

ПАРТИЗАНСЬКИЙ МАРКЕТИНГ ЯК ІНСТРУМЕНТ ПІДВИЩЕННЯ ЕФЕКТИВНОСТІ МЕНЕДЖМЕНТУ НА ВІТЧИЗНЯНИХ ПІДПРИЄМСТВАХ

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Розглянуто сутність поняття “партизанський маркетинг”, проаналізувано іноземний досвід використання партизанського маркетингу в системі менеджменту підприємства, проведено аналіз стану та перспектив впровадження у ТзОВ “Місто-Д” партизанського маркетингу, визначено ефективність його використання. Підкреслено, що партизанський маркетинг є один з найпопулярніших інструментів маркетингу, який забезпечує ефективне просування товарів та послуг на ринку з найменшими витратами. Тому його ще називають “маловитратним маркетингом” і він є для багатьох компаній, особливо в умовах кризи, найприйнятнішим методом донести інформацію про товар чи послугу до споживачів. У поданому дослідженні виділено найпопулярніші види партизанського маркетингу, такі як провокаційний маркетинг, вірусний маркетинг, прихований маркетинг та контент маркетинг. Як наявний приклад було використано дані компанії “Sitronics”, що вже мала нагоду втілювати в життя методи партизанського маркетингу, а також деякі ідеї даної організації. Як результат, визначено ефективність впровадження партизанського маркетингу на вітчизняних підприємствах. Під час проведення досліджень порівнювався реальний 2013 р., де не використовувалися нетрадиційні методи маркетингу та альтернативний 2013 р. з використанням методів партизанського маркетингу.

Ключові слова: партизанський маркетинг, менеджмент, ефективність.

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GUERRILLA MARKETING AS A TOOL TO IMPROVE MANAGEMENT OF DOMESTIC ENTERPRISES

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The article reveals the essence of the notion of ‘guerilla marketing’, analyzes foreign experience of its usage in the system of enterprise management, provides detailed research on its condition and prospects due to the implementation of ‘guerilla marketing’ in Ltd. ‘Misto-D’ and thus defines the effectiveness of its applying. It is emphasized that guerrilla marketing is one of the most popular marketing tools that provides effective promotion of goods and services on the market with the lowest costs. That is why it is also called “low-expense marketing” and for many companies, especially in times of crisis, it is the most appropriate method to convey the information about a good or service to consumers. Also the most popular kinds of ‘guerilla marketing’ were highlighted in the research, such as provocative marketing, viral marketing, hidden marketing and content marketing. The data of the company ‘Sitronics’ was used as a representative example, as it has already implemented the methods of ‘guerilla marketing’, as well as some ideas of this organization. As a result, the effectiveness of applying of ‘guerilla marketing’ on the Ukrainian enterprises was clearly defined. During conducting the research the real year 2013 (when there were not used untraditional methods of marketing) was compared with the hypothetical year 2013 (as if there were used the methods of ‘guerilla marketing’).

Key words: guerrilla marketing, provocative marketing, viral marketing, hidden marketing, content marketing, management, efficiency.

Statement of the problem. Nowadays the traditional advertising methods do not affect consumers, but rather cause certain distrust, and the companies in turn spend significant sums on marketing activities

that do not bring the expected financial results. This situation requires the appliances to the advanced methods such as guerrilla marketing.

Analysis of recent research and publications. The researches of «Forrester Research» indicate that trust for traditional advertising tends to reduce – from 12% in 2011 to 7% in 2012 and even lower in 2013. Unconventional marketing activities first were described by American advertiser Jay Conrad Levinson, a former creative director of advertising agency “Leo Burnett”, and published in a book called “Guerrilla Marketing” in 1984. The book was addressed to small business and dedicated to low-expense way of advertising. Since then the term has become popular, although J.C. Levinson gave no definition for “guerrilla marketing”. At present, another popular publication is the book called “Market Wars” written by D. Trauta and S. Rivkina and published in 2008.

Goals of the article refer to the reveal of “guerrilla marketing” concept, the analysis of international experience concerning the using of guerrilla marketing in enterprise management, the analysis of the status and prospects of guerrilla marketing implementation for Limited Liability Company “Misto-D”, and the determination of its effectiveness.

The main material of research. The concept of the innovative marketing-oriented management is connected with the implantation in the enterprises activity the modern non-traditional marketing concepts that are aimed to the search of the new ways that influence the consumers minds, and can be characterized by flexibility in compete.

The approach proposed by J.C. Levinson, had been mainly connected with the use of cheap advertising media: business cards, flyers, signs, brochures, etc (instead of expensive). The author also proposed many methods and tricks that allow to improve the efficiency of such advertising and to squeeze its best results. In the later books authored by J.C. Levisohn’s and his colleagues the set of guerrilla marketing tools was expanded and included free ways of promotion: writing magazine articles, provide performances at events, formation of relationships with clients, etc [1].

Guerrilla marketing is one of the marketing concepts which assures the reveal of organization marketing niche, it’s main characteristic is a rejection of unhidden competitive actions with major competitors in the “open field”, it also focuses on separate “front” parts and the use of non-traditional but very effective ways of advertising and goods or services market promotion. It is peculated by flexibility and mobility. Sometimes guerrilla marketing is associated with the concepts of “low-budget” or “low-cost”. This definition does not reveal the essence of the whole concept. “Low-budget” and “low-cost” are very important results of this concept, but the definition of “guerrilla marketing” as completely “low-budgeting” is not accurate [2].

Nowadays, guerrilla marketing also includes a range of advertising methods that are not included to official JC Levinson lists, but correspond to the fundamental principle of guerrilla marketing – availability for companies with a small advertising budget. Among all methods of guerrilla marketing there may be represented the following comprehensive:

- provocative marketing;
- viral marketing;
- hidden marketing;
- content marketing.

Provocative marketing is an innovative advertising tool, based on an emotional game and stimulation of the recipient creative imagination.

Provocative marketing usually consists of 2 main parts:

- intrigue;
- exposure.

Unlike the traditional advertising, provocative marketing is not connected with the explicit appeal to buy goods, it operates invisibly. The main task of provocative marketing is to attract consumers to intellectual game such as “guess what it means”. The purposes of advertisers-provocateurs are surprise and shock. Uncertain writing or outdoor event will be noticed quickly by pedestrians and will be discussed. And when the “word of mouth” will work in full force and rumors will spread throughout the city, advertiser will only have to spread the explanations of the amazing adventure through the media. Then it

becomes clear what brand was promoted with help of provocative marketing. The most important is to make it possible that the recipients till the right time will not understand that it was provocative marketing.

The essence of provocative marketing is that the organizers only have to form the “lump of snow” and give it a chance to accelerate to the right “trajectory”. And then through “word of mouth” and rumours disseminated by te people it turns into a huge “snowball” [3].

Word of mouth is connected with informal forms and methods which are used to transfer the verbal information about the product from consumer to consumer. Spreading rumours by word of mouth radio is not a new method, but in Ukrainian marketing this concept has not been widely used for long, but up from the moment, when consumer attitudes towards traditional advertising started its steadied shift towards scepticism.

Today there are several universal methods of provocative marketing:

1) “*WOM-technology*” – technology of information viral distribution due to the effect called “word of mouth”. Witnessing some strange events, people talk about them with their friends, family, being unaware that they had become the subject of a provocative marketing; photo and video materials are spontaneously distributed online.

2) “*City-teaser*” – this is a technology of city provocations. “Teaser” – mystery, intrigue. At this stage the goal of advertising campaign and name of brand are kept in secret. The target audience witnesses some strange, unexplained, attracting events, but do not realize their true value. Then the organizers of provocative marketing, their brand and the meaning of “strange events” are revealed to the target audience and the media.

3) “*Scandal-strategy*” – provocative marketing technology, based on the scandalous, shocking situations with deep emotional impact on the audience and characterised with wide resonance. Has a limited field of implementation.

4) “*Sexvertising*” – provocative show, built on the exploitation of sexual motives. This technology of provocative marketing has a limited field of implementation.

5) “*Life placement*” is the creation of realistic situation in which the promoters play out positive emotions caused by the use of certain product. It is carried out in the form of game manner and attracting potential customers to a violent conversation, admiring the benefits of acquired products [4].

It is important to note that for the majority of advertising campaigns, provocative marketing can not and should not completely replace, supersede standard tools of advertising. Speaking figuratively, provocative marketing – it is like Special Forces that are landing on enemy territory, it acts in the enemy's rear, causing the point of impact. But this is not a complete victory, because the actions of Special Forces should be supported by the main army on time.

Viral Marketing is the general name of various advertising methods that are characterized by the progressive distribution that is alike to geometric. It takes place when the main distributor of information is its receiver and it can be provided through the formation of the content that attracts new recipients by bright, creative, unusual ideas or using natural and trust links.

One example of viral marketing is “e-mail marketing”, the principles of which are based on encouraging the individuals to transfer marketing message among others providing the potential for exponential growth of the message influence. Like viruses, these technologies use any favourable opportunity to increase the number of posts. Promotion through viral content can take various forms like video, photos, flash games with video call (“WOW-call”) and even just the text (e.g., jokes).

Viral activity or action can be considered in such terms as when the spread of information starts to obey the biological laws of virus’s distribution. So that, when the recipient of the information is genuinely concerned with the idea it can be passed to the maximum abundance of friends as quickly as possible, using the most expeditious channels (usually Internet instant messengers and social networks). The process of such information viral spread is similar to viral epidemic – it spreads rapidly, exponentially, it is difficult to be stopped, and is often relapsed (it seems that interest for the information fades, but it raises with a new propagation wave). It is believed that the term “viral marketing” was popularized in 1996 by Jeffrey Reypert in his article “The Virus of marketing” [5].

Hidden Marketing is a set of different activities that are dedicated to the formation of stable positive image for brand, product, service or company in general among all target audiences (clients, customers, partners and employees).

Hidden marketing can be used as a single promotion method as well as it may be combined with other tools of advertising, PR, viral marketing. The purpose of hidden marketing is not direct advertising of a product or service, but non advertising promotion, when information about a new product or service is sent to consumers in an unobtrusive way, so that consumers are not aware that they have been the object of advertisement. The most common form of hidden marketing is the rumours marketing (also known as “Buzz– Marketing” or “Word-of-mouth marketing”). In this case, the advertising message spreads through the exchange of views among the consumers concerning the product.

Content marketing is a combination of different marketing techniques, based on the creation and/or dissemination of useful for the consumer information in purpose of gaining the confidence and attracting potential customers. Content marketing involves the preparation and dissemination of high-quality, relevant and valuable information that is not an advertisement, but indirectly persuades the audience to take the necessary decisions to choose the distributors of its services. To the advantages of content marketing may belong its facility to attract the attention of the audience effectively, gain trust and gently promote the product or service on the market.

Ways of information content distribution may vary from websites, blogs, social media, traditional media, books, magazines, print or online news media, newsletter, seminars, webinars, conferences, round tables, video portals etc. The purpose of information free flow is not connected with the advertising of specific products or services, but with providing consumers with information about the overall situation in certain market segment, the events that take place in it, the way to solve the associated segment problems, and, sometimes, the ways distributor’s product assists to solve these problems.

Elements of buzz marketing are being used for centuries. It is known that in 1864 year brandy producer M.L. Shustov resorted to such methods for his brandy promotion. When the product was only settled on sale, M.L. Shustov hired a few dozen students who wandered round Moscow bars and demanded “shustov” brandy. If it was not available, the youth made scandals and fights, and then the information transpired to the newspaper, creating a viral effect. In a month or two the whole capital knew about M. L. Shustovs brandy.

The good influence on the modern audience has one of the most popular kinds of guerrilla marketing in the world – shocking marketing. It helped the cellular salons “Euroset”, created in 1998, to achieve approximately a \$2 billion USD turnover in 2002, after the action “Take off your clothes and get a cell phone”, which cost \$1300 USD; photos from this event attracted more than 30,000 people to the site “Euroset”.

Last year in Omsk Swedish mobile operator “Tele2” hired 10 students who after the celebration of the “last school call”, went to the streets dressed in pregnant schoolgirls and with placards, “Mom, I did not have a phone Tele2 GSM”. On the beginning of 2011 year, “Tele2” again turned to outrageous. The company did not spend \$100-150 thousands USD to rent a booth at a large exhibition “Norvekom” in St. Petersburg. “Tele2” staff attracted the visitor’s attention in a much cheaper way: they were carrying around the hall the coffin with the words “Expensive phone calls”. Vice President of Marketing Department of “Tele2 Russia” Fredrik Vrem declared for “Vedomosti”, that his company is pleased with the effect of such actions and is going to carry them further [6].

For clearer determination of guerrilla marketing effects on company management, we can analyze the example of a particular organization. The best is to choose the company that has already undertaken some marketing activities, but doesn’t have an experience in non-traditional marketing methods use.

Research object – Limited Liability Company “Misto-D” (farther in statement as LLC “Misto-D”). Activity of LLC “Misto-D” is regulated by the Labour Code of Ukraine, the Commercial Code of Ukraine, and other applicable legislation.

The enterprise sells a variety of consumer goods, catering food products, goods for other industrial and technical purposes.

According to the 2009-2012 year data, marketing activity costs tended to increase, reaching 63204.3 UAH in 2010, 67869.5 UAH in 2011, and 69819.5 UAH in 2012, 72761.9 UAH in 2013. The most

significant were those associated with the promotional cost (printed advertisement, displays, window decoration, etc.) and also with the creation of promotional and gift set of goods like “two in one”. Marketing activity incomes derived by LLC “Misto-D” during 2009-2012 years are represented:

- in 2010 84230.4 UAH,
- in 2011 89591.0 UAH,
- in 2012 93752.0 UAH,
- in 2013 98001.0 UAH.

The main effect that the company wants to get making insult for its managers on the marketing sphere is a profit. It is necessary to reduce the costs of marketing activities as much as possible so that the effect will not decrease but even increase. So it is necessary to focus attention on the marketing activities management and the improvement of its system. The rate of return for the marketing activity during 2009-2012 years:

- in 2010 33,27%,
- in 2011 32,01%,
- in 2012 34,28%,
- in 2013 34,69%.

Guerrilla marketing is characterized by a low-budget, that does not require a significant investment of funds for implementation, but its effectiveness does not inferior to traditional marketing methods.

In the study there will be used the following method, so-called “life placement”. The concept of that method is based on the introduction of the goods to everyday life through the false “happy” customers. The most significant examples of this method were those, represented by “Sitronics” company and the “Prosto” shop network.

Mina Khachatryan – the Director of marketing communications in “Sitronics” company – embodied that method by following: on the busiest subway stations in largest cities there were settled people with boxes containing “Sitronics” equipment. Promoters sometimes “by accident” met their “friends” and loudly discussed the “purchase”. In addition, to the stores, where the company wanted to sell its technology, called “costumers”, who asked whether “Sitronics” had been in sale. Before those occasions the consumer awareness of the brand was 26.5% and after it rose to 44%. Similar method was used by “Prosto” shop network.

To implement this method, we need at least 30 promoters of all ages, involved for a short period of time, from 30 minutes to 1 hour, who would appear in different parts of the city during certain time period. Let this action last 1 week. Assume that the work of one promoter averagely cost 50 UAH per hour. To these costs it is necessary to add some extra payments for the employee that will watch the conduction of the action (for example 1,000 UAH). In turn, so-called “advertising equipment”, that is necessary to make potential buyer know which company the products belongs, it is important to provide the right amount of good packaging for a promoted product. That will increase the cost of the printed promotional products – boxes, labels, packages. At least the selected promoters should be fully provided with it.

В свою чергу, так зване “рекламне обладнання” – щоб потенційний покупець зрозумів, про продукцію якого саме підприємства йде справа, потрібно забезпечити потрібну кількість хорошого упакування для продукту, що пропагандується.

To sum up: the cost of guerrilla marketing use will equal 55194.1 UAH in 2013, while the traditional marketing activities costs of the enterprise will count for 72761.9 USD in 2013, that is up to 17567.8 UAH more.

If we accept “Sitronics” data there can be derived that the growth of brand awareness totaled approximately 17%, and it effects the demand for products, and therefore the amount of sales, and finely a profit in general. Than we assume that in terms of current market, the growth of demand will total 17% so the marketing activities income will be equal $93752 * 1.17 = 109689.8$ UAH (for the data base were accepted the marketing activities incomes of 2012 year). Thus, there emerges the situation, when the marketing activities revenue increases ($109689-98001 = 11688$ UAH).

According to the data, represented in the Table 1, we can conclude the following: marketing profitability would have significantly increased comparing to the actual data in 2013. It can amount 98.73% that is quite high.

**Dynamics of LLC “Misto-D” marketing profitability before
and after guerrilla marketing events**

№	Indicators	2013 y (real)	2013 y (alternative)
1.	Net profit, UAH	25239,1	54494,9
2.	Costs, UAH	72761,9	55194,1
3.	Profitability, %	34,69	98,73

So, taking for a base of the company’s management the orientation for innovative marketing, we can conclude the following:

- the creative and communicative marketing professionals are necessary in order to provide an effective use of unconventional methods that will cause positive impact on the enterprise in a future;
- the impact guerrilla marketing events consists of much reduced advertising costs and profit growth due to non-standard methods of procuring the consumers with information and the inducing of their interest;
- occasionally, it is necessary to change the methods, styles of management, information procuring in order to support both the interest of employees who are engaged in marketing activities and strive for new solutions and periodic changes and consumers who get bored of monotony.

Conclusions and recommendations for further research. In the article, there was proposed the applying of guerrilla marketing as a tool for the improvement of management efficiency on the domestic enterprises, there is analyzed the foreign experience of its use and determined the possible impact of its implementation on the enterprises. In the future, it is needful to monitor the emergence of new guerrilla marketing events.

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