, collection, analysis and dissemination of information”.

The literature review shows that while there are studies and research into the SME, there is limited material available in academic journals concerning micro-businesses, therefore this research can be seen as an attempt to fill this information gap with its purpose being to create hypotheses and/or generate ideas rather than testing them, and as such causing this research to be exploratory.

“Exploratory research is a valuable means of finding out ‘what is happening; to seek new insights; to ask questions and to assess phenomena in a new light’”. Saunders et al 2007.

Where there have been few previous studies to which a researcher can consult for information regarding a specific concern, Creswell (2003) describes such research as exploratory research.

Flexibility and adaptability are the biggest advantages to exploratory research, thus the researcher must be willing to change the direction as a result of new data that emerges. Exploratory research can take a researcher on a voyage of discovery leading to new insights, ideas and views. Saunders et. al (2007) claim that the innate flexibility of exploratory research does not mean a lack of direction to the investigation but simply that the core of the research is broad at the outset and becomes progressively narrower as the research develops.

3.1 Research Methodology

Research methodology is fundamentally a system of decisions, each of which is interpreted and affecting the ones made after (Brannick & Roche 1997). Methodology is a framework that refers to the theory of how the research should be undertaken. Fisher (2007) asserts that methodology is a study of methods and raises philosophical questions about what it is possible for researchers to know and how accurate their claims to knowledge are. Gharui (2005) defines research methodology as all the topics regarding the structure and design of
the research study, dealing with concerns such as required information type, the research design, data collection method, source of information (also known as sampling).

The range of choices available to academic and business researchers of which, the specific tools and techniques can include; a self-completion questionnaire, a structured interview, participant observation and documentary data collection of company reports, guides and publications are vast and varied (Bryman and Bell) 2007.

In order to conduct a thorough analysis, this research will adopt the ‘research onion’ (Saunders et al, 2007) to explain and justify the choices made by the researcher in conducting the proposed research. (Appendix 1) The ‘research onion’ presents a step by step approach that enables the researcher to assess and uphold the chosen philosophical approach in relation to alternatives.

3.1 Research Objectives

The research intends to delve deeply into the current marketing practises of small businesses, specifically in relation to the marketing practises of micro-businesses in Ireland.

The proposed objectives are:

1. To explore the understanding of the practise of marketing by micro-businesses in Ireland?
2. To discover the actual practise marketing by micro-businesses in Ireland?
3. To investigate the existence of and value given to strategic marketing planning practises by micro-businesses in Ireland?
4. To determine the education, experience and competencies that micro-businesses owners in Ireland hold in relation to marketing?

3.2 Research Philosophy

The research philosophy illustrates our world vision, the expansion of the knowledge and our thought about the research process. Saunders et al (2007) place considerable value on the research philosophy as it will contain assumptions about the manner in which individuals will think about the development of knowledge, thus greatly affecting the way researchers approach their research.

The scientific dimension of research philosophy involves assumptions regarding ontology and epistemology. Ontology is concerned with the nature of reality and being and questions if
our view of the world is an objective reality that actually exists or a subjective reality created by our minds. (Saunders et al 2007)

Epistemology is concerned with how knowledge is formed and is classified by three different philosophies: positivism, realism and interpretivism.

Positivism research is based on the fact that only observable data can lead to the creation of credible data. Realism relates to scientific study and method of data collection, but is grounded in the theory that reality is separate from the mind. There are two types of realism: direct realism and critical realism.

With interpretivism, the researcher must enter the respondents’ social world and attempt to understand it from their point of view. This can lead to rich insights into the subject being researched. (Saunders et al 2007) Bryman & Bell (2011 p402) refer to ontology as a constructionist approach where “social properties are the outcomes between individuals rather than phenomena ‘out there’ and separate from those involved in the construction”

In undertaking this research, the researcher needs to be aware of the embedded ontological and epistemological assumptions that they carry and how they may affect the research being conducted. Interpretivism will be adopted as it attempts to understand human behaviour rather than rationalise it.

3.3 Research Approach

Maylor and Blackmon (2005) believe that a research approach should run parallel to epistemology or epistemological assumptions, thus, connecting it to what is and isn’t considered as knowledge in a field of study. The two different approaches applicable to the design of the research study are the deductive and inductive approaches.

A deductive approach involves a researcher developing a theory and hypothesis and designing a research strategy to test the hypothesis whereas an inductive approach takes the opposite view, that is, the theory is formulated following data collection and analysis. (Saunders et al 2007) It has been stated that “deductive means reasoning from the particular to the general. If a causal relationship or link seems to be implied by a particular theory or case example, it might be true in many cases. A deductive design might test to see if this relationship or link did obtain on more general circumstances” (Ghauri, 2009, p.42).Using the deductive approach, the researcher uses theory to form a number of hypotheses, these are tested through the analysis of data to answer the research questions. These hypotheses present statements about two or more concepts that attempts to understand the relationship between them.

On the other hand, Fisher (2004 p76) defines the inductive approach as “where a conclusion is drawn from past experience or experimentation”. The inductive approach collects data first
and theory second. Data is collected, analysed to establish any patterns that imply a relationship between the variables. Through this analysis it may be possible to construct generalisations, relationships and even theories. However such an approach does not set out to corroborate or falsify a theory (Gray, 2009).

According to Saunders et al (2007), the inductive approach builds theories through understanding how ‘social actors’ interact in the world, by allowing different explanations for what occurs and by being involved in the context of events. An inductive approach is primarily a qualitative approach and usually involves a variety of data collection methods. This research will be conducted using an inductive approach as such an approach is the best match of the research objective and provides the researcher with flexibility in structure.

Deduction begins with a wide view of a perspective and works back to the specifics, contrasted with induction which moves from fragmentary observations to explanations and theories of what has been observed. (Gray, 2009)

The purpose of this research is to investigate the strategic marketing planning practises that exist among micro-business owners in Ireland.

3.4 Research Strategy and Design

Research strategy and design are “the general terms that cover a number of issues associated with the research. It includes the aims of the research, the final selection of the appropriate methodology, the data collection techniques, the chosen methods of data analysis and interpretation and how all this fits in with the literature” (White 2000 p25). Fisher believes that the most significant issue to be regarded when considering a research strategy is whether the researcher would like to get a “broad and representative overview of a situation” which can be completed with a survey strategy or a “depth understanding” that can be completed with case study strategy.

Saunders et al. (2007) identified several research strategies that can be used: Experiments, surveys, case study, action research, grounded theory, ethnography and archival research. Therefore what is most important in choosing a particular strategy is that the chosen research strategy used should enable the researcher to answer the research questions and objectives.

Experiments: Can be used in the field or the laboratory. Less used in management research due to the need to control the context.

Surveys: Using samples to represent the whole population, surveys can be highly flexible, controlled and cost effective way of conducting research.
Case Study: Can provide a rich understanding of the context of a situation. Used to generate answers to the ‘why’ questions and also to the ‘what’ and ‘how’ questions. Can be used to create new theory and challenge existing theory.

Action Research: This is where the researcher is directly involved in research in action rather than research about action. This research is, frequently, about promoting change in an organisation.

Grounded Theory: Theory is developed from data gathered inductively by a series of observations. This data may then lead to the generation of predictions which are tested in further observations that may verify the results. (Saunders et al 2007)

Ethnography: This is a long-term and time consuming research strategy where the researcher immerses themselves in the social world to study phenomenon as it occurs naturally.

Archival Research: The use of existing and historical administration documents and records is known as archival research. This can be limited when such documents don’t exist or cannot be accessed.

3.4.1 Case Study

Of the fore-mentioned research strategies, case study strategy offer the most suitable method of generating the data required for the research. Saunders (2007 p139) citing Robson (2002) defines case study as “a strategy for doing research which involves an empirical investigation of a particular contemporary phenomenon within its real life context using multiple sources of evidence”.

According to Yin (2003) the Case study is favourable if ‘how’ and ‘why’ questions are being asked. This research does not require the control of events to achieve results; it aims to collect information in a setting as they occur naturally.

Eisenhardt (1989) believes that case-study research is highly compatible with new research areas and also for research areas with limited and/or lacking theories.

Case studies are particularly useful for exploratory explanatory studies (Yin 2003). Since this research aims to generalise from the collected data a multiple case design is preferred as it produces more robust evidence. (Yin 2003)

Strengths of case studies include;

1. Detailed Analysis-topics can be analysed fully offering a deeper understanding than other forms of research
2. Data can be understood in context-attitudes, intentions and expectations can be probed and explored
3. Ability to cross check data (Fisher, 2007)

However weaknesses of case studies identified by Leavy (1994) include;

1. Generating theory from cases-it is difficult to generalise to the general population from a limited number of case studies
2. Access to the case-There often needs to be continued access to the case study beyond the initial access. The researcher depends on the goodwill of the case study and may need strong interpersonal skills to gain access to suitable interviewees.
3. Data sources and quantity-This can be labour intensive and time consuming
4. Analysing the data and creative leap – Case study analyses require an imaginative leap in order to convert the rich data into conclusive findings.

For the purpose of the research, case studies are the preferred strategy. The strategy chosen was not driven by a predetermined theoretical construct and research hypothesis; the intention was to explain a given phenomenon. The researcher justifies her choice of using a case study strategy as the chosen research strategy used should enable to answer the research questions and objectives and Saunders et al (2007) explain that a case study strategy is most often used for exploratory research.

3.5 Research Choice

Saunders et al. (2007) have indicated that the researcher has the choice between three different research methods that are the mono method, the mixed methods and the multi-methods. The primary method will be qualitative semi-structured interviews, with further qualitative data added through the use of observations and archival research A multi-method is the preferred choice as the extra data generated will enhance the validity of the findings. Saunders et al. (2007) suggests that quantitative and qualitative research choices are widely used in business and management research to differentiate both data collection techniques and data analysis procedures.

There are two types of methods of research which are normally the most used in the collection of data; these are identified as following: quantitative and qualitative methods (Ghauri 2005).
3.5.1 Quantitative Research

The quantitative methods consist of empirical studies that involve quantifying through the assistance of mathematics and statistics (Bryman and Bell, 2007). Data is collected and transformed into numbers which are tested to see if a relationship can be found in order to be able to draw conclusions from the results gained. In other words, quantitative methods are related to numerical interpretations. Advantages of quantitative research are that it permits the researcher to assess and evaluate data. The researcher can obtain an objective view of the data through studying the relationship between an independent and dependent variables. Using statistics, hypotheses can be tested through quantitative research. Nonetheless, the main disadvantage of quantitative research is the disregard of the context of the study, things are not studied in a natural setting nor do they examine the meaning different items have for different people. Moreover, using quantitative research requires a large number of partakers to enhance the reliability and validity. (Jones, 2011)

3.5.2 Qualitative Research

On the other hand, qualitative research does not rely on statistics or numbers. Qualitative methods often refer to case studies where the collection of information can be received from a few studying objects (Bryman and Bell, 2007). Furthermore, qualitative methods emphasize on understanding, interpretation, observations in natural settings and closeness to data with a sort of insider view (Ghauri 2005). According to Bryman and Bell (2007) qualitative research is an appropriate approach for research in business and management administration.

Moreover, other advantages with qualitative research according to Ghauri (2005) are that it explores new areas of research and builds new theory, allows detailed examination of certain facts, uses subjective information and deals with value-laden questions and can examine complex issues that would be unachievable with quantitative methods. However, weaknesses and limitations with this method is that when trying to compare information from different objects of study, problems can occur (Saunders et al, 2007). Other weaknesses and limitations according to Gray (2009) are subjectivity, difficulty in replicating a study, inbuilt researcher bias and it is labour intensive.

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3.5.2.1 Interviews

It has been decided to use qualitative interviews in order to collect primary data. Qualitative interviewing is generally much less structured, flexible; the interviewer amends and reacts to the interviewee, there is a great interest in the respondents point of view, detailed and rich answers are desired, the interviewer is allowed to depart from any schedule that is being utilized, new questions may arise due to respondent’s replies and the order of questions may be revised (Bryman and Bell, 2007).

There are different approaches to qualitative interviewing; unstructured and semi-structured interviewing. During an unstructured interview the researcher might start the conversation with a question and then actively listens to the respondent who talks freely while a semi-structured interview follow a checklist of issues and questions that the researcher wish to cover during the session (Bryman and Bell, 2007). Thus, semi-structured interviews have been chosen as method in this research. This method with open-ended questions will allow us to adjust our questions depending on the responses elicited. Semi-structure interviews provide the opportunity to regulate the order of the questions and the respondents have the possibility to expand their ideas and speak in great detail about diverse subjects rather than relying only on concepts and questions defined in advance of the interview. In other words, semi-structured interviews are more flexible than standardised methods such as the structured interview or survey. (Ghauri 2005).

3.6 Time Horizon

Typically there are two types of time-frame that can be utilised when conducting research; longitudinal or cross-sectional. Most research studies are cross-sectional, mainly because of the pressure of time and resources and cross-sectional studies often use a case study methodology (Gray, 2009). Longitudinal studies investigate issues over a period of time, whereas cross-sectional studies investigate at a given moment in time.

Due to the time constraints of the research, the researcher believes that a cross-sectional study is most appropriate. Saunders et al (2007) state that cross-sectional research provides a ‘snapshot’ of data rather than longitudinal that tracks changes over time.

3.7 Data Collection

Although no data collection is better than all others, the interview is one of the most important sources of information (Yin 2003).

White (2000 p 28) describe qualitative research as “a descriptive, non-numerical way to collect and interpret information”. Data collection is a vital part of the research and it can be
classified into two types, namely primary data and secondary data. (Saunders et al., 2009). The researcher has used both primary and secondary data collection methods for obtaining data for her research.

This research was conducted initially through an extensive review of secondary data, primarily, a literature review. McCracken (1998) maintains that ‘literature review is a kind of qualitative analysis that which aids in the construction of the primary research’. Brannick & Roche (1997) state that secondary research is less expensive and can be obtained more easily than primary data, however, the concern with secondary research is that the research is limited in that it may be out of date or have been compiled for alternative purpose; this can make the date difficult to use. (Zikmund, 2003, p. 63)

On the other hand, primary research refers to those data that are gathered and compiled purposely for the research project at hand. Various methods can be used for collection of primary data. It can be gathered either through questionnaires, observation, surveys, conducting interviews, or though memos and letters. (Zikmund, 2003, p. 742)

For the purposes of the research, the primary data will be collected in three ways (i) Semi-structured interviews of four micro-business owners, (ii) Observation of micro-business owners while conducting interviews, (iii) Archival data. Using a multi-method approach, will enable triangulation of data to take place and, in turn, will strengthen the reliability and validity of the research. (Saunders et al 2007)

Bryman & Bell (2011) highlight the reasons behind using semi-structured interviews, in that, if the researcher begins the investigations with a well-defined focus, it will allow more specific issues to be raised and can enable participants to further develop their views. Saunders et al (2007) explains that these types of interviews are most appropriate for exploratory and nry research. Archival materials such as organisation documents represent a useful source of data for qualitative researchers. Observation is a particularly valuable for implicit data. Two types of observation exist: direct observation and participant observation. (Blumberg et al 2008)

Fisher (2011) believes that for exploratory research into businesses, interviewing if the most commonly used method in Masters level research as it can offer examples of good practise in semi-structured research.

The data collection will be through recorded semi-structured interviews. Following the completion of the four interviews, the data will then be transcribed. Observations and the collection of archival materials will occur in unison with the recording of the interviews.
3.8 Data Analysis

On completion of the data collection, the next step to be undertaken is the analysis. Saunders et al (2007) expresses the view that analysis of qualitative data involves the following activities, (i) Categorisation of the data, (ii) ‘unitising’ the data, (iii) Identifying relationships and developing related categories, and (iv) creating and testing theories to establish conclusions.

The analysis of the collected data consists of examining, categorising, structuring or by some means re-organising the collected data to explore the proposition being studied. Case Studies are especially difficult to analyse as there are no well defined techniques for doing so. Every study should, however, have a general framework for how the data is analysed. (Yin 2003)

Braun and Clarke (2006) citing Boyatzis (1998) define thematic analysis as “a method for identifying, analysing, and reporting patterns (themes) within data. It minimally organises and describes your data set in (rich) detail. However, it also often goes further than this, and interprets various aspects of the research topic.”

Initial analysis will be conducted to explore the findings in terms of previous research themes. The data analysis will be intuitive and interpretive, focused on discovering common themes from the interview questions which related to the primary research questions. ‘Themed Analysis’ will be the overall approach. This approach should generate an in-depth rich analysis of the data generated.

3.9 Sampling

The basic concept of sampling is that in choosing some elements of the population, a researcher may be able to generalise about the total population (Blumberg et al 2008). They also state that there are a number of persuasive reasons to use sampling including;

(i) lower cost
(ii) greater accuracy of results
(iii) greater speed of data collection
(iv) availability of population elements

Sampling population is defined as ‘the total collection of elements about which one wishes to make inferences’. Blumberg et al (2008) The population being studied for this research are the micro-businesses in Ireland. Micro-businesses are those with less than 9 employees. Due to time, access and budget considerations, it is not possible to interview all subjects in the population so a sample will be drawn from the population.
Also noted is the sampling frame, Blumberg et al (2008) describe the sampling frame as ‘a list of elements from which the sample is actually drawn’. In the context of this research, it is not possible to create a specific sample frame.

Regarding the sample size, Barry et al (2011) using information from the CSO from 2009 observed that there were 180,199 micro-businesses in Ireland employing 350,533 people. The research will be conducted using 4 micro-business owners in the Republic of Ireland.

3.9.1 Sample Technique

The techniques available to a researcher in choosing a sampling technique are probability and non-probability sampling.

- Probability Sampling: “A sample that has been selected using random selection so that each unit in the population has a known chance of being selected” (Bryman & Bell 2011)
- Non-probability sampling: “A sample that has not been selected using a random selection method” (Bryman & Bell 2011)

Due to the nature of the research being undertaken and the time and budget constraints, it is proposed to undertake non-probability sampling. As the research being carried out is exploratory and no statistical generalisations are likely to be created, then non-probability sampling is the most suitable method. There are five types of non-probability sampling; quota, purposive, snowball, self-selection and convenience. Purposive sampling is the most suitable in this case as it is appropriate when the number of samples is small and when the focus is on unusual or special aspects, the researcher is focusing on key themes, where the purpose of the research is illustrative and where the research is in-depth. (Saunders et al 2007)

3.10 Research Ethics

Ethical concerns in research arise when the researcher seeks to access information from organisations and individuals on the subject of research. An ethical stance must be maintained at all times during the research when dealing with organisations and individuals and also when collecting, analysing and reporting data.

“Ethics refers to the appropriateness of your behaviour in relation to the rights of those who become the subject of your work or are affected by it” (Saunders et al 2007 p191)

Consideration must also be given to data protection legislation, the honesty and trust between the researcher and their participants and any issues of conflict of interest.
For the purposes of this research, the researcher proposes to adhere to the ethical principles devised by Diener and Caldwell (1978), that is to ensure that there is no harm caused to the research participants, that informed consent is sought, that the privacy of the research participant is maintained and that there is minimum deception involved.

Each situation will be regarded individually with the view that there may be times where there is no choice but to practise a little dishonesty (such as not informing the participants that body language is being observed) in order to obtain valid and reliable data.

### 3.10.1 Personal Biases

Due to the nature of qualitative research, the researcher needs to be aware of the potential for bias. With the researcher acting as a participant in the creation of the data, there is always a danger of researcher bias in an inexperienced researcher. Such bias can threaten the validity.

Burke (1997) observes that researcher bias “tends to result from selective observation and selective recording of information, and also from allowing one’s personal views and perspectives to affect how data are interpreted and how the research is conducted.”

In order to overcome the potential of research bias, Burke (1997) suggests using a strategy of reflexivity, that is, “the researcher engages in critical self-reflection of their potential biases and predispositions”.

For the purposes of this research, the researcher is aware of their bias toward the existence of the practise of strategic marketing planning from their previous work and training experience and will endeavour to overcome such bias through the existing awareness of such bias while undertaking the research.

### 3.11 Research Limitations

Bryman & Bell (2011) observed that the general criticism of qualitative research is that it is subjective, difficult to replicate, generalisation is problematic and there is a lack of transparency. Reliability, validity and generalisation are vital elements in forming and judging the quality of research.

Trustworthiness and Authenticity are proposed as an alternative view to assess the quality of qualitative research. (Bryman & Bell 2011)

In order to achieve trustworthiness and authenticity, the researcher intends to follow good practise, look for respondent validation where possible, and use thick descriptions and proper procedure. (Bryman & Bell 2011) Also due to the nature of Masters Dissertation research, this research will be limited by time and budget constraints.
Chapter Four: Data Analysis and Findings

4.1 Overview

This chapter analyses the data collected from the qualitative research. Four semi-structured interviews were undertaken by the researcher to create the four case studies by which the data will be interpreted. (Appendix 2) The interviews were recorded by Dictaphone, however, due to the volume of material created, the interviews are not included in the appendices, rather, the findings and conclusions are included.

The interviewees were located through the researchers own network of contacts. Having been involved with small businesses in a professional, training and coaching capacity, the researcher felt that obtaining suitable interviewees should be a straight-forward task. The researcher emailed all her contacts, posted requests in a number of small business groups that she is involved in on LinkedIn and also posted requests for assistance on Facebook and other social media.

In appealing for assistance with the interviews, the researcher sought interviewees that fulfilled a number of particular criteria that the researcher felt were important in finding the most suitable interviewees.

These criteria were;

1. The interviewee should be the owner-manager of a micro-business with 1-9 employees.
2. The interviewee should be trading for two or more years.
3. The business should be the owner-managers primary business concern.
4. The interviewee should be located in the Dublin/Greater Dublin area.
5. The interviewee should be aged 18 years or older.
6. The interviewee should be available for interview between June 24th and July 18th 2013.

Following the appeal, the researcher found four suitable interviewees.

Case 1: AK, male, accounting practise
Case 2: RS, female, training and roleplaying agency
Case 3: UK, female, crèche and play school
Case 4: CL, male, alternative medicine practise
The researcher purposely chose a balance of male and female so as to not skew the research in favour of one gender or another. Also, the age range of the respondents was from late thirties to late fifties.

It is apparent that existing SME literature lacks a theoretical framework that effectively expounds the strategic marketing planning practises of micro-businesses in Ireland. Within the literature, there exists definitions about marketing, strategic marketing, strategic marketing planning and marketing practises. There also exists literature and research on the nature of such practises in multinationals, corporations, organisations and SMEs, however, there is a distinct lack of research into these marketing practises in relation to micro-businesses and certainly, no evidence of research undertaken in an Irish context.

Also to note, the researcher had originally proposed to draw comparisons between her research findings and previous academic study as cited in the literature review. However, to uphold the structural integrity of the work, it was deemed that such cross comparisons would be best-suited in the conclusions and recommendations.

### 4.2 Opening Questions and Ice-breakers

The researcher opened each interview with a briefing on the aim of the research. She also had a number of non-critical questions to ask the respondents in order to relax the respondents and help them open up to her. These areas covered by these questions included talking about their business and the activities that it carried out, a little about the respondent, business background and experience within their chosen professional area. There was also a question on the current economic environment and how it was affecting their trading.

From these questions, the researcher was able to establish the professional credentials of each of her respondents and also, both their previous business background and their previous professional experience. All the respondents held academic qualifications in their area of expertise but none of the respondents held any general business or management qualifications.

Education level, previous positions held and previous entrepreneurial experience are all key factors that can all influence the extent to which an owner-manager practises marketing and planning. (Richbell 2005)
4.3 Objective 1 Research Findings

‘To explore the understanding of the practise of marketing by micro-businesses in Ireland?’

4.3.1 Respondents understanding of the term ‘marketing’

Question asked: What does marketing mean to you?

This question was designed to uncover the basic, unprompted understanding of the term ‘marketing’. In almost every case, the respondents described their marketing in terms of promoting their business. In terms of the Marketing Mix, all respondents spoke of the promotion element of the marketing mix, when we spoke of marketing.

RS ‘Raise your profile. . . getting relevant people to know what you do . . .’

AK ‘ get out there, making people aware of who you are and what you do’ Awareness
Attraction Sales’

CL ‘attracting clients, new and existing’

UK ‘selling your business’

The dominant themes that prevailed with the respondents, in terms of marketing, were awareness, attraction and sales. There was an understanding of the communication element of marketing but little knowledge shown about other elements of marketing.

What is more interesting is what responses the respondents did not give, such as; there was no mention of the customer and their wants and needs, no mention of the role of research, segmentation, targeting or competition. Additionally, the other elements of the marketing mix are also omitted, price, product and place.

4.3.2 Respondents understanding of the practise of ‘marketing’

Question asked: What type of marketing do you do?

The respondents’ spoke here in terms of promoting themselves and their businesses.

CL ‘advertisements, articles, leaflets, social media, networking, website,’

AK ‘very little marketing’ ‘looking at social media, website, LinkedIn, Facebook’ ‘my networking group is the only marketing I do’

UK ‘advertising, leaflets sometimes, think we have a website and maybe a Facebook page’
RS ‘Chamber of Commerce, Networking group, LinkedIn, Conferences’ ‘recently I’ve engaged a lady to do some PR so she’s gotten me a few articles so far’

Marketing is seen as an investment that is to be spent wisely out of precious few resources. And again, marketing is seen, primarily, as a function of promoting the business both in terms of awareness and attracting customers to their business. There is a general confusion as to the most appropriate methods to pursue to achieve their goal of promoting their business. What emerges here is the start of a theme around business networking that will continue through the research.

4.3.3 Respondents understanding of the value of ‘marketing’

Question asked: Why do you do marketing?

Again, the respondents focussed on promotional activities including advertising (newspaper, magazine and on-line), leaflets, PR and most notably, business networking. In three out of four of the cases, business networking was the marketing activity that garnered the most significant investment. This investment was all encompassing, requiring their time, effort and financial resources. However, none of the respondents involved in networking could accurately establish the results that they achieved from such investment.

AK ‘get my name out there, have people recognise my name and associate it with a good experience’

UK ‘Get customers, keep business going’

CL ‘Educate people’

RS ‘Raise my profile, have people know what I do and how it can benefit them’

4.3.4 Respondents further understanding of the value of the practise of ‘marketing’

Question asked: What type of resources-time/effort/energy do you put into your marketing activities?
Almost all of the respondents are investing significant time and effort into their ‘marketing’ activities but had limited financial resources to invest.

RS ‘If what I’ve described can be called marketing then I spent all my time at it’

CL ‘I understand the importance of marketing but I get caught up in other things’

AK ‘3-5 hours a week, primarily, with my networking group but I keep in touch with other people’

In responding to this question, the researcher further probed each of the respondents as to the results their marketing effort produced for them and in most cases the respondents could not quantify the results. Each respondent was acutely aware of the financial investment into their marketing activities yet not aware of the value produced for their own time and resource efforts.

4.3.5 Respondents clarification of the value attached to the practise of ‘marketing’

Question asked: How important is marketing to you in running your business?

UK ‘not as important as it should be’

RS ‘No.1’

CL ‘know it has to be done  not enthusiastic’

AK hasn’t been important as I’ve been lucky I had enough work’

Each respondent acknowledged that marketing plays an important role in running a business but each also expressed their lack of expertise and resources in this area. Despite this belief, the researcher found that the respondents invested significantly into activities that they didn’t see as marketing such as networking that would in fact be construed as marketing activities.
4.2 Objective 2 Research Findings

‘To discover the actual practice marketing by micro-businesses in Ireland?’

4.2.1 The actual marketing practises - Pricing

Question asked: How do you decide on your pricing?

UK ‘Other pricings in the area-competitors. ECI do surveys. Know where you should be’

RS ‘Struggling with it-think I’m not charging enough’

CL ‘benchmark against other therapists’

AK ‘Charge out rate - cost based we try an achieve cost times three but for easier work, we’re lucky to get cost times two’

Different approaches were used by each of the respondents. Each respondent was strongly aware of the prices charged by both direct and indirect competitors. There was a feeling in all cases that there services were worth more than they were charging but they had to price at their current price point due to the current trading environment. In all cases, the respondents were aware of competitors who charged less for their services and unanimously, they felt that such competitors provided a significantly inferior service for the lower prices. This was a topic that the respondents showed some expertise and significant knowledge.

4.4.2 The actual marketing practises - Promotion

Question asked: How do you decide on your advertising, sales and/or promotions?

UK ‘Certain times of year-usually Sept. Word of mouth-don’t need it this year’

RS ‘finger in the wind, go with a feeling (regarding adverts-is that gonna reach the right people?’

AK ‘haven’t had to advertise or do promotional work Clients say I’m competitive on price’

CL ‘ad-hoc experimenting with different things, measuring results, looking at ‘free’ options, 25 mins with LFM (20-25clients)’
Following from the earlier questions, most of the respondents showed evidence that this topic had been explored in great detail. They were acutely aware of the cost of advertising, from newspaper to journals to leaflet costs. There was mention of digital marketing but overall, only one of the respondents had implemented a strategy including digital marketing and at that, the respondent admitted that she had limited expertise in this area. Notably, two of the respondents were looking into using PR in their promotional strategy; one respondent had appreciable success in generating results through this medium.

4.4.3 The actual marketing practises – Competitive Analysis

Question asked: Do you know who your competitors are and what they do?

RS ‘Yes there are three other companies’

CL ‘have an idea, it’s not so much direct competition that I’m up against, rather lack of money and lack of understanding of what I do’

UK ‘aware of all the local crèches’

AK ‘General idea of what markets other accountants are working in we come across each other’

For this question, there was a wide gap in the level of competitor knowledge, from in-depth, intimate knowledge to vague ideas as to who the competitors are. Half the respondents were very aware of their competitors and all of their competitors activities and the other half were less aware, vague even, as though there competitor activity had little effect or reflection on the running of their business.

4.4.4 The actual marketing practises – Customer Analysis

Question asked: Why do your customers come to you over your competitors?

AK ‘referral work comes from quality of work that I do’

AK ‘It’s not quite a friendship but it’s close to being a friendship as opposed to being just a business relationship’
RS ‘word of mouth our reputation and our professional skills-my team is quite specialised in what we provide’

CL ‘to experiment – have tried other therapies and I’m the last resort also word of mouth and I feel I give impressive presentations’

UK ‘because we’re small and we offer a high quality of pre-school education

The responses here were particularly interesting as half the respondents were clear and exact in why their customers choose them over their competitors. Even with that, the responses were not specific, terms such as ‘quality’, ‘reputation’ and ‘professional’, these words are highly subjective and suggest that there is no specific measurement, either formally or informally, used to understand why. Would their customers agree or disagree with what they say.

4.4.5 The actual marketing practises – Customer Research

Question asked: How do you know that?

AK ‘I feel I’ve very good relationships, some come for price, some reputation but I think they stay for the quality of service’

RS ‘I’ve asked for testimonials, I have about nine on my LinkedIn profile’

UK ‘Well we’ve got feedback from parents that they like that we’re small and have a low staff turnover’

CL ‘Went back to clients and got feedback, I asked them to lay it down the line, tell me the good things and bad things’

This question yielded some unexpected and very intriguing results. Half of the respondents have requested formal feedback from their customers’ and sought the feedback after attending business training and seminars. The other respondents spoke of informal feedback that was garnered through contact with their clients. The respondents’ spoke of relationships, there was little evidence of strong customer relationships among most of the respondents-only one of them spoke about their close relationships-even friendships with their customers. However, one of the respondents took a unique approach of requesting both positive and negative feedback to help overcome some difficulties he was having in client retention.
4.5 Objective 3 Research Findings

‘To investigate the existence of and value given to strategic marketing planning practices by micro-businesses in Ireland?’

4.5.1 The investigation of the actual planning practises

Question asked: What type of planning do you do?

AK ‘Take a look at client base and set myself a target for the year’

CL ‘it runs in streams, it depends on whether I have a lot of clients or not, if I’m busy it goes out the door and then when things wind down, I think, oh no, I need to getting planning and marketing again’

RS ‘It’s a bit hit and miss, I’m not very good at it’

UK ‘Well, we’re always looking at ways of improving the business’

This question produced a variety of responses in terms of what the respondents understood planning to be and what actual planning they performed. Unsurprisingly, in the accounting practise, the plans were all based on costs, targets and financials. There was a wide discrepancy in the type of business planning performed, all the business owners planned but in some cases, the planning was day-to-day and at most the plans were for the forthcoming month.

4.5.2 The investigation of the value ascribed to planning

Question asked: What type of resources-time/effort/energy do you put into your planning activities?

AK ‘once a year, I’d take a day or two days to go through my client list, review figures, accounts and then do up my plan for going forward’
CL ‘Well, I look at December, I know that I’m not going to get much work in so I’ll use that time to work on my website, get a few ideas for next year’

UK ‘a lot of thought and discussion goes into planning, in fact, we probably talk too much about it’

RS ‘not as much as I should’

There was some evidence found that the respondents valued the planning process in that planning is a small part of their activities. The issue with the business owners was that even plans that are formulated seem to be implemented partially rather than to completion. This occurs even when the respondent recognises the value of their plan and planning activities. Even when plans were made for a longer period (annual plan) the plan wasn’t always executed as well as originally anticipated. Yet, when probed, each of the respondents spent considerable time planning both short-term and long-term activities.

4.5.3 Further investigation of the value ascribed to planning

Question asked: Why do you/don’t you plan?

AK ‘you’re setting yourself a target and asking yourself questions-how am I going to achieve that target’

RS ‘it’s not in my nature to plan, I don’t like to think too far ahead’

UK ‘well, there’s constant change so we need to stay on top of things’

This question elicited mixed responses from the respondents in terms of their reasons for planning. Some were clear in their view of why planning was a necessary task while others expressed the view that it was an onerous task that they would procrastinate on. Only one of the respondents showed clarity around the benefits that could accrue from planning.
4.5.4 The understanding of the term ‘strategic marketing planning’

For the purposes of the research, the researcher is adopting the definition strategic marketing planning as defined by Ogunmokun and Tang (2012) They classify strategic marketing planning activities as (i) gathering external information, (ii) setting objectives in the area of profits, market share, turnover, customer growth (iii) developing an action plan, and (iv) monitoring the results.

Question asked: What do strategic marketing planning mean to you?

CL ‘That would be employing an external marketing person to do our marketing’

RS ‘where you want to be?’

AK ‘Mmm, specifically targeting a particular area, like say for instance, architects in Dublin, you might take an ad out in an architectural magazine, do an article, send out some flyers and then follow up with a phone call, this should, hopefully, mean that they are aware of us’

The term strategic marketing planning was not understood by any of the respondents even when probed. They thought that it was a method of ‘doing’ marketing or planning but there was no understanding of the strategic element of the concept, in particular, the comprehensive analysis of their trading environment and the effective monitoring of results.

4.5.5 The investigation into actual strategic marketing planning practises

Question asked: Do you do any strategic marketing planning?

RS ‘ No’

AK ‘Well we’ve half done it; we did the ad, the article and flyers but didn’t follow up with the phone calls’ ‘we were busy or maybe it was just an excuse, do I want to start calling ten people, I have this work to do’

CL ‘No, don’t have the resources to do it’

While the respondents didn’t understand the term strategic marketing planning, it was found that there was partial evidence of its practise. However, from the respondents’ point of view,
they were not successful with such practises. Again, the respondents did not recognise that the activities that they were undertaking, in terms of setting goals and creating action plans, are in fact, strategic marketing planning practises.

4.5.6 Further investigation of the value ascribed to planning

Question asked: What are your business goals for the next 12 months?

RS ‘I want to raise my profile and get in contact with the right people’

UK ‘Review our policies and procedures and decorate the toddler room’

CL ‘The aim is to get twenty bums on seats a week’

AK ‘I haven’t set any so far this year’

This question was designed to clarify their planning, in that, if the respondent set business goals, they would also have to create plan to achieve these goals. Also, part of the definition of strategic marketing plans involves setting objectives (goals). While the respondents may not all have had clear goals for the coming year, they had set some goals or had set them in the recent past.

4.5.7 Further investigation of the actual value ascribed to planning

Question asked: What are you going to do to achieve these goals?

AK ‘well I’m lucky in that I’ve achieved my goals when I’ve set them, the only problem is that where I gain my business, in the last few years, unfortunately, it’s been balanced by a corresponding loss in existing business so I’m fighting to stand still’

RS ‘joined the chamber, engaged a PR person, I now know who I need to contact and how I’m going to do it’

This question brought up interesting results, in that, the respondents, had each created plans around achieving their goals. In fact, one respondent had a flip chart with clear plans and
goals set that they had not discussed with the researcher in the interview and only came to light when the flip-chart came into the view of the researcher (it had been behind her)

4.5.8 Further investigation of the value ascribed to strategic marketing planning practises

Question asked: What, in your opinion, is the most important criteria needed to be successful in business?

RS ‘You need the right people, we need to ‘wow’ the client and show the value of what we do’

At this point of the interviews, some respondents were clear in their view of what is needed to succeed. However, other respondents seemed distracted when answering this question and at this point of the interviews, the researcher felt that there was a loss of validity.

4.6 Objective 4 Research Findings

‘To determine the education, experience and competencies that micro-businesses owners in Ireland hold in relation to marketing?’

4.6.1 The determination of the level of formal recognised marketing qualifications

Question asked: Have you any marketing qualifications?

None of the respondents held any formal marketing qualifications.

4.6.2 The determination of the level of exposure to marketing education

Question asked: Have you undertaken any study that included marketing?
While none of the respondents had any formal marketing qualification, most had undertaken some form of marketing through training courses that they had attended either through their local Enterprise board, networking group or business seminar.

4.6.3 The determination of the level of exposure to recent business education

Question asked: Have you undertaken any business courses/training in the last 12 months?

This question was used to establish the value placed on business education and training and the investment that the owner-managers would place in them for the growth and management of their business. None of the respondents had specifically taken a course/training in business in the previous 12 months but all either attended training that included a business element or had heard a speaker talking about an element of business management/marketing/sales.
Chapter Five: Conclusions and Recommendations

5.1 Conclusions

The purpose of this dissertation was to explore the strategic marketing planning practises of micro-businesses in Ireland. The author has found that much of what occurs within Irish micro-businesses both reflects what other researchers have found internationally and contradicts other researchers.

Concurring with Carson et al (2004); O’Dwyer et al (2009); Hogarth-Scott et al (1996), there is ample evidence of the existence of some marketing practises within micro and small businesses. Yet the findings show that these practises are limited, inadequate and unbalanced in their approach. Carson & Crombie (1997) argue that small businesses perform their marketing activities according to their own needs and requirements; however, the researcher concludes that additional expertise in the area of marketing may lead to considerably improved results for such businesses.

Overall, the research has shown that it is not what the businesses are doing in relation to their marketing activities that is problematic rather it is what they are not doing. There are extensive efforts going into some marketing activities yet little or no effort going into others.

Many definitions of strategic marketing planning exist and for the purposes of this research, the researcher concluded that the description and definition given by Ogunmokun and Tang (2012) was the most appropriate. In their definition, they describe strategic marketing planning practises as; (i) gathering external information, (ii) setting objectives in the area of profits, market share, turnover, customer growth (iii) developing an action plan (iv) monitoring the results.

5.1.1 Gathering External Information

There is evidence of the collection of external information in relation to competitors and pricing, however, there was little evidence of market research, market segmentation or targeting of specific markets. There was some evidence of research where two of the cases had requested feedback and testimonials from their customers. This was done on an informal basis with no objectives set or significant thought put into the process. Similar to the findings of Kobylanski & Szulc (2011); McGrath and O’Toole (2011), these activities were reactionary, responding to perceived threats in the external environment.

Slater and Narver (1999) suggested further training in the process of customer research would be beneficial to all businesses and from the research conducted the researcher would agree...
with these earlier findings. Despite a tough external environment, it is essential that micro-businesses owners invest resources in gathering and analysing external information.

5.1.2 Set Objectives

One area that all the respondents indicated an awareness and action in the activity of setting objectives, each respondent have business objectives set for the year or were in the process of defining their objectives for the near future. In terms of strategic marketing planning practises, this was the area that the respondents showed greatest application of the process. Most definitions of strategic marketing planning specifically mention setting objectives (Cravens2008; Carson & Cromie 1997; Ogunmokun and Tang 2012) Thus from this application the researcher concludes that there is evidence of some elements of strategic marketing planning practises

5.1.3 Develop an action plan

“Strategy must lead to action” Drummond (2008: p1)

Having shown an understanding of setting objectives, the respondents also showed evidence of having devised an action plan. However, the creation of the plan was one matter, the implementation of the plan was another matter completely. The plans were not documented nor were they specific or quantifiable in many instances. Initially, plans were executed with enthusiasm but as time passed and the micro-business owner faced obstacles, the plans lost momentum and in many cases were discarded entirely. There is little research into the implementation and execution of plans by micro-business owners and this may be an area for further research in the future.

5.1.4 Monitor results

This research found that there was limited measurement of marketing activities and a lack of revision, monitoring and control of the activities. Marketing activities that were deemed to be successful were persisted with until the desired results ended. Any measurement that was conducted was undertaken in a simple and informal manner, usually, a financial measure. There was no evidence of measurement, revision or analysis of the content of the marketing activities. This area was the weakest in terms of strategic marketing planning and the area that requires most attention by micro-business owners. The respondents were aware of what they needed to do, they set a plan, but did not assess, quantify or in many cases properly implement their plan.
5.2 Overview

5.2.1 Business Networking

The micro-business owners involved in business networking all expressed strong confidence in the value of networking without being able to quantify the results gained from the efforts invested. Like Parrott et al (2010), this researcher would question the reliance and emphasis that is placed on business networking. Such over reliance may be obstructing the business owners from alternative beneficial marketing strategies.

However, what emerged from the research is that business networking can provide non-financial benefits to the micro-business owner. Support, motivation, encouragement and inspiration were cited by the respondents as additional benefits that resulted from their involvement in business networking. Another valuable insight regarding networking came from the realisation that different business networking groups offer different benefits and when the micro-business owner finds the relevant group to their needs, they can garner both financial and non-financial benefits.

5.2.2 Relationship Marketing

An abundance of research exists regarding the beneficial role that building close customer relationships provide to small businesses. (Hogarth-Scott et al1996; Carson and Cromie 1989; O’Dwyer et al 2009) Such relationships offer small businesses a distinct advantage over larger businesses.

Business relationships are also leveraged to extract benefits as demonstrated by the findings of Zontanos and Anderson, (2004). One respondent mentioned suggested that a function of such business relationships was for both parties to obtain value.

Developing relationships with customers who can give them useful insights into their market needs can make a business successful Slater and Narver (1999). The respondents showed evidence of creating close business relationships but were not drawing valuable insights from their relationships.

The respondents concentrated their efforts on building relationships within their business networking activities rather than building strong relationships with their most important customers. In fact, only one of the respondents recognised and valued the importance of their customer relationship. This finding is in sharp contrast to previous research that found an inherent advantage of small businesses is their closeness to their customers. Moravevic et al (2013)

Such relationships can be easily built and maintained using simple modern technology, as basic as a database and email. (Parrott et al 2010)
5.2.3 Barriers to Strategic Marketing Planning

The biggest barrier to strategic marketing planning with micro-businesses is the lack of awareness and knowledge of the different elements required to formulate and implement such practises, echoing some of the previous findings by Lancaster and Waddelow. (1998) Of the marketing practises that business owners are aware of, marketing communications and pricing, each respondent showed a high level of awareness and varying levels of effectiveness of these functions. However, of the strategic marketing processes that the business owners were unaware of; research, segmentation, targeting and measurement to name a few, the micro-business owners were not in a position to implement them as they had neither awareness nor effective knowledge of the processes and their benefits. Such a lack of knowledge may contribute to the failure of the business to thrive and to, ultimately, business closure. (Fuller 1993)

These were not the only barriers to strategic marketing planning that were uncovered by the research. Reflecting previous findings, other barriers mentioned included succumbing to the volume of work to be accomplished each day (Piercy and Craven 1989), external pressures (McDonald 2006) and a preference for focussing on the process of the business. (Lancaster and Waddelow 1998)

As with previous findings by Weinrauch et al (1991) limited financial resources severely hampered the ability of the micro-businesses to perform marketing activities that they would like to perform.

5.2.4 Summary

In terms of marketing knowledge, this research has shown that micro-business owners have little knowledge and awareness of all the processes and practises that are encompassed by the term ‘marketing’. For the most part and similar to previous studies (Carson 1985; Cronin-Gilmore 2012; Weinrauch et al 1991), the owners believed that they had little or no marketing knowledge or capability as they did not comprehend that networking, building relationships, requesting feedback and having a customer focus are all forms of marketing.

Overall, a lack of strategic marketing planning does not mean that the micro-business is badly managed, more that, a lack of such planning may hinder the business-owner from taking full advantage of all the available opportunities. This reflects similar findings by Richbell (2005); Carson et al (2004); Cronin-Gilmore (2012)

As with the findings of Kiran et al (2012), micro-business owners need to consider the actual effectiveness of their current marketing practises. Regard should be given to alternative practises from both the traditional marketing area, research, targeting, measurement and
control of activities and also emerging practises including use of the internet, email marketing and eCRM as tools to creat effective results for business owners.

5.3 Recommendations

5.3.1 Recommendations for further academic research

There are a number of theoretical implications resulting from this research, namely, that this research extends the previous studies and makes a number of contributions to the marketing, strategy and SME literature.

Above all, the research determines that SMEs are performing strategic marketing planning activities to a certain degree. They are realising the benefits and meeting the challenges suggested in the existing generally large-based biased literature, along with some qualifications in relation to their size. This study has extended knowledge by concluding that micro-businesses managing to carry out simplistic forms of strategic marketing planning practises on an ad hoc basis and reaping a range of benefits, which in the SME context is an important contribution to theory.

The time restraints encountered in this research meant that only a small number of micro-businesses could be interviewed, however, limited as these as, they have given rise to further questions.

Any follow-up study would do well to also introduce a further qualitative dimension to the research methodology employed. Quite apart from the obvious requirement to clarify terminology, it would be useful to go beyond a simple consideration of what marketing practices are undertaken in order to find out more about how they are actually being implemented and what practises would be most effective for small business owners. Such insights could undoubtedly be enriched to the benefit of practitioners, educators and business owners alike.

5.3.2 Recommendations for practitioners

In addition to theoretical contributions, the study also has implications for practice.

Fundamentally, it is accepted that traditional marketing is a serious means for SMEs to compete in their markets and against competitors. To compete, SMEs are advised to adopt a strategic and structured approach to marketing to improve on their performance.
Marketing planning practises, if employed strategically, can build customer loyalty and lead to increased sales. However, micro-business owners need to consider up-skilling themselves in marketing practises and management processes to enhance their business operations. This would not require significant investment on the behalf of the micro-business owner, simply, if the business owners were to re-direct some of the time invested in business networking into marketing, planning and implementation, there may be considerable benefits.

Aligned with the views of Parrott et al (2010); Carson (1995); Lancaster and Waddelow. (1998) the research suggests that greater insight into the nature and scope of micro and SME marketing education and training needs would provide Government and Enterprise organisations with a basis from which potential sustainable marketing education and training could be delivered to enhance and grow marketing competence and expertise for both existing micro-businesses and SMEs and future entrepreneurs.
Chapter Six: Self-Reflection on Learning

“By three methods we may learn wisdom: First, by reflection, which is noblest; Second, by imitation, which is easiest; and third by experience, which is the bitterest.” Confucius

6.1 Introduction

This section analyses the learning process during the MBS programme, and reflects on the learning and skills developed by the researcher.

The long journey is coming to an end, at last, there is light at the end of the tunnel and so this is an opportune time to take stock and reflect on the challenging but ultimately rewarding journey that the researcher has taken over the past year.

The researcher’s career started out almost twenty years ago when she completed a BSc in Marketing. Rather than pursuing marketing roles, the researcher moved into sales and progressed in her career to key account management. Later, she moved into general business training and coaching and eventually into sales, marketing and planning training with a particular interest of those running or planning to run small businesses. For a time, the researcher followed a path into entrepreneurship by becoming a micro-business owner herself but the turbulent economic times meant that difficult decisions had to be made and the researcher moved back into the professional world.

Unlike many of my colleagues, undertaking a Master’s programme was not, initially part of a career plan or to progress within a corporate role. Finding herself at a crossroad with her career and with tough economic trading conditions making it difficult to move into a new career area, the researcher decided to take a year out of her career to return to undertake the MBS programme. As an older learner with significant family responsibilities who had been away from the academic arena for almost twenty years, this was a considerable challenge to meet in managing her time both in college and a home and balancing the work load to set priorities, meet deadlines and complete readings and assignments.

The researcher came to the MBS with a clear idea of what she hoped to achieve, but, in hindsight, she had no indication of how much she would actually learn in undertaking her study. The coursework and learning modules have been a superb learning experience with the interactive nature of the classes and student/teacher participation and involvement being of particular note. The depth and variety of learning styles and learning opportunities made it an enjoyable and worthwhile experience.
6.2 Learning types and styles

Identifying a learning style that best portrays the researcher is an important element in assessing one’s own learning. Felder and Henriques (1995) define a learning style as ‘the way, in which an individual characteristically acquires, retains, and retrieves information’.

James and Gardner (1995), describe learning as "the complex manner in which, and conditions under which, learners most efficiently and most effectively perceive, process, store, and recall what they are attempting to learn".

Kolb’s (1984) learning theory is an excellent model that can be used to both understand the differing learning styles of the individual and also offers a clear description of the cycle of experiential learning that applies to learning. This work has had a huge influence in appreciating the significance of learning styles. Understanding your learning style offers insights to learners to recognise their personal inner strengths and weaknesses and to enable them to improve and enhance their skills.

Kolb’s theory works on two levels. Firstly, it sets out four distinct learning styles that are based on a four-stage learning cycle. The model is particularly well-designed in that it offers both a way to understand individual people's different learning styles, and also an explanation of a cycle of experiential learning that applies to all learners.

The first level of the model is a four-stage cycle:

1. Concrete Experience - (CE) (Feeling)
2. Reflective Observation - (RO) (Watching)
3. Abstract Conceptualization - (AC) (Thinking)
4. Active Experimentation - (AE) (Doing)

Each stage follows on from the previous stage, with the first stage being Concrete Experience where a person experiences something new, the next stage is Reflective Observation, where the information is considered and analysed, the third stage is Abstract Conceptualization where ideas and mental models are created and lastly, we have the Active Experimentation stage where the ideas are tested and the next episode of the experience can be improved upon and the cycle returns back to concrete experience.

This then combines with a four-type definition of learning styles, (each representing the combination of two preferred styles, rather like a two-by-two matrix of the four-stage cycle styles, as illustrated below), for which Kolb used the terms: (See figure overleaf)

1. Diverging (CE/RO) - a combination of feeling & watching
2. Assimilating (AC/RO) - a combination of thinking & watching
3. Converging (AC/AE) - a combination of thinking & doing
4. Accommodating (CE/AE) - a combination of feeling & doing

Fundamentally, Kolb views learning through how we ‘think’ about things and how we ‘do’ things and the learning process occurs through a combination of feeling, watching, thinking and doing.

Kolb found that different people naturally prefer ad a preference for a certain single different learning style.

Table 1

Following on from Kolb’s theory, Honey and Mumford (2000) suggest that in order to maximize ones learning one need to be aware of the learning style and also seek out opportunities to learn using that particular style. The learning styles are similar to Kolb and help the learner to organise information and give it meaning.

Their styles are described as follows:

Activist - They are open-minded, enthusiastic and excited about new experiences however, they get bored easily and are poor at implementation and completion.
Reflector - They are observant and cautious by nature. They are thorough in their collection and analysis of data and can avoid reaching definitive conclusions.

Theorist - They are logical, rational and analytical but can tend toward perfectionism and certainty. Discomfort comes through subjectivity or lateral thinking.

Pragmatist - They are practical problem solvers, keen to try out new ideas and theories.

Individuals with a clear learning style tend to be more effective.

According to Lipshitz et al (2007), in looking at Kolbs model, they recommend that rather than simply recognising a learning style, a learner should consider going beyond and exceeding their own learning style by combining it with the other learning styles and continue to advance around the experiential learning cycle, thus becoming a highly evolved learner.

Another model of learning to consider is the ‘Stairway of Competence’, also described as ‘Four Stages of learning any new skill’. This was developed by Gordon Training, to clearly demonstrate how learners acquire and carry out new skills.

Table 2

It has four distinct steps;
1. **Unconscious incompetence:** The learner is unaware of how to do something and does not necessarily recognize the gap. They may deny the usefulness and relevance of the skill. The individual must recognize their own incompetence, and the value of the new skill, before moving on to the next stage.

2. **Conscious incompetence**

   Though the learner unaware of how to do something, they recognize the gap, and the value of a new skill in addressing the gap. The making of mistakes can be integral to the learning process at this stage.

3. **Conscious competence**

   The learner is aware and understands how to do something. However, demonstrating the skill or knowledge requires concentration. It may be broken down into steps, and there is heavy conscious involvement in executing the new skill.

4. **Unconscious competence**

   The learner has had so much practice of the skill that it has become "second nature" and can be performed effortlessly. As a result, the skill can be performed while executing another task.

The researcher attempts to demonstrate the link between the improvement in her skill sets and competencies with the theories of learning and the practicalities of carrying out a large research project. Also highlighted are the key areas enhanced and attained throughout the MBS programme that the researcher believes will apply far beyond the completion of the programme. (Kolb, 1984).

### 6.3 Review of Learning

Self-reflection is a central tenet of any learning experience. As a person learns, there is a shift from one mind set to another. It can difficult to substantiate this change it is possible to understand and verify the change that has occurred.

The researcher chose her dissertation topic carefully ensuring that the topic was worth researching and was in an area that she had a passion and enthusiasm for. On reflection, the researcher notes that her decision to work with such a topic help fuel her interest while conducting this dissertation.
On completion of Mumford and Honey’s learning style test, the researcher discovered that she had a strong preference for the activist and pragmatist learning style and a very low preference for the reflector and theorist learning style.

The researcher could only agree with the definition of her learning styles after reading the descriptions of the styles. The researcher prefers being active and ‘doing’ tasks and is quite pragmatic in her approach to most activities. Yet, she has found over the course of the past year, that she has grown in her ability to reflect and observe and while her preferred style will always be more active than reflective, she has gained an insight into the benefits of taking time to reflect and observe.

The researcher feels that they have garnered extensive experience through the execution of the research and feels confident that they can undertake necessary research for their own business or on behalf of other businesses and also that they have gained considerable confidence in their ability to criticise and impartially scrutinise research and business reports. Each task undertaken in the execution of this dissertation, from embarking on research to analysis of literature to academic writing, has added to her ability to function at the highest level in the professional world and she now has further experience of having to work to very important deadlines.

“How do you eat an elephant?
One bite at a time!” Unknown

Other benefits of the MBS course include a distinct improvement in the researcher’s written communication which in turn has had a positive impact on her self-esteem and self-confidence.

Particularly relevant to the researcher’s learning is the ‘Stairway of Competence’, on commencing the MBS programme, the researcher was unaware of the level of incompetence that she had areas such as academic writing, researching and critical analysis and also the relevance and benefit of gaining competence in these areas. Yet over the academic year, she has developed moved through the steps of the ‘Stairway of Competence’, to reach a level of conscious competence and she hopes that over time, she will develop unconscious competence in these areas. The researcher clearly remembers embarking on her first assignment and the feeling of inadequacy and being overwhelming that occurred, her first assignment was a two thousand word report that, initially, felt impossible to complete and yet here she is completing a project that is ten times the size of her original assignment.

6.4 Future Directions

In coming to the end of the programme, the researcher has reflected on the learning undertaken. She feels that had she been fully aware of the challenges and sacrifices required
to progress through and complete the programme, she never would have enrolled. However, she feels that the learning and experience have, in fact, been hugely beyond her initial expectations and that this will be a springboard to continuing learning and development. In terms of value added to herself, she would say is, above all, an immense sense of achievement.

In the immortal words of Friedrich Nietzsche:

‘That which does not kill us makes us stronger’.

The researcher set out with distinct goals in relation to her learning and career path in enrolling on the MBS programme and is confident that in completion of the programme that the goals are well within her reach. The MBS programme has aided the researcher to significantly develop in key skill areas; particularly, critical thinking, research and teamwork and vastly improve in the areas of communication (writing and referencing) and time management. The programme has offered her a variety of challenges and opportunities to improve as a person both academically and personally.

The researcher started the programme with a love of learning and believes that further education and research will, no doubt, be part of her future path.
References:

8. Burke Johnson R., (1997) Examining the validity structure of qualitative research, Education; Winter 1997; 118, 2; Research Library pp 282-292
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42. Leavy, B., (1994) The craft of case-based qualitative research, Irish business and administration research, Vol 15 pp105-118


Government and Internet Publications:


Competency Staircase

http://www.slideshare.net/pictureitsolved/stairway-of-competence accessed on July 29 2013
APPENDIX 1

Figure 5.1 The research ‘onion’

Source: ©Mark Saunders, Philip Lewis and Adrian Thornhill 2006
APPENDIX 2: Interview Questions: Strategic Marketing Planning (SMP)

Company:  Date:

Introduction & Icebreakers:

1. Can you please tell us about you and your company?
2. What types of roles did you have before you started this business?
3. Is this your first or have you had any previous businesses?
4. How are you finding trade in the current economic conditions?
5. What types of activities do you do?

Objective 1: To explore the understanding of the practice of marketing by micro-businesses in Ireland?

1. What does marketing mean to you?
2. What type of marketing do you do?
3. Why do you do marketing?
4. What type of resources-time/effort/energy do you put into your marketing activities?
5. How important is marketing to you in running your business?
Objective 2: To discover the actual practice of marketing by micro-businesses in Ireland?

1. How do you decide on your pricing?
2. How do you decide on your advertising, sales and/or promotions?
3. Do you know who your competitors are and what they do?
4. Why do your customers come to you over your competitors?
5. How do you know that?

Objective 3: To investigate the existence of and value given to strategic marketing planning practices by micro-businesses in Ireland?

1. What type of planning do you do?
2. What type of resources-time/effort/energy do you put into your planning activities?
3. Why do you/don’t you plan?
4. What do strategic marketing planning mean to you?
5. Do you do any strategic marketing planning?
6. What are your business goals for the next 12 months?
7. What are you going to do to achieve these goals?
8. What, in your opinion, is the most important criteria needed to be successful in business?
Objective 4: To determine the education, experience and competencies that micro-businesses owners in Ireland hold in relation to marketing?

1. Have you any marketing qualifications?
2. Have you undertaken any study that included marketing?
3. Have you undertaken any business courses/training in the last 12 months?