FACTORS INFLUENCING PATRONAGE OF SALONS AND BARBER SHOPS BY NAIROBI RESIDENTS

BY

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A MANAGEMENT RESEARCH PROJECT SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF BUSINESS ADMINISTRATION (MBA) UNIVERSITY OF NAIROBI

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DECLARATION

This management research project is my original work and has not been submitted for a degree at the University of Nairobi or any other University.

Signed ....*WK*.............   Date *14th November 2003*

OKOTH A.W.

This management research project has been submitted for examination with my approval as University supervisor

Signed ....   Date *14th November 2003*

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DEDICATION

I dedicate this project to my parents, sister and brothers: Philip, Priscilla, Janet, James and David.

ACKNOWLEDGEMENTS

First of all I would like to thank the almighty for seeing me through every aspect of my life and now specifically for enabling me accomplish my MBA project which proved a little tedious.

Many thanks go to my supervisor Dr. M. Ogutu for guiding me through this management research project and for his persistent determination to help.

I would like to thank my family for all the support they have given me. Because of their love for education I have come this far. I feel indebted to a dear friend Inno who has encouraged and supported me in many ways. Thank you very much.

I will not forget to thank all my MBA colleagues with whom I shared much and for their contribution towards my studies without which I would not have achieved much. They include Julia, Martin, Bitok, Nzili, Phyllis, Odock, Mugambi.

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TABLE OF CONTENTS

Page

LIST OF TABLES

ABSTRACT

This exploratory study investigated the factors that influence patronage of salons and barbershops and their relative importance. The target groups were clients of salons and barbershops who visit these service outlets both in the residential estates and in the Central Business District.

Primary data was collected by use of self- administered questionnaires. Respondents were asked to indicate on a five-point Likert- type scale ranging from very important to not at all important how they viewed a series of factors influencing patronage. The data collected was analyzed by use of multivariate statistics.

From the factor analysis seven key patronage factors were extracted. These most important factors considered were: popularity, flexibility of service and comfort, safety and convenience, customer care and a wide range of services, professionalism, convenience of location and affordability and courtesy.

The study revealed that these patronage factors are functions of both service outlets and service personnel. For this reason the researcher recommends that future research be carried out to investigate exclusively patronage factors attributed to the service personnel.

Public policy makers can use the findings to formulate health and safety policies that will protect the public from substandard and unhygienic services.

CHAPTER ONE

INTRODUCTION

1.1 BACKGROUND

Retailers and consumer service institutions are continually compelled to make decisions directed toward meeting the demands of prospective customers. The more a store's product and service offerings meet customer expectations, the more likely the store will induce customers to become patrons. Stores that are unable to differentiate themselves from their competitors on any basis other than a particular set of weekly price-offs deals provide very little basis for patronage (Kelly and Stephenson, 1967).

A store is thus chosen based on the self-confidence that the customer has regarding the store about the nature and quality of product and service he or she would receive.
Jonpaul (2002) suggests that all persons usually need hairstyling regardless of income level, and make the effort to find money available to style their "look".

Patronage is the financial support given by customers in making use of anything established, opened or offered for the use of the public, as a line of conveyances or steamers, a hotel, store, shop or the like (Simpson and Weiner, 1989).

Salons and Barbershops offer a wide variety of services. Some of these services include-Hair: cut and style, hair color, highlights, toner, hair and scalp treatment, blow-dry; Shaves; nails: manicures, pedicures; waxing services: eyebrow shaping; hair laser removal: hair removal on neck, back, ears etc; moustache and beard trim.

The families in Nairobi city differ in many ways and most differences center on size, income, ethnic, education and age. These demographic factors greatly affect socio-economic characteristics of the families as shown by the type of housing, dress, transportation, entertainment and other consumption patterns. The residential areas in the

1

city are generally seen as a reflection of the relative incomes and social classes of the city residents. For instance, Eastlands are mainly for middle-income earners, Westlands for high-income earners, and Kibera/Mathare slums for low income earners (Nyaga, 1989).

Such trends combined with slow economic growth, increased living standards and intensifying competition have caused complex behavioral shopping patterns in customers. Customers have become more sophisticated and demanding while having greater expectation related to their consumption expenses.

Dayle (1994) argues that for a business to succeed it should engage or focus on satisfying customer needs and this can be through organizing itself to meet the needs of target customers more effectively than its competitors.

Developing a high degree of –store- loyalty among customers is an important goal of marketing strategy. Store loyalty is therefore a major objective of retail channel strategy due to its important financial impact (Evans, 1997).

Services are mostly produced and consumed simultaneously; hence consumers often come into contact with the service provider, leading to the opportunity for an inter-personal relationship (Lovelock et al. 2001). Further, consumer services often involve multiple service encounters that occur over a period of time, requiring an ongoing relationship of some kind with the consumer (e.g. hairdressing, auto repair)
(Lovelock et al, 2001). Finally, services are known for their intangibility and associated perceived risk compared to goods. The risk associated with services arises not only before the purchase but continues after the service (Murray, 1991). The after-service risk occurs because the degree of uncertainty following purchase evoked through a difficulty of comparing alternative services, and the fact that a portion of the service itself (i.e. the functional service component), although already experienced, remains intangible. This risk can be reduced through consumers seeking relationships with the service provider, whether the individual or the firm that they represent (Benapudi and Berry, 1997).

2

1.2   STATEMENT OF THE PROBLEM

Consumers are involved with the decision to determine where to purchase a selected product or service. This is a very important decision, which interacts thoroughly with that of what to buy. Not all sales outlets are alike, and consumers have options concerning location (downtown or sub-urban stores), services offered (high versus low), among others. Consumers must therefore decide not only on the general type of store to purchase from but also determine the particular outlet (Loudon, et al, 1979).

Maintaining customers at a high level of loyalty is more a strategic objective to increase, or at least maintain, sales in a more profitable way than recruiting new customers (Reichold and Sasser, 1990). Because of its strategic role in the management, store loyalty is a key managerial concept for years and choice of stores by individual customers is one of the most traditional research areas in marketing (Charlton, 1973).

Managing service quality is, in fact, a major part of service marketing. Providing services that consistently meet or exceed customer's expectations is key to overcoming most of the major problems unique to services. For example, service reliability has been found to be the most important dimension of quality to consumers, so improving quality generally means improving the reliability of service outcomes. And, because reliability directly addresses customer concerns about service variability and intangibility, a reputation for high quality directly reduces the purchase risk for new customers, whereas a poor reputation makes selling the service much more difficult. High-quality services are also more likely to stimulate positive word of mouth by current customers, reinforcing the firm's own advertisements by giving them more credibility and further improving the firm's reputation (Rust et al, 1996).

In the process of evaluating which stores to patronize, customers consider a variety of factors. An identification of these factors will help managers improve on their management and therefore win loyal customers.

Because of the basic differences between goods and services, marketers of services face some very real and distinctive challenges. The challenges revolve around understanding customer needs and expectations for service, tangibilizing the service offering, dealing with a myriad of people and delivery of issues, and keeping promises made to customers (Zeithaml and Bitner, 2000).

The central issue for customers of salons and barbershops is choice, choice of which salon or barbershop offers the best service and which one to patronize.

The distinctions between services marketing and consumer marketing are blurred. What makes marketing a service different is that the product on offer is 'intangible'. It is based upon a relationship, an experience, an encounter. It quite clearly is focused upon people rather than upon things (Christopher 1995). This is the case with the salons and barbershops. Personal body care, which is accompanied with hygiene, further makes the services of salons and barbers more unique. Customers are therefore much more sensitive of the salons and barber shops that they choose and patronize.

The hairdressing context provides a setting in which personal loyalty could exist. There exists a situation in which the customer's patronage of the firm is subject to the service worker continuing to serve the customer. Salespeople, personal service employees such as beauticians and hair-dressers and professional service employees such as general practitioners and accountants are well known for taking favored clients with them when they leave to work for competitive businesses (Bove and Johnson, 2002).

The traditional barbershops of years past have been replaced by unisex salon's and spa's which focused mainly on women. Professional men are more health and style conscious, especially men who have achieved a modicum level of professional

success. They are willing to pay for products and services that are geared specifically toward men. They are looking for an environment that consistently offers quality service, products and camaraderie. They look for a gathering place where they can openly discuss politics, watch sports or stock market news on TV, read the newspaper, network, get a cup of gourmet coffee, buy an imported cigar and get a shoe shine (Jonpaul, 2002).

Services marketing concepts and strategies have developed in response to the tremendous growth of service industries resulting in their increased importance to the U.S and world economies. As was noted in 1996, the service sector represented 79% of total employment and at least 76% of the gross domestic product of the U.S. Almost all of the absolute growth in numbers of jobs and the fastest growth rates in job formation are in service industries. Another indicator of the economic importance of services is that trade in services is growing worldwide. There is a growing market for services and increasing dominance of services in economies worldwide, not just in the United States. Services are a dominant in countries around the world as can be seen in the global feature (Zeithaml and Bitner, 2000).

While the share of service employment in most of the developing countries has yet to match the levels demonstrated by the developed marked economies there is also more diversity. In most, however, the share of services in total employment in 1972 was still lower than the equivalent figure for developed market economies; subsequent increases in shares have also been markedly slower. By 1994 only a few 'special cases' such as Singapore, Bahrain or Colombia had levels of service employment approaching those typical of developed countries in 1985. For some developing countries such as Egypt, Pakistan or Thailand the 'services gap' remains very large. However in common with developed market economies, employment in social and personal services had expanded to form a significant share of total service employment in 1984: 77% in Jordan, 71% in Kenya according to the International Labour Office (1987)(ILO) (Daniels, 1993).

A lot of studies have been carried out on supermarkets in Nairobi. Wambugu (2002) carried out a study on factors that determine store loyalty. He found out that factors such as prices of products, availability of all types of merchandise, employees' knowledge of products and employees being warm and courteous were brought out as being important. Location and store operational hours were ranked as the second and third factors respectively after availability of merchandise. Prompt service was also rated very high in the determination of store loyalty. Very little has been done on the service industry and especially so on personal services such as those offered by salons and barbershops. With this regard this study sets out to investigate the factors influencing patronage behavior in the salons and barbershops in order to fill the knowledge gap.

Today, there are many products and services to be purchased. However, there are equally more points-of –purchase from in terms of proximity, store-type, store quality, store-pricing policy, convenience, discounts and security. All these are attributes to be considered when deciding on the point of purchase. The study seeks to identify these attributes. More specifically, the study will answer the questions:

- What factors determines patronage behavior for customers of Salons and Barbershops?
- Which of these factors are most important?

1.3 OBJECTIVES OF THE STUDY

To identify the factors that influence patronage of salons and barber shops and their relative importance.

1.4 IMPORTANCE OF THE STUDY

This study is expected to be of importance, in the following ways:

- o Potential investors who are keen in establishing salons and barber shops in Nairobi will find the information useful in making sound decisions on their investment

- o It is hoped that the findings presented in this report will provide some useful and pertinent information to outlet managers and owners and thus enable them to device marketing strategies that would win loyal customers.

- o Academicians and researchers will get an insight on the **factors influencing patronage of salons and barber shops in** Nairobi

- o The study will be an empirical basis for further studies of patronage factors

1.5   THE STRUCTURE OF THE STUDY

The study covers salons and barbershops in Nairobi and their customers. The study is into five chapters:

Chapter one consists of the background, the statement of the problem, the objectives, the importance of the study and a summary of the structure of the report.

Chapter two comprises of literature review on issues related to patronage behavior.

Chapter three discuss the research framework, which includes the population, sample frame used, the research instrument used, and methods used for data analysis

Chapter four covers data analysis where research findings are presented

Chapter five gives a summary and conclusions from the study as well as limitations and suggestions for further research.

CHAPTER TWO

LITERATURE REVIEW

This chapter reviews literature on various issues and concepts that relate to services marketing, patronage behavior and choice of service points or beauty and barbershops.

2.1   SERVICES MARKETING

A popular definition describes services as "any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything (Rust et al, 1996).

According to Rust et al (1996), in the late 1970s and early 1980s, scholars such as Shostack .L. noted that services were different in many ways from physical products; for example services are intangible, and production and consumption of services are often simultaneous.

There are four commonly sited characteristics of services that make them different to market from goods: intangibility, inseparability, variability, and perishability (Rust et al 1996)

2.1.1   CHARACTERISTICS OF SERVICES.

According to Zeithaml and Bitner (2000), the most basic, and universally cited, difference between goods and services is *intangibility*. Because services are performances or actions rather than objects, they cannot be seen, felt, tasted, or touched in the same manner that we can sense tangible goods. Intangibility presents several marketing challenges: Services cannot be inventoried, and therefore fluctuations in demand are often difficult to manage. Services cannot be patented legally, and new service concepts can therefore be easily copied by competitors. Services cannot be readily displayed or easily communicated to customers, so quality may be difficult for

consumers to assess. Decisions about what to include in advertising and other promotional materials are challenging, as is pricing. The actual costs of a "unit of service" are hard to determine and the price/quality relationship is complex.

Rust et al (1996) notes that intangibility may represent the most critical difference between services and goods, and its implication for marketing are great. Intangible services are difficult to sell because they can't be produced and displayed ahead of time. They are therefore harder to communicate to prospective customers. Prospective customers have to commit to the process before seeing what he or she is getting, and therefore has higher perceived risk. Marketers of services can reduce this risk by stressing tangible cues that will convey reassurance and quality to prospective customers. These tangible cues range from the firm's physical facilities to the appearance and demeanor of its staff to the letterhead of its stationery to its logo.

He further notes that another common method for reducing the uncertainty that intangibility generates in the minds of customers is to stress the professionalism of the firm's staff, with its implications for successful service outcomes. In general, developing strong corporate image is a great help in overcoming customer resistance (Rust et al, 1996).

Another characteristic of services is *inseparability*. According to Rust et al (1996), this characteristic is interpreted differently by different service marketing writers, but all interpretations point out that special operations problems exist for the firm's managers. One interpretation of this term is the inseparability of customers from the service delivery process. A child getting a haircut must sit still; otherwise the family photo may have to be delayed for a month. An over demanding restaurant patron may fluster or aggravate the wait staff so badly that service quality is reduced for customers at several tables.

These examples illustrate the fact that, unlike goods, which are often produced in a location far removed from the customer and totally under the control of the manufacturing firm, service production often requires the presence and active participation of the customer- and of other customers. Depending upon the skill, attitude,

cooperation, and so on that customers bring to the service encounter, the results can be good or bad, but in any event are hard to standardize.

A second interpretation of inseparability refers to the fact that in some service industries the service delivered is inextricably tied to particular individual service providers. This strong link between individual provider and service product creates severe capacity problems for a service firm, since one individual can be stretched only so far. Capacity can be stretched farther by training assistants who can free the star performer for all but the most essential tasks, or it can be expanded indefinitely by standardizing the service and training other experts to provide it (Rust et al, 1996). Zeithamal and Bitner (2000) term this characteristic as simultaneous production and consumption. Because services often are produced and consumed at the same time, mass production is difficult if not impossible. The quality of service and customer satisfaction will be highly dependent on what happens in "real time," including actions of employees and the interactions between employees and customers. Similarly, it is not usually possible to gain significant economies of scale through centralization. Usually operations need to be relatively decentralized so that the service can be delivered to the customer in convenient locations (Zeithaml and Bitner, 2000).

Services are performances, often involving the cooperation and skill of several individuals, and are therefore unlikely to be the same every time. This potential *variability* of service quality greatly raises the risk faced by the consumer.

The service provider must find ways to reduce the perceived risk due to variability. One method is to design services to be as uniform as possible- by training personnel to follow closely defined procedures, or by automating as many aspects of the service as possible. This isn't always a good strategy, however. The appeal of some service personnel-particularly, those involved in such expensive personal services as beauty parlor treatments or home decorating- lies in their spontaneity and flexibility to address individual customer needs. The danger with too much standardization is that these attributes may be designed right out of the services, therefore reducing much of their appeal. A second way to deal with perceived risk from variability is to provide

11

satisfaction guarantees or other assurances that the customer will not be stuck with a bad result (Rust et al, 1996).

According to Zeithaml and Bitner, (2000), the employees delivering the service frequently are the service in the customer's eyes, and people may differ in their performance from day to day or even hour to hour. Heterogeneity also results because no two customers are precisely alike; each will have unique demands or experience the service in a unique way. Thus, the heterogeneity connected with services is largely the result of human interaction (between and among employees and customers) and all the vagaries that accompany it. Because services are heterogeneous across time, organizations, and people, ensuring consistent service quality is challenging. Quality actually depends on many factors that cannot be fully controlled by the service supplier, such as the ability of the consumer to articulate his or her needs, the ability and willingness of personnel to satisfy those needs, the presence (or absence) of other customers, and the level of demand for the service (Zeithaml and Bitner, 2000).

Rust et al (1996) notes that the fourth characteristic distinguishing services from goods is their time dependence. Services cannot be inventoried, since they are performed in real time. Zeithaml and Bitner (2000) note that services cannot be saved, stored, resold, or returned. Wouldn't it be nice if a bad haircut could be returned or resold to another consumer? *Perishability* makes this an unlikely possibility for most services (Zeithaml and Bitner, 2000). Rust et al (1996) further notes that time periods during which service delivery capacity sits idle represent revenue- earning potential that is lost forever. Periods of peak demand cannot be prepared for in advance by producing and storing services, nor can they be made up for after the fact. A service opportunity occurs at a point in time, and when it's gone, it's gone forever.

2.1.2 THE SERVICES MARKETING MIX

Service marketing managers have found that the traditional four P's of marketing are inadequate to describe the key aspects of the service marketer's job. The traditional marketing mix is said to consist of the following elements of the total offering to consumers: the *product* (the basic service or good, including packaging, attendant services, etc.); its *price*; the *place* where the product is made available (or distribution channels- not generally a real issue for most services, except perhaps for repair and maintenance); and *promotion* (marketing communication: advertising, public relations, and personal selling). Some marketers suggest that the unique requirements of selling services require the manager attend to three additional P's. These are people, physical evidence, and process (Rust et al, 1996).

People are all human actors who play a part in service delivery and thus influence the buyer's perception; namely, the firm's personnel, the customer, and other customers in the service environment (Zeithamal and Bitner, 2000).
All of the human actors participating in the delivery of a service provide cues to the customer regarding the nature of the service itself. How these people are dressed, their personal appearance, and their attitudes and behaviors all influence the customer's perceptions of the service (Zeithaml and Bitner, 2000). For this reason, human resources management policies and practices are considered to be of a particular strategic importance for in delivering high quality services. Management leadership, job design, and systems to reward and recognize outstanding achievement are among the issues that a successful service manager must address (Rust et al, 1996).

Physical evidence is the environment in which the service is delivered and where the firm and customer interact, and any tangible components that facilitate performance or communication of the service (Zeithaml and Bitner, 2000).
Physical surroundings of and other visible cues can have a profound effect on the impressions customers form about the quality of the service they receive. The "servicescape"- that is, the ambience, the background music, the comfort of the seating,

and the physical layout of a service facility can greatly affect a customer's satisfaction with a service experience. The appearance of the staff, including clothes and grooming, may be used as important clues (Rust et al, 1996).

Process is the actual procedures, mechanisms, and flow of activities by which the service is delivered- the actual service delivery and operating systems. The actual delivery steps the customer experiences, or the operational flow of the service, will also provide customers with evidence on which to judge the service (Zeithaml and Bitner, 2000).

2.1.3   CUSTOMER SERVICES QUALITY

Retail stores may offer numerous services in order to attract customers. One scheme classifies services according to those which (1) increase product or service satisfaction (such as credit, and shopper information), (2) increase convenience (such as ordering and parking), (3) provide special benefits (such as complaint offices).
The extent of the effect of customer services on store choice is unclear (Loudon, 1979).

Kibera (1999) suggests that an organization must first clearly define its customers before analyzing the quality of its services. The customers should be defined in terms of their needs, expectations, perceptions, economic status, social and psychological orientation. Demographic characteristics should also be analyzed so as to understand its customers.
Many organizations have recognized that when competing services are similar, customers are won and lost based on quality of service. Only the customer can judge the quality of service. Thus, quality of service is the conformance of services to customer specification Service organizations must therefore first determine what benefits the customers expect to receive and then develop service products that meet those expectations.

Kibera (1999) suggests that customers use basically similar criteria to determine service quality regardless of the type of service.

Reliability being one of the criteria involves consistency in performance and dependability, which is exhibited in accuracy in billing/invoicing, keeping records correctly and performing the service at designated time. Close to reliability is *credibility,* which includes trustworthiness, believability, and honesty. It is evident in the organizational name or reputation and in personal characteristics of contact personnel.

Responsiveness is about the willingness or readiness of employees to provide service. This is evidenced by for example: calling the customer back quickly, giving prompt service and mailing a transaction slip immediately. Hand in hand with this is communication and courtesy. *Communication* involves keeping customers informed (in language they can understand) and listening to them. That is listening to what the customer is saying, would like to say, and what the customer really means. This may be portrayed by explaining the service itself, explaining how much the service will cost and assuring the customer that a problem will be handled. *Courtesy* on the other hand means politeness, respect, consideration, and friendliness of contact personnel. This includes consideration for the customer's property (e.g. no muddy shoes on the carpet), clean and neat appearance of public contact personnel, friendly and polite reception.

Competence is the possession of required skills and knowledge to perform service. This is evidenced by knowledge and skill of contact personnel, knowledge and skill of operational support personnel and research capability of the organization. Besides competence, access to the service and security are likewise important.
Access is approachability and ease of contact. Organizations should ensure that waiting time to receive service is not extensive and there is convenient location of service facility. *Security* on the other hand entails the service being free from danger, risk or doubt.

Empathy involves u*nderstanding/knowing the customer.* By empathizing the organization makes the effort to understand the customer's needs by learning the customer's specific requirements, providing individualized attention and recognizing the regular customer.
*Tangibles or p*hysical evidence of the service is judged by the physical facilities, appearance of personnel and tools or equipment used to provide the service.

2.2   CUSTOMER PATRONAGE

Gaining a customer has never been an easy task for marketers, and fierce competition compels them to definitely compete with other nonspecific marketers. Customers have literally endless choices and they may switch to other product or service providers every time they need some products or services, if they desire. Therefore, it is very natural for marketers to be interested in customer loyalty, which is defined as "a deeply held commitment to rebuy and repatronize a preferred product/service consistently in the future, thereby causing repetitive same brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior (Oliver 1999, p.34)

2.2.1   NEED TO DEVELOP LOYALTY

A more favorable attitude toward a brand, service, or store, compared to potential alternatives, together with repeat patronage, are seen as the requisite components of customer loyalty. Keeping customers is often a more efficient strategy than attracting new customers (Rosenberg, 1983). On the side of customers, they have become more confident and more demanding. They simply want the products or services that satisfy them and have no time for the ones which do not. More and more customers have a need to distinguish themselves from one another to express their individualism. For this reason, they demand quality that is sustained (Baker, 1992).

Further, today's customers are tougher, more informed and so sensitive to poor service that they often walk away and never come back (Bearden, 1995). To make it worse, the average dissatisfied customer tells nine or ten other people (Albrecht, 1985).

2.2.2 DEVELOPING AND ENHANCING LOYALTY

Taking a loyal customer to be the one who has a commitment to continue to do business with a company on and on-going basis, developing brand loyalty simply means seeking to create committed customers (Christopher, 1995).

Christopher gives the process of loyalty building in the form of a ladder whereby the customer has to be converted into a client, then into a supporter, then an advocate and ultimately a partner.

To convert the customer into a client requires that a pattern of repeat buying is established. This is done by making it possible for the customer to do business with the company but being a client does not necessarily signal commitment. Since many clients may express high levels of dissatisfaction with the product or service and then switch.

A customer oriented approach becomes necessary to turn the clients into supporters-they are pleased with the product or service. If they are really impressed with the quality of the relationship, they may well become advocates- they tell others about their satisfaction with the offer. The power of word- of - mouth is high and can do even more than advertising. The ultimate expectation should be to make the advocate a partner-a situation where a mutually rewarding relationship has been achieved and neither party intends to leave the other (Christopher, 1995).

Customer loyalty is seen as a two way street (Webster, 1994). According to Webster, customers remain loyal to the company that serves their needs and preferences with a total set of related services, while on the other hand, companies demonstrate and maintain their loyalty to the customers by being knowledgeable about them and responding to them with enhanced produce offerings (Webster, 1994).

To Webster, the commitment to deliver superior value to customers contains an explicit commitment to managing customer loyalty. A company that has commitment towards customer loyalty should be able to exhibit that through releasing the resources necessary

to retain those good customers by offering a broad range of related products and services that will keep them loyal as their need change and evolve over time (Reicheld, 1993)

The maintenance and enhancement of loyalty is also achieved through following some basic rules (Aaker, 1991)

- Treat the customer right: a product or service that functions as expected provides a basis of loyalty since customers have no reason to switch. Customers should be treated with respect and a positive interaction maintained all the time.

- Stay close to the customer: The company should have its people including top executives keep contacts with the customers who use their products. This makes them (customers) know that they are valuable.

- Measure/manage customer satisfaction: Regular surveys of customer satisfaction/dissatisfaction are particularly useful in understanding how customers feel and in adjusting products and services.

- Create switching cost: One way of creating switching cost is to create a solution for a customer problem that may involve redefining the business. Another approach is to reward loyalty directly.

- Provide extras: It is relatively easy to change customer behavior from tolerance to enthusiasm by just providing a few extra-unexpected services. An explanation of a procedure or a simple apology may be good examples here (Aaker, 1991)

Considering the above, it is clear that the loyal customer wants to be recognized. He therefore has to be identified, a direct bond has to be established with him and he should be the focus of special attention. Customers should be treated as friends and not as accounts-the basis of a long lasting relationship (Kapferer, 1999).

2.2.3 HOW LOYALTY GENERATES VALUE

Reduced Marketing Costs

It is much less costly to retain customers than to get new ones. Existing ones are relatively easy to hold if they are not dissatisfied. The higher the loyalty, the easier it is to keep customers happy and they will have no reason to switch (Aaker, 1991) At the same time, Aaker mentions that the loyalty of customers represent a substantial entry barrier to competitors as a lot of resources may be required to entice the loyal customer to switch.

2.2.4 FACTORS THAT DETERMINE SHOP CHOICE

(Loudon, 1979) suggest that we all like to think of ourselves as intelligent shoppers. But how do consumers actually make store-choice decisions? Basically, the consumer has certain evaluative store criteria established in her mind and compares these with her perception of a store's characteristics. As a result of this process, stores are categorized as either acceptable or unacceptable and hence will be patronized on that basis. If the resulting shopping experience is favorable, the consumer is reinforced in her learning experience and the matter of store choice will become largely routinized over a period of time.

There are several important factors that influence consumer store-choice behavior.
To achieve repeat patronage and loyalty which are desired by the retailer (Evans, 1997), it is paramount that the management know and have an understanding of what motivates customers to stay (Christopher, 1995). What is it that motivates customers to keep buying from us? These are the critical factors that need to be understood in order to develop them to with stand any competitive company.
Although the influence of these elements differs, depending on such variables as the type of product, the type of store (such as discount, department, or other), and the type of consumer. The factors found to exert general influence on store choice include store

location, physical design, assortment, prices, advertising, sales promotion, personnel and services.

2.2.4.1   LOCATIONAL CONVENIENCE

According to Loudon (1979), location has an obvious impact on store patronage. Generally the closer consumers are to a store the greater the likelihood to purchase from that store. The further away consumers are from a store, the greater the number of intervening alternatives and thus the lower the likelihood to patronize that store. Research on the influence of location on store choice has taken several directions for example:
Store location can also be very influential in shopper choice among competing stores, especially through its effect on store image. For example, stores in attractive surroundings are more likely to be patronized than those in unattractive surroundings.

2.2.4.2   STORE DESIGN/STORE ENVIRONMENT CUES

The design characteristics of a store visibly reflect its image and can dramatically influence patronage. Many consumers appear to "size up" a store based on its outward appearance of architecture and signs and hence are drawn to the store or repelled by it, based on their perception of whether this store looks "right" for them. Interior design continues the image fostering process (Loudon, 1979).

Store attraction can interact with the distance as a remote store can counter balance this disadvantage with a broad/deep assortment, a low price level, a large promotional budget, a strong store image etc (Fotheringham and O'Kelly, 1989).

According to Kottler (1973), consumer's patronage decision may be influenced by a unique atmosphere, or environment that the store itself offers. Thus, in-store cues (and/or stimuli) such as color, lighting, style, music, the employee's quality service, and in-store promotions may have more immediate effects on decision making than other marketing inputs that are not present at the point of purchase.

Atmospherics- According to Bearden (1995), this refers to a retailers combination of architecture, layout, colour, sound and temperature monitoring, special events, prices, displays and other related factors that attract and stimulate customers.

*Music-*Stores' environments provide consumers with informational clues about the uniqueness of the merchandise and service quality and assist in shaping consumer attitudes and perceptions about the global store image. Store image and mood can be changed dramatically by the introduction of music. Music communicates with our hearts and minds; it serves as a powerful connection into our emotions. Music is versatile, it has the ability to relax or invigorate. Music is memorable, it can transport us in an instant to places we want to be. Music can motivate the subconscious and create a first and lasting impression on existing and potential customers.

2.2.4.3 ADVERTISING AND SALES PROMOTION

Retail advertising does not have a consistent impact but instead appears to vary in influence, depending on product and store type. Nevertheless, it is certainly true that retail advertising can be important in fulfilling any of its three goals: (1) to inform consumers, such as for a new store opening, (2) to persuade consumers that they should patronize a certain store or buy a particular brand, and (3) to remind customers of the store that they are appreciated. (Loudon, 1979)

2.2.4.4 PERSONNEL

Employees of a retailer also are very instrumental in influencing the stores's image. Consumers generally desire to trade where store personnel, particularly salespeople, are helpful, friendly, and courteous. If sales people are not properly selected and well trained, the results may be devastating for sales. One estimate has it that 70 percent of all

21

consumers who stop patronizing a particular store do so because of employee attitude (Loudon, 1979)

2.2.4.5   SHOPPER PROFILES

(Loudon, 1979) notes that shopper attitudes and orientations are also helpful in understanding store choice. According to Loudon one of the most useful approaches to establishing a customer typology on this basis was that suggested by Stone. Based on his research, Stone was able to identify four types of shoppers: (1) economic, (2) personalizing, (3) ethical, and (4) apathetic. Although probably no single consumer is adequately described by any of the models, they do represent composites of actual consumers and their characteristic role orientations.

The economic consumer is a close approximation to the classical economist's "economic man." She is quite sensitive to price, quality, and assortment of merchandise. Clerical personnel and the store are viewed merely as instruments of her purchase of goods.

The personalizing consumer shops where she is known by name. Strong personal attachments are formed with store personnel, and this personal, often intimate, relationship is crucial to her store-patronage decision

The ethical consumer shops where she feels she "ought" to. That is, she is willing to sacrifice low prices or wide merchandise selection in order to "help the little guy out" or because "the chain store has no heart or soul." She sometimes forms strong attachments with personnel and store owners.

The apathetic consumer shops only because she "has" to. Shopping is viewed as an onerous task and one to be completed quickly. Convenient location is her crucial store selection criterion; and since she is not interested in shopping, she minimizes her expenditure of effort in purchasing

OTHER FACTORS

The image of the store versus the customers self- image. If one's image of the store conforms to his self image, then the shoppers loyalty to the store will be high (Aaker 1991)

Level of satisfaction and/or dissatisfaction – This involves many issues such as the problems faced by customers, their sources and how they are addressed (Aaker, 1991).

CHAPTER THREE

RESEARCH METHODOLOGY

This chapter covers the population of interest, the sample design, data collection and data analysis methods used. The explorative research design was preferred for this study.

3.1   POPULATION.

The population of interest were the residents of Nairobi who visit salons and barbershops. Since Nairobi is a cosmopolitan city, the study helped capture the patronage behavior of a diverse people in terms of social class, age, and lifestyle including different income categories.

3.2   SAMPLE DESIGN

Simple random sampling and convenience sampling was used to get samples of salons and barbershops in the CBD and residential areas. Simple random sampling using random number tables was used to select 8 estates from a list of Nairobi residential estates given in appendix 2. Shariff, 2002, also used this. A salon and a barbershop conveniently selected were visited in each residential estate. Five respondents were interviewed from each salon and barbershop giving a total of 80 respondents from the residential areas.

Four salons and four barbershops were conveniently selected from the CBD area. 5 respondents were interviewed from each of these. This gave a total of forty respondents from the CBD area and an overall total sample size of 120 respondents from both the CBD and residential estates. A greater number of respondents were chosen from the residential areas since most salons and barbershops are located there.

3.3   DATA COLLECTION

Data was collected by use of self-administered questionnaires (see appendix 1) while personal interviews were conducted in special cases for example on request. The questionnaire was divided into two parts:

Part A- collected data relating to possible factors leading to patronage behavior

Part B- collected data relating to the demographic characteristics of the respondents

The data was collected by the researcher and two other research assistants.

3.4   DATA ANALYSIS

Once the data was collected it was edited for completeness and consistency. The data in part B of the questionnaire was analyzed by the use of descriptive statistics. This included the use of tables and percentages to represent the response rate and information on the other variables that the study considered. This helped summarize and compare data.

Factor analysis was used to analyze part A of the questionnaire due to the large number of factors. The relative importance of the factors was determined by their total scores.

CHAPTER FOUR

DATA ANALYSIS AND FINDINGS

4.1   INTRODUCTION

This study had one main objective, which sought to determine the factors that influence patronage of salons/barbershops and their relative importance. Questionnaires that were incomplete and inconsistent were discarded. The main data for addressing the mentioned objective was collected on a 5-point likert scale ranging from not at all important-1 to very important-5. The results of the findings are presented below

4.2   SAMPLE CHARACTERISTICS

Of the 120 respondents, 118 filled the questionnaires correctly. This translates to 98% response rate. The researcher deemed this as adequate and sufficient for the purpose of data analysis. This compares favourably with other studies such as Ngatia (2000) with 68% and Wambugu (2002) with 75%.

Table 4.2.1:   Sample Structure

Estate	Outlet Type		Total
	Barbershop	Salon	
Umoja	5	5	10
Donhoolm	5	5	10
Nairobi West	5	5	10
South C	5	5	10
Kibera	5	5	10
Kawangware	5	5	10
Ngumo	5	5	10
Imara Daima	4	4	8
CBD	20	20	40
Total	59	59	118

Table 4.2.1 above shows the sample structure of the study in terms if both location of the outlet (estate) and gender. This reflects the numbers of questionnaires administered in both barbershops and salon respectively in the various estates sampled.

As shown in Table 4.2.2 below, approximately 88% of the respondents are either employed or self-employed. It is interesting to note that the female respondents (17.8%) constitute a greater percentage of the unemployed. From the study most of the unemployed were students.

Table 4.2.2: Respondents Employment Status

	Outlet Type		
Employment status	Barbershop	Salon	Total
Un-Employed	4.20%	17.80%	22.00%
Self-Employed	10.20%	8.50%	18.60%
Employed	35.60%	23.70%	59.30%
Total	50.00%	50.00%	100.00%

Table 4.2.3: Respondents Level of Education

	Outlet Type		
Level of education	Barbershop	Salon	Total
Primary	1.70%	0.80%	2.50%
Secondary	10.20%	14.40%	24.60%
University/college	38.10%	34.70%	72.90%
Total	50.00%	50.00%	100.00%

Approximately 98% of the respondents had secondary level of education and above as indicated in Table 4.2.3.

Table 4.2.4: Respondents Marital Status

Marital status	Outlet Type		Total
	Barbershop	Salon	
Single	27.10%	32.20%	59.30%
Married	22.90%	17.80%	40.70%
Total	50.00%	50.00%	100.00%

The respondents were predominantly single (59.3%) with most being females (32.2%) as indicated in the table 4.2.4 above.

Table 4.2.5: Respondents Age groups

Age group	Outlet Type		Total
	Barbershop	Salon	
<20 years	0.80%	5.10%	5.90%
20-29 years	31.40%	34.70%	66.10%
30-39 years	14.40%	5.10%	19.50%
40-49 years	3.40%	3.40%	6.80%
>50 years		1.70%	1.70%
Total	50.00%	50.00%	100.00%

Table 4.2.5 reveals that majority of respondents (85.6%) are aged between 20-39 years. This is the productive age group in the society.

As shown in Table 4.2.6 below, 84.3% of the respondents had work experience of 9 years and below. This can be attributed to the fact that majority of the respondents are young (39 years and below).

Table 4.2.6: Respondents Job experience

Job experience	Outlet Type		Total
	Barbershop	Salon	
0	0.90%	11.90%	12.80%
<5 years	29.40%	20.20%	49.50%
5-9 years	12.80%	9.20%	22.00%
10-14 years	6.40%	2.80%	9.20%
15-20 years	2.80%	1.80%	4.60%
>20 years	0.90%	0.90%	1.80%
Total	53.20%	46.80%	100.00%

Approximately 21% of the respondents had either no income or earned than Ksh 60,000.However the majority (about 88%) of the respondents had income spanning between Ksh (5000 - to - 60,000) as shown below.

Table 4.2.7: Respondents Monthly Income.

Monthly Income	Outlet Type		Total
	Barbershop	Salon	
N/A	0.90%	11.00%	11.90%
<Ksh 5,000	3.70%	6.40%	10.10%
Ksh (5,000 - 15,999)	17.40%	15.60%	33.00%
Ksh (16,000 - 25,999)	11.00%	4.60%	15.60%
Ksh (26,000 - 59,999)	11.00%	8.30%	19.30%
> Ksh 60,000	9.20%	0.90%	10.10%
Total	53.20%	46.80%	100.00%

4.3   SERVICE OUTLET CHOICE

As shown in Table 4.3.1 below 111 respondents (94.1%) of the 118 admitted to having a favourite service outlet and may therefore be considered as patrons. The ratio of male to female in this group is almost equal i.e. approximately 1:1.

Table 4.3.1:   Favourite Service point by Outlet type

Whether Respondent has a favourite Salon/ Barbershop	Outlet Type		Total
	Barbershop	Salon	
Yes	47.50%	46.60%	94.10% (111)
No	2.50%	3.40%	5.90% (7)
Total	50.00%	50.00%	100.00% (118)

Table 4.3.2: Influence of personnel on choice of favourite Service Outlet

Favourite Salon/ Barbershop outlet	Favourite Salon/ Barbershop personnel		Total
	Yes	No	
Yes	89.00%	5.10%	94.10%
No	1.70%	4.20%	5.90%
Total	90.70%	9.30%	100.00%

As indicated in Table 4.3.2 above, 89% of the respondents are both loyal to the favourite salon/barbershop as well as the service personnel. Only 1.7% favour the outlet choice as opposed to the personnel.

Table 4.3.3: Frequency of Visit to Salon/Barbershop

Frequency of visit	Outlet Type		Total
	Barbershop	Salon	
Everyday		0.90%	0.90% (1)
Once a Week	22.50%	18.00%	40.50% (45)
Twice a Month	19.80%	27.90%	47.70% (53)
Once in 6 Months		0.90%	0.90% (1)
Thrice a Month	0.90%		0.90% (1)
Once a Month	3.60%	1.80%	5.40% (6)
Once in 2 Months	0.90%		0.90% (1)
Twice a Week	2.70%		2.70% (3)
Total	50.50%	49.50%	100.00% (111)

Table 4.3.3 above reveals that majority of respondents visit a salon/barbershop either twice a month (47.7%) or once a week (40.5%). There was only one female respondent who claimed to visit the salon everyday.

Table 4.3.4: Frequency of Visit to favourite Salon/Barbershop by clients

No of Visits to Favourite Salon/ Barbershop (last 6 months)	Outlet Type		Total
	Barbershop	Salon	
< 2 times	4.20%	9.30%	13.60%
3 - 5 times	5.10%	14.40%	19.50%
6 - 10 times	9.30%	12.70%	22.00%
> 11 times	31.40%	13.60%	44.90%
Total	50.00%	50.00%	100.00%

Approximately 67% of the respondents had visited their favourite outlets at least more than 6 times in the last 6 months, however, 33% had visited their favourite Salon/Barbershop less than 5 times in the same period of 6 months. It can be further noted that barbershops had a higher number of visit than salons as shown in Table 4.3.4 above.

Majority of the respondents (77.9%) have their favourite Salon/Barbershop within 5kilometres radius from their respective places of residence. Table 4.3.5 below thus indicates that most respondents tend to patronize service outlets within their estates.

Table 4.3.5: Distance from the favourite Salon/Barbershop

Distance from the favourite Salon/Barbershop	Outlet Type		Total
	Barbershop	Salon	
<1 Km	28.80%	25.40%	54.20%
1- 5 Kms	12.70%	11.00%	23.70%
6-10 Kms	1.70%	4.20%	5.90%
11-20 Kms	2.50%	5.10%	7.60%
>20 Kms	4.20%	4.20%	8.50%
Total	50.00%	50.00%	100.00%

Table 4.3.6: Outcome of Relocation of favourite Salon/Barbershop

Action Incase of Relocation	Frequency	Percent
I would follow them wherever the would relocate	66	55.90%
I would try another nearby Salon/Barbershop	52	44.10%
Total	118	100%

From Table 4.3.6 above, it can be noted that, the retention rate of customers in case of relocation of their favourite service outlet is approximately 56%

Table 4.3.7: Salon/Barbershop relocation Vs Distance from the service outlet

Respondents action incase of Relocation	Relative Distance from the favourite Salon/Barbershop					Total
	<1 Km	1- 5 Kms	6-10 Kms	11-20 Kms	>20 Kms	
I would follow them wherever the would relocate	26.30%	16.10%	4.20%	4.20%	5.10%	55.90%
I would try another nearby Salon/Barbershop	28.00%	7.60%	1.70%	3.40%	3.40%	44.10%
Total	54.20%	23.70%	5.90%	7.60%	8.50%	100.00%

In case of relocation of a service outlet to a new location of about 5 kilometers or less 35.6% compared to 42.4% of the respondents would try another salon/barbershop as opposed to shifting with their favourite salon/barbershop as noted in Table 4.3.7 above.

Certain significant relationships have emerged which support the theoretical framework of this study. One of these is locational convenience and store choice. As was mentioned in the literature, location has an obvious impact on store patronage. The closer customers are to a store, the greater the likelihood to purchase from the store and vice versa. In this study a majority of the respondents (77.9%) have their favourite salon/barbershop within 5kilometres radius from their respective places of residence. Another significant relationship was that of the influence of the service personnel on the choice of the service point. The findings of this study reveal that 89% of the respondents were patrons of certain service points where they also had favourite service personnel who they were loyal to. This concurs with what was mentioned earlier in the literature concerning service personnel, which stated that consumers generally desire to trade where store personnel are helpful, friendly and courteous.

4.4   FACTORS INFLUENCING PATRONAGE OF SALONS/BARBERSHOPS

Factor analysis was used to find latent variables or factors among observed variables. Factor analysis reduced the number of variables by grouping variables with similar characteristics together. This helped to produce a small number of factors which was capable of explaining the observed variance in the large number of factors.

Table 4.4.1: Descriptive Statistics

Factors	Mean	Std. Deviation
Fast & efficient services	4.77	0.441
Recommendations by friends and relatives	3.52	1.197
Friendliness of salon/barbershop personnel	4.51	0.699
Quality of services offered	4.86	0.353
Skilled personnel	4.74	0.517
Competitive service charges	4	1.044
Ownership of the salon/barbershop	2.64	1.234
Type of music played	3.02	1.191
Reputation and image of the salon/ barbershop	3.94	0.984
Security risks	4.29	1.021
Hours of operations	4.22	0.802
Parking facilities and accessibility	3.14	1.407
Offer extra Value Added Services	3.48	1.212
Convenience of location	4.4	0.717
A wide range of services offered	3.59	1.186
Reception received at the salon/ barbershop	4.16	0.996
Unisex salon and barbershop	2.65	1.165
Telephone appointments	2.55	1.219
Interior comfort e.g seats	4.1	0.873
Able to fulfill individual/ personal needs	3.95	1.094
Available credit with favourable terms	3.06	1.162
Internal appearance of salon/barbershop	3.77	0.894
Mass media advertising	2.5	1.143
Size of salon/barbershop	2.9	1.12
External appearance of salon/barbershop	3.32	1.12

(N=111)

The first finding of this analysis Table 4.4.1 gives the mean, standard deviation and number of patrons (N) who participated in the study. Looking at the mean, one can conclude that quality of services offered is the most important variable that influences patronage of salons/barbershops. It has the highest mean of 4.86.This was followed by fast and efficient services with a mean of 4.77. Next was Skilled personnel with a mean of 4.74, friendliness of salon/barbershop personnel having a mean of 4.51, convenience of location (mean of 4.40), Security risks (4.29), hours of operation (4.22), reception received at the salon/barbershop (4.16), interior comfort e.g. seats (4.10) and competitive service charges being in the tenth position with a mean of 4.00.

The next item from the output is a table of communalities which shows how much of the variance in the variables has been accounted for by the extracted factors. For instance 76.7% of the variance in convenience of location is accounted for while unisex salon and barbershop had the least communality of only 29.6%

Table 4.4.2: Communalities

Factors	Initial	Extraction
Fast & efficient services	1.000	.598
Recommendations by friends and relatives	1.000	.636
Friendliness of salon/barbershop personnel	1.000	.529
Quality of services offered	1.000	.561
Skilled personnel	1.000	.634
Competitive service charges	1.000	.625
Ownership of the salon/barbershop	1.000	.667
Type of music played	1.000	.578
Reputation and image of the salon/ barbershop	1.000	.565
Security risks	1.000	.548
Hours of operations	1.000	.537
Parking facilities and accessibility	1.000	.726
Offer extra Value Added Services	1.000	.620
Convenience of location	1.000	.767
A wide range of services offered	1.000	.661
Reception received at the salon/ barbershop	1.000	.514
Unisex salon and barbershop	1.000	.296
Telephone appointments	1.000	.700
Interior comfort e.g seats	1.000	.509
Able to fulfill individual/ personal needs	1.000	.506
Available credit with favourable terms	1.000	.499
Internal appearance of salon/barbershop	1.000	.695
Mass media advertising	1.000	.582
Size of salon/barbershop	1.000	.661
External appearance of salon/barbershop	1.000	.620

Extraction Method: Principal Component Analysis.

Table 4.4.3: Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings			Rotation Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	6.176	24.703	24.703	6.176	24.703	24.703	3.165	12.660	12.660
2	1.951	7.804	32.507	1.951	7.804	32.507	2.498	9.993	22.653
3	1.707	6.829	39.337	1.707	6.829	39.337	2.426	9.703	32.356
4	1.516	6.064	45.401	1.516	6.064	45.401	2.291	9.165	41.521
5	1.286	5.142	50.543	1.286	5.142	50.543	1.636	6.543	48.064
6	1.123	4.493	55.036	1.123	4.493	55.036	1.417	5.667	53.731
7	1.072	4.288	59.324	1.072	4.288	59.324	1.398	5.592	59.324
8	.943	3.772	63.096						
9	.876	3.503	66.599						
10	.868	3.470	70.069						
11	.831	3.325	73.395						
12	.769	3.075	76.470						
13	.740	2.961	79.431						
14	.675	2.701	82.131						
15	.610	2.441	84.573						
16	.562	2.249	86.822						
17	.512	2.050	88.872						
18	.453	1.811	90.683						
19	.437	1.747	92.429						
20	.397	1.589	94.018						
21	.376	1.504	95.522						
22	.331	1.323	96.845						
23	.285	1.140	97.986						
24	.262	1.049	99.035						
25	.241	.965	100.000						

Extraction Method: Principal Component Analysis.

Table 4.4.3 above shows all the factors extractable from the analysis along with their eigenvalues, the percent of variance attributable to each factor, and the cumulative variance of the factor and the previous factors. The first factor accounts for 24.703% of

the variance, the second 7.804%. The contribution decreases as you move downwards. Seven more factors were extracted with a cumulative percentage variance of 59.324.

Table 4.4.4 below shows the loadings of the twenty-five variables on the seven factors extracted. The higher the absolute value of the loading, the more the factor contributes to the variable.

The initial component matrix was rotated using Varimax (Variance Maximization) with Kaiser Normalization. The idea of rotation was to reduce the number of factors on which the variables under investigation had high loadings. Rotation made the interpretation of the analysis easier. Looking at Table 4.4.5, we see that fast and efficient services, quality of services offered and skilled personnel are loaded on factor 5.

Table 4.4.4: Component Matrix

Factors	Component						
	1	2	3	4	5	6	7
Fast & efficient services			.524				
Recommendation by friends and relatives							
Friendliness of salon/barbershop personnel							
Quality of services offered		.556					
Skilled personnel		.586					
Competitive service charges						.581	
Ownership of the salon/barbershop	.507	-.507					
Type of music played	.545						
Reputation and image of the salon/ barbershop	.505						
Security risks	.585						
Hours of operations	.526						
Parking facilities and accessibility	.649						-.521
Offer extra Value Added Services	.595						
Convenience of location						.621	
A wide range of services offered	.508		-.517				
Reception received at the salon/ barbershop							
Unisex salon and barbershop							
Telephone appointments	.687						
Interior comfort e.g. seats	.628						
Able to fulfill individual/ personal needs							
Available credit with favourable terms	.594						
Internal appearance of salon/barbershop	.592						
Mass media advertising	.616						
Size of salon/barbershop	.619						
External appearance of salon/barbershop	.619						
Extraction Method: Principal Component Analysis.							
a 7 components extracted.							

Table 4.4.5: Rotated Component Matrix

Factors	Component						
	1	2	3	4	5	6	7
Fast & efficient services					.588		
Recommendation by friends and relatives							
Friendliness of salon/barbershop personnel		.601					
Quality of services offered					.691		
Skilled personnel					.663		
Competitive service charges							.752
Ownership of the salon/barbershop	.595						
Type of music played	.621						
Reputation and image of the salon/ barbershop							
Security risks			.533				
Hours of operations		.618					
Parking facilities and accessibility			.804				
Offer extra Value Added Services							
Convenience of location						.815	
A wide range of services offered				.753			
Reception received at the salon/ barbershop				.611			
Unisex salon and barbershop							
Telephone appointments			.707				
Interior comfort e.g seats							
Able to fulfill individual/ personal needs				.686			
Available credit with favourable terms							
Internal appearance of salon/barbershop		.759					
Mass media advertising	.665						
Size of salon/barbershop	.704						
External appearance of salon/barbershop	.648						

Extraction Method: Principal Component Analysis.
Rotation Method: Varimax with Kaiser Normalization.

a Rotation converged in 11 iterations.

From the Rotated Component Matrix, the individual variables constituting the seven factors are summarized and presented below

Factor 1: Popularity

Variable 7	Ownership of the salon/barbershop
Variable 8	Type of music played
Variable 23	Mass media advertising
Variable 24	Size of salon/barbershop
Variable 25	External appearance of salon/barbershop

Factor 2: Flexibility of Service and Comfort

Variable 11	Hours of operation
Variable 21	Available credit with favourable terms
Variable 22	Internal appearance of salon/barbershop

Factor 3: Safety and Convenience

Variable 10	Security risks
Variable 12	Parking facilities and accessibility
Variable 18	Telephone appointments

Factor 4: Customer care and wide range of services

Variable 15	A wide range of services offered
Variable 16	Reception received at the Salon/Barbershop
Variable 20	Able to fulfill individual/personal needs

Factor 5: Professionalism

Variable 1	Fast and efficient services
Variable 4	Quality of services offered
Variable 5	Skilled personnel

Factor 6: Convenience of Location

Variable 14   Convenience of location

Factor 7: Affordability and Courtesy

Variable 3   Friendliness of Salon/Barbershop personnel

Variable 6   Competitive service charges

CHAPTER FIVE

CONCLUSIONS

This chapter starts by summarizing and discussing issues arising from the research. This is then followed by limitations of the study, which paves way for recommendations for further research. Finally this chapter ends by giving recommendations for consideration and practice.

5.1   SUMMARY AND DISCUSSIONS

The study had one objective to determine factors that influence patronage of salons and barbershops and their relative importance.

Most of the factors discussed in the literature review emerged among other factors as important variables considered by customers in their decision to patronize a service point.

The research indicated that a majority of the respondents were patrons of certain salons/barbershops. This was apparent when the respondents were asked whether or not they have a favourite salon/barbershop, 94.1% had affirmative responses thus indicating that the level of patronage within the sample size was significant. The findings also revealed that the ratio of perceived patrons of male to female was approximately 1:1. This shows that patronage of salons or barbershops cut across gender. This is probably because everybody utilizes services offered by such outlets.

A majority of the respondents had favourite service personnel. It can therefore be deduced that the service personnel had as much to contribute to customers' patronage just as did the service outlet. From oral interviews when asked why the level of attachment to

and exclusive use of a service individual, some respondents said the hairdresser is good, his work is of high quality, his manner is pleasant, it is like going to visit a friend.

Most of the respondents visited the service outlets once a week or twice a month. From this it was again noted that most respondents therefore had visited their favourite salons more than six times in the past six months.

It is apparent that convenience of location is among the important factors in determining a customer's decision to patronize a beauty shop or not. Many of the respondents visited service outlets within a radius of five kilometers or less from their places of residence. This was further evident by the significant shift to other salons/barbershops in case a favourite service point would relocate to another location more than one kilometer away. The retention rate of patrons therefore in case of relocation is very minimal.

The study established that most of the respondents had at least college or university level of education. The information collected can hence be said to be credible. There were more single respondents who participated in the study compared to the married. A good number of the respondents were in the age bracket of 20-39. From the research also most respondents had work experience of only nine years or less. This may be attributed to the fact that most of the respondents were young. The incomes of the respondents were distributed across all the income brackets with the majority earning between Ksh (5000-15,999). This may still be attributed to most respondents being young with little job experience.

From factor analysis, the important factors that customers consider in their decision to patronize a service outlet were identified. Principal Component Analysis was used for the purpose of extraction from which seven factors emerged. Of these factors popularity emerged as the most important with an unmatched explained variance of 24.703%. This may be explained by the fact that the majority of respondents were young. Young people are more than likely enticed by tangibles such as those that constitute this variable: ownership of the salon/barbershop, type of music played, mass media advertising, size of salon/barbershop and the external appearance of the salon/barbershop.

Second to the factor on popularity was flexibility of service and comfort. This consisted of hours of operation, available credit with favourable terms and internal appearance of the salon/barbershop. Since hairdressing is part and parcel of body care and hygiene, customers would very much appreciate if they can be offered this service on credit when they are financially low. This is because all persons usually need to be well groomed despite income status. In line with this the second level of needs in the hierarchy of needs by Abraham Maslow is that of security. One of these needs is that of being in clean and tidy environments. For this reason the internal appearance of the service outlet will matter a lot. In addition to this many people appreciate flexibility of service in terms of hours of operation. People who are on tight work schedules will really like beauty and barbershops that open early enough and close late.

Safety and Convenience emerged as the third most important factor. Security risk is usually an issue of great concern for most people. A customer would not want to lose any belongings or even feel insecure just because the service outlet they visit is in an insecure place. Parking facilities are an important factor for those patrons who have vehicles. Accessibility to any service outlet is also an important factor. Those outlets that are hardly accessible are less likely to be patronized. Time being a very important resource will mean that customers who will want to save on waiting time will find telephone appointments a critical factor to consider in their decision to patronize a service outlet.

The next factor in importance was customer care and a wide range of services. The functional benefits included in this aspect were a wide range of services offered, reception received at the salon/barbershop and the service outlet being able to fulfill their individual or personal needs. Customers will very much prefer to have all their needs met in one particular outlet than hope from one outlet to another seeking these services. For example a customer may want to have their hair dressed, have pedicure and manicure at the same outlet. It is more convenient that way and it does save some time and energy. It is also important for the service workers to be welcoming and to be interested in serving the customer.

The fifth factor was professionalism. This was made up of fast and efficient services, quality of services offered and skilled personnel. These variables individually ranked very highly with quality of service being the first followed by fast and efficient services and third was skilled personnel. This shows that professionalism is a must for any salon/barbershop that hopes to be patronized.

The sixth important factor was convenience of location. As has been discussed earlier this factor is a major consideration for patrons. The last factor was affordability and courtesy. The relational benefit of being friendly is quite evident here. There is a social aspect of man that cannot be denied. The friendliness of a service provider and the service being pocket friendly can be an attracting point for patrons.

Other additional variables or factors that the respondents mentioned included cleanliness, flexibility of staff, having refreshments as you wait, the gender of the service worker, well set mirrors, disinfectant used, customers being advised accordingly, dressing or staff uniform, safety of the operation and consistency in performance.

There are many similarities and differences between the findings of this research and the findings other related research. Availability of a wide range of services in this study can be equated to availability of merchandise in the findings by Wambugu (2000), which emerged as the most important factor. Other factors, which were ranked highly and emerged in both studies, include location, convenient operational hours, prompt service and courtesy of employees. A study on bank patronage factors of muslim and non-muslim customers by Haron.S. et al (1994), reveals that the selection of fast and efficient service was one of the important factors in selection decision by muslim and non-muslims.

Friendliness of bank personnel also ranked highly the research on bank patronage. Recommendation by friends and relatives was also a factor in the bank patronage research though it did not rank highly. Convenient location or location being near home or office, was found to be unimportant in the bank patronage study.

From the foregoing discussion it is clear that customers place a high value on both social and functional benefits that are received in a salon/barbershop. Customers are looking for a service point with an image that they can identify with; they are concerned about flexibility of service and their safety. Professionalism and convenience of location is also regarded highly. Having almost a friendship with a service provider, and the sense of enhanced self respect and ego enhancement that emanate from being treated in a warm caring and friendly manner is something that cannot go unnoticed.

5.2   LIMITATIONS OF THE STUDY

Despite the contributions of the study there are also limitations some of which suggest areas for future research.

The study was limited by time and resources. With the availability of these, the research study would have been done on a much wider scale. The sample size was small considering the total population of residents in Nairobi. The number of estates sampled was also small in comparison to the many estates in Nairobi.

The study used convenience sampling and this may have had an impact on the results.

Some questionnaires were incomplete and inconsistent and therefore had to be discarded.

5.3   RECOMMENDATIONS FOR FURTHER RESEARCH

There is need to carry out the research on a much wider scale.

Since patronage factors are functions of both service outlets and service personnel, the burning question ripe for future research is to investigate exclusively patronage factors attributed to the service personnel.

5.4   RECOMMENDATIONS FOR CONSIDERATION AND PRACTICE.

There are several groups that can benefit from the findings of this study: entrepreneurs, investors, lenders, suppliers, educators, consultants and public policy makers. Entrepreneurs can assess the probability of success and failure before starting a business. Investors and lenders may be able to avoid conducting business with entrepreneurs with a high probability of failure. Suppliers may decline credit or limit it to high risk businesses. Educators and consultants can make these other groups aware of the model and help them to use it. Public policy makers can use the findings to formulate policies that will protect the public for example health and safety policies.

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Would you kindly spare a few minutes of your time to answer a few questions relating to Salons and/or Barbershops.

Q1

How frequently do you go to receive service from each of the following?

	Everyday	Once a Week	Twice a month	Any Other (specify)
a) Salons	[ ]	[ ]	[ ]	[ ]_____
b) Barbershops	[ ]	[ ]	[ ]	[ ]_____

Q2 *In your view is there a Salon or Barbershop you would term your Favourite?*

Yes [ ]

No [ ]

Q3 *Do you have a favourite Salon or Barbershop personnel?*

Yes [ ]

No [ ]

Q4

*In the last 6 months how many times have you sought services from your **favourite** Barber or Salon personnel?*

< 2 times [ ]

3 - 5 times [ ]

6 -10 times [ ]

> 11 times [ ]

Q5

*In the last 6 months how many times have you sought services from **any other** Salon or Barbershop?*

< 2 times [ ]

3 - 5 times [ ]

6 - 10 times [ ]

> 11 times [ ]

Q6

How *important* are the following factors listed below be to you in your selection of a salon/barbershop
{Please mark the appropriate box by ticking } [✓]

	Very Important	Important	Somewhat Important	Not Important	Not at all Important
1. Fast and efficient services	[ ]	[ ]	[ ]	[ ]	[ ]
2. Recommendations by friends and relatives	[5]	[ ]	[ ]	[ ]	[ ]
3. Friendliness of Salon/Barbershop personnel	[ ]	[4]	[3]	[ ]	[ ]
4. Quality of Services offered	[5]	[ ]	[ ]	[ ]	[1]
5. Skilled personnel	[5]	[ ]	[3]	[2]	[1]
6. Competitive service charges	[ ]	[ ]	[3]	[ ]	[ ]
7. Ownership of the Salon/Barbershop	[ ]	[4]	[3]	[2]	[ ]
8. Type of Music played	[ ]	[ ]	[3]	[2]	[ ]
9. Reputation and image of the Salon/barbershop	[ ]	[4]	[3]	[2]	[ ]
10. Security risks	[ ]	[ ]	[3]	[ ]	[ ]
11. Hours of operations	[ ]	[ ]	[ ]	[2]	[ ]
12. Parking facilities and accessibility	[5]	[ ]	[3]	[2]	[ ]
13. Offer extra Value Added services	[5]	[4]	[ ]	[2]	[1]
14. Convenience of location	[ ]	[ ]	[ ]	[ ]	[ ]
15. A wide range of services offered	[ ]	[4]	[ ]	[ ]	[ ]
16. Reception received at the Salon/Barbershop	[ ]	[4]	[ ]	[ ]	[ ]
17. Unisex Salon and Barbershop	[ ]	[ ]	[3]	[ ]	[ ]
18. Telephone appointments	[ ]	[ ]	[ ]	[ ]	[ ]
19. Interior comfort e.g. seats	[ ]	[4]	[3]	[2]	[ ]
20. Able to fulfill individual/personal needs	[ ]	[ ]	[3]	[2]	[ ]
21. Available credit with favorable terms	[ ]	[4]	[3]	[2]	[ ]
22. Internal appearance of Salon/Barbershop	[ ]	[ ]	[ ]	[2]	[ ]
23. Mass media advertising	[5]	[ ]	[3]	[ ]	[ ]
24. Size of Salon/Barbershop	[ ]	[4]	[ ]	[ ]	[ ]
25. External appearance of Salon/Barbershop	[ ]	[ ]	[ ]	[ ]	[ ]

Others (Specify….)

26. ---	[ ]	[ ]	[ ]	[ ]	[ ]
27. ---	[ ]	[ ]	[3]	[2]	[ ]
28. ---	[ ]	[4]	[3]	[ ]	[ ]

Q7 *How far do you reside from your favourite Salon or Barbershop?*

<1 Km [ ]
1- 5 Kms [ ]
6-10 Kms [ ]
11-20 Kms [ ]
>20 Kms [ ]

Q8 *Incase the Salon/Barbershop were to shift to another place more than one kilometer away from its current location;* **What would you do?**

I would follow them wherever the would relocate [ ]

I would try another nearby Salon/Barbershop [ ]

Respondents' Characteristics

Q9 *Please indicated your profile on the box [ ] by(Ticking) from the list* [✓]

Employment status		Level of education	
Un-Employed [ ]		Nil [ ]	
Self-Employed [ ]		Primary [ ]	
Employed [ ]		Secondary [ ]	
		University/college [ ]	

Marital Status		Gender	
Single [ ]		Male [ ]	
Married [ ]		Female [ ]	
Other (specify)			

Age		Years on job/business	
<20 years [ ]		<5 years [ ]	
20-29 years [ ]		5-9 years [ ]	
30-39 years [ ]		10-14 years [ ]	
40-49 years [ ]		15-20 years [ ]	
>50 years [ ]		>20 years [ ]	

*Name (**Optional**)*

....

....

Occupation

....

....

Monthly income (Gross)

<Ksh5,000 [ ]
Ksh(5,000-15,999) [ ]
Ksh(16,000-25,999) [ ]
Ksh(26,000-60,000) [ ]
>Ksh60,000 [ ]

Q10 *Where do you live? {* **Specify the Estate** *}*

....

THANK YOU VERY MUCH FOR YOUR COOPERATION.

APPENDIX 2

NAIROBI ESTATES ACCORDING TO INCOME GROUPS

1.   LOW INCOME ESTATES

Kibera

Kawangware

Kaloleni

Maringo

Kangemi

Jerusalem

Uhuru

Huruma

Dandora

Mathare Valley

Baba ndogo

Githurai

Umoja

Kayole

Eastleigh

2.   UPPER/MIDDLE INCOME ESTATES

Woodley

Nairobi West

Otiende

Ngara

Ngumo

Kahawa Sukari

Donholm

Buruburu

Pangani

Parklands

Zimmerman

Imara daima

Westlands

Lavington

Kileleshwa

Muthaiga

Karen

Runda

Plainsview

Springvalley

Kyuna

South-c

Source (Economic Survey 2002. pg 228)