

658.5
Ag 8
2006

MARKETING STRATEGIES OF SOUVENIR SHOPS
IN SELECTED AREAS OF CAVITE

THESIS

LORGINA E. AGRIMANO

College of Economics, Management
and Development Studies
CAVITE STATE UNIVERSITY
Indang, Cavite

April 2006

⁹
**MARKETING STRATEGIES OF SOUVENIR SHOPS
IN SELECTED AREAS OF CAVITE**

Undergraduate Thesis
Submitted to the Faculty of the
Cavite State University
Indang, Cavite

In partial fulfillment
of the requirements for the degree of
Bachelor of Science in Business Management
(major in Marketing)

LORGINA E. AGRIMANO
April 2006

ABSTRACT

AGRIMANO, LORGINA ESTERON. **Marketing Strategies of Souvenir Shops in Selected Areas of Cavite.** Undergraduate Thesis. Bachelor of Science in Business Management, major in Marketing. Cavite State University, Indang, Cavite. April 2006. Adviser: Myrachael S. Nolasco.

The study was conducted to describe the socio-economic characteristics of souvenir shop owners and/or manager; describe the business characteristics of souvenir shops; determine the marketing strategies employed by souvenir shops owners and/or managers, and identify the problems encountered by souvenir shop owners and/or managers.

The study was conducted in 12 selected areas of Cavite, namely: Alfonso, Bacoar, Cavite City, Dasmariñas, Imus, Indang, Kawit, Naic, Rosario, Silang, Tagaytay City, and Ternate. One hundred souvenir shop owners and/or managers were included in the study. The data were collected through personal interviews with the respondents with the aid of a prepared interview schedule.

The average age of the souvenir shop owners and/or managers was 36 years old. Majority of the respondents were female and married. Most of the souvenir shop owners and/or managers were high school graduates. Generally, the souvenir shops were managed under sole proprietorship.

The average years in operation of the souvenir shops was five years. Most of the souvenir shop owners and/or managers were renting the space of their shop. The average number of hired employees was three workers. The average amount of capitalization to start the operation of their souvenir shops was Php58,535 and the average current operating capital was Php187,062.60.

The common kinds of souvenir items sold at the store were accessories, apparel, handicrafts, caps, hats, and visor, towels and handkerchief, and ceramic products. The souvenir items usually purchased by the customers were accessories, apparel, caps, hats, and visor, handicrafts, household decors. Majority of the souvenir items were acquired from suppliers and their top three suppliers were Region 4, Metro Manila and Region 1.

The most common used pricing strategies of souvenir shops were mark-up pricing and discount pricing.

Two promotional tools were commonly implemented such as personal selling and sales promotion and personal selling and advertising. The average cost of advertising the souvenir shop owners and/or managers spent was Php2,845.07.

Nearness to tourist spot and commercial areas were the major basis of the respondents in choosing the location of their of the souvenir shop owners and/or managers.

The most common factors affecting the marketing strategies of souvenir shops were the competitor's price, lack of capital, and customers attitude.

The most frequently cited problem encountered in the marketing operation of their business were the unruly customer and shoplifting, low profit and low sales during bad weather.

TABLE OF CONTENTS

	Page
BIOGRAPHICAL DATA	iii
ACKNOWLEDGMENT	iv
ABSTRACT	vi
LIST OF TABLES	xi
INTRODUCTION	1
Statement of the Problem	2
Objectives of the Study	3
Importance of the Study	3
Operational Definition of Terms	5
REVIEW OF RELATED LITERATURE	8
METHODOLOGY	12
Time and Place of the Study	12
Sampling Technique	12
Collection of Data	12
Method of Analysis	13
Scope and Limitations of the Study	13
RESULTS AND DISCUSSION	15
Socio-Economic Characteristics of Souvenir Shop Owners and/or Managers	15
Business Characteristics of Souvenir Shops	17
Marketing Strategies of Souvenir Shops	20

Factors Affecting the Marketing Strategies of Souvenir Shops	29
Common Problems Encountered by Souvenir Shops	29
SUMMARY, CONCLUSION AND RECOMMENDATION	32
Summary	32
Conclusion	33
Recommendation	34
BIBLIOGRAHY	36
APPENDICES	37

LIST OF TABLES

Table		Page
1	Distribution of souvenir shops by areas Cavite, 2006	12
2	Socio-economic characteristics of souvenir shops, owners and/or managers, Cavite, 2006	16
3	Business characteristics of souvenir shops, Cavite, 2006	17
4	Product strategies of souvenir shops, Cavite, 2006	21
5	Production of souvenir items and location of suppliers, Cavite, 2006	23
6	Pricing strategies of souvenir shops, Cavite, 2006	25
7	Price list of souvenir items, Cavite, 2006	26
8	Promotional strategies of souvenir shop, Cavite, 2006	28
9	Place/Distribution of souvenir shops, Cavite, 2006	29
10	Factors affecting the marketing strategies of souvenir shops, Cavite, 2006	30
11	Common problems encountered by souvenir shops, Cavite, 2006	31

LIST OF APPENDICES

Appendix	Page
1 Interview schedule.....	37
2 Sample request to gather data.....	44

MARKETING STRATEGIES OF SOUVENIR SHOPS IN SELECTED AREAS OF CAVITE ^{1/}

Lorgina E. Agrimano

^{1/}A thesis manuscript submitted to the faculty of the Department of Management, College of Economics, Management and Development Studies, Cavite State University, Indang, Cavite in partial fulfillment of the requirements for graduation with the degree of Bachelor of Science in Business Management major in Marketing with Contribution No. ~~T2006-Bmb4-010~~ Prepared under the supervision of Mrs. Myrachael S. Nolasco.

INTRODUCTION

A souvenir shop is involved in purchasing a variety of products from wholesalers and selling these products directly to consumers, generally without developing or changing the product further. This industry comprises establishments primarily engaged in retailing new gifts, novelty merchandise, greeting cards, seasonal and holiday decorations, and curios purchased by a tourist as a reminder of a holiday. Most retailers in this industry undertake sales and administrative activities such as customer service, product merchandising, advertising, inventory control, and cash handling (Souvenir Shop, Quereshi and Elson, 2000).

Many souvenir shops are selecting merchandise which appeals to the new affluent class by stressing one-of-a-kind, colorful and off-beat merchandise. This merchandise meets the needs of a free and easy life style and a renewed interest in family oriented activities such as cooking, entertaining, and home decorating.