

Market and Consumer Analysis

Abdoulaye Diallo

Full Sail University

Abstract

This paper presents a market and consumer analysis for Pikine Hair Braiding, with a focus on the company's current situation, SWOT analysis, competitive analysis, problem statement, and target market analysis. The thesis statement of the paper is to develop a comprehensive understanding of the target market for Pikine Hair Braiding and create a campaign strategy that will enhance the company's visibility and reputation in the market. The analysis identifies the strengths, weaknesses, opportunities, and threats that the company faces, as well as the main competitor in its industry niche. The paper concludes with a description of the target market's demographic and psychographic traits, consumer habits, and relationship with Pikine Hair Braiding.

Capstone Thesis Project

Introduction

In today's society, hair is a vital part of self-expression and cultural identity. For women, hair braiding is not only a way of self-expression but an ancient art that has been passed down for generations. Pikine Hair Braiding is a salon that specializes in traditional African braiding techniques and styles. Located on the corner of Wyoming and Seven Mile in Detroit, MI, the salon has been operating since 2001. Founded by Gnilane Karlie, a businesswoman from Senegal who worked hard to fund her business on her own, with more than five employees now, the salon's mission is to empower women by helping them embrace their roots and stand out with different styles of hair braiding. (Gnilane Karlie, Interview of March 24, 2023).

Thesis Statement

This paper aims to develop a deep understanding of the target market for Pikine Hair Braiding and create a campaign strategy that will enhance the company's visibility and reputation in the market. The overarching goal of this PR campaign is to promote the launch of Pikine Hair Braiding's new website and increase brand awareness.

Situation Analysis

Company Overview and Current State

Pikine Hair Braiding is a hair salon located in Detroit, Michigan, managed by Gnilane Karlie. The salon specializes in a variety of braiding styles such as box braids, cornrows, Senegalese twists, and more.

The client's goal for the Capstone project is to increase brand awareness and customer base for Pikine Hair Braiding by 20% within six months through effective marketing strategies. The campaign aims to showcase the salon's unique hair styling services and attract more clients.

Running head: MARKET AND CONSUMER ANALYSIS

Pikine Hair Braiding has been in business for twenty-two years and has a good reputation in the local community. There are no known historical public relations issues for this client. However, the salon has been struggling to attract new customers due to a lack of visibility in the market.

Pikine Hair Braiding currently uses social media and word-of-mouth as its primary communication channels. The salon has a positive image and reputation in the community. However, its current messaging and communication channels are not effectively reaching the target market.

SWOT Analysis

Pikine Hair Braiding has a strong foundation with its experienced hair braiders and loyal customer base. However, there are opportunities for growth through expansion and innovation, while also being mindful of potential threats such as increasing competition and economic downturns.

Figure 1: SWOT analysis chart.

	Helpful	Harmful
Internal	STRENGTHS <ul style="list-style-type: none">- Experienced and skilled hair braiders-Positive Reputation and word-of-mouth referrals from satisfied customers.- Affordable pricing compared to competitors- Strong customer base and loyal clientele	WEAKNESSES <ul style="list-style-type: none">- Limited marketing and advertising efforts-Lack of online presence and social media engagement.- Only one location, limiting potential reach and growth opportunities.- Dependence on traditional hair braiding techniques, potentially limiting innovation and differentiation

External	OPPORTUNITIES	THREATS
	<ul style="list-style-type: none"> -Increase marketing and advertising efforts to expand the customer base and build brand awareness. - Expansion to additional locations in areas with high demand for hair braiding services - Introduction of new and innovative hair braiding techniques to differentiate from competitors - Collaboration with local beauty supply stores to offer bundled services or promotions 	<ul style="list-style-type: none"> - Increasing competition from other hair braiding salons in the area -Economic downturns impacting consumer discretionary spending on beauty services - Potential regulatory changes or licensing requirements impacting the business operations

Strengths: Pikine Hair Braiding's strengths include its unique hair styling services, experienced and skilled staff, and good reputation in the local community. The campaign will leverage these strengths by showcasing the salon's unique services and highlighting its expertise and experience.

Weaknesses: The salon's weaknesses include its lack of visibility in the market, limited advertising budget, and lack of online presence. The campaign will attempt to address these weaknesses by creating a comprehensive online presence and investing in cost-effective advertising strategies.

Opportunities: The salon has the opportunity to expand its services to include other beauty treatments and increase its customer base by targeting new market segments. The campaign will leverage these opportunities by creating targeted advertising campaigns and promoting the salon's new services.

Threats: Pikine Hair Braiding faces threats from direct and indirect competitors, economic downturns, and changing consumer preferences. The campaign will address these

threats by creating innovative marketing strategies and differentiating the salon from its competitors.

Competitive Analysis

In Detroit, MI, one of the main market leaders in the hair braiding industry is Braids by Bee. According to a recent article by the Detroit Metro Times, "Braids by Bee" has been in business for over 20 years and has a loyal customer base due to their quality service and attention to detail (Metro Times). Additionally, "Braids by Bee" offers a wide range of hair braiding styles, including box braids, twists, and cornrows (Braids by Bee).

In contrast to "Braids by Bee," not only Pikine Hair Braiding offers box braids, and cornrows, but specializes in traditional West African hair braiding styles such as Senegalese twists, Fulani braids, and Ghana braids. According to an article by The Detroit News, Pikine Hair Braiding has been gaining popularity among customers who are looking for unique and authentic hair braiding styles (The Detroit News, 2019). To conduct a competitive analysis for Pikine Hair Braiding, we were able to look at other hair salons that offer similar services in the same location. Here are some of the salons that are in competition with Pikine Hair Braiding:

1. Google Map (2023) African Hair Braiding - This salon is located in the same area as Pikine Hair Braiding and offers similar services. African Hair Braiding has been in business for over 10 years and has a loyal customer base. They offer a variety of braiding styles including box braids, cornrows, and twists. (Google Map, 2023).

2. Google Map (2023) Braids by Annette - Another competitor of Pikine Hair Braiding is Braids by Annette. This salon also specializes in African hair braiding and is located in the same area as Pikine Hair Braiding. They offer a wide range of braiding styles including micro braids, tree braids, and kinky twists. (Google Map, 2023).

3. Google Map (2023) Queen Bee African Hair Braiding - Queen Bee African Hair Braiding is another salon that offers similar services to Pikine Hair Braiding. They are located in a nearby area and have been in business for over 15 years. They offer a variety of braiding styles including Ghana braids, kinky twists, and crochet braids. (Google Map, 2023).

4. Google Map (2023) African Queen Hair Braiding - African Queen Hair Braiding is another salon that specializes in African hair braiding and is located in the same area as Pikine Hair Braiding. They offer a variety of braiding styles including box braids, twists, and micro braids. (Google Map, 2023).

5. Google Map (2023) Nene's African Hair Braiding - Nene's African Hair Braiding is another competitor of Pikine Hair Braiding. They specialize in African hair braiding and are located in the same area. They offer a variety of braiding styles including cornrows, box braids, and kinky twists. (Google Map, 2023).

Pikine Hair Braiding faces competition from several hair salons that offer similar services in the same location. To stay competitive, Pikine Hair Braiding needs to differentiate itself by offering unique services or providing exceptional customer service. To differentiate Pikine Hair Braiding from its competitors, the campaign will focus on highlighting the cultural significance and authenticity of their hair braiding styles. This will include showcasing pictures of traditional West African hairstyles on social media platforms and emphasizing the expertise of their stylists in creating these intricate styles. Additionally, Pikine Hair Braiding will offer educational resources on the history and cultural significance of West African hair braiding styles to further differentiate themselves from their competitors. Upon conducting deeper market research on the hair braiding industry in Detroit, MI, it was found that the main market leader in the industry niche is Hair Lab Detroit. IBIS World (2021) states that the hair care services industry in the United

States has grown at an annual rate of 1.6% to reach \$47 billion in revenue as of 2021. The report also states that the hair braiding industry has a market size of \$1 billion with a growth rate of 3.2%. In terms of competition, Hair Lab Detroit offers a wide range of services including haircuts, coloring, styling, and extensions. They also have a team of experienced stylists and use high-quality products from well-known brands such as L'Oreal and Redken. (IBIS World, 2021). In contrast, Pikine Hair Braiding specializes solely in hair braiding services. They offer various styles such as box braids, and cornrows, and specialize in traditional West African hair braiding styles such as Senegalese twists, Fulani braids, and Ghana braids. Pikine Hair Braiding also prides itself on using natural products such as shea butter and coconut oil to promote healthy hair growth. To differentiate themselves from competitors like Hair Lab Detroit, Pikine Hair Braiding can focus on their specialization in braiding services and their use of natural products. They can also emphasize their expertise in African braiding techniques and cultural authenticity.

Problem Statement

Pikine Hair Braiding is facing a problem of low customer engagement and brand awareness in their target market. The hair braiding industry is highly competitive, and it is essential to find ways to differentiate from competitors to attract new customers and retain current ones. Pikine Hair Braiding needs to develop effective marketing strategies to increase brand awareness and customer engagement.

Target Market and Buyer Persona

Target Market

Pikine Hair Braiding's target market is African American aged 25-35 with an annual income of \$30,000 to \$50,000, residing in Metro Detroit, areas. They are primarily unmarried

and pursuing higher education or working in low to medium-income jobs. They are interested in trying new and trendy hairstyles and are willing to spend money to achieve the desired look.

Biddle-Perry, G., & Robinson-Morris, T. (2018) worked on a study on the relationship between black women's identity, perceptions of natural hair, and professional image. The authors utilized a qualitative research design to analyze data from in-depth interviews with 20 black women who wore their hair in its natural state. The study found that black women's hair choices are influenced by societal norms and expectations, with many feeling pressure to conform to Eurocentric beauty standards in the workplace. (Biddle-Perry, G., & Robinson-Morris, T., 2018). This represents a significant potential customer base for Pikine Hair Braiding.

The target market for Pikine Hair Braiding is likely to be interested in cultural traditions and heritage. They may also be interested in natural hair care products and services. According to a report by Nielsen (2018), African American women spend nine times more on ethnic hair and beauty products than any other demographic group. (Nielsen, 2018). Adegboyega (2017) examines the cultural significance of African hair braiding in the United States as well as its economic impact on the African American community. The author further argues that hair braiding is more than just a hairstyle; it is a cultural practice that has been passed down through generations and is an important aspect of African American identity (Adegboyega, 2017).

The target market for Pikine Hair Braiding is likely to be price-sensitive but willing to pay for quality services. They may also be influenced by referrals from friends and family members who have had positive experiences at the salon.

The target market is fashion-conscious, and they seek to portray a unique image through their hairstyles. They are also looking for a hair braiding salon that offers a wide range of

services and uses high-quality hair products. They are attracted to salons that provide personalized services that cater to their unique needs.

The target market typically visits hair braiding salons once every four to six weeks. They rely on word-of-mouth recommendations from friends and family and are active on social media platforms like Facebook and Instagram, where they share their hairstyles and engage with other users. Dinh, T., & Nguyen, T. H. (2019) analyzes the influence of social media marketing on consumer behavior, the authors found that social media marketing can have a significant impact on consumer attitudes and purchasing decisions. The study found that social media marketing has a positive impact on consumer behavior, including both cognitive and affective aspects. Specifically, social media marketing was found to enhance consumers' perceived value, trust, and satisfaction, which in turn positively influenced their purchase intention and word-of-mouth communication. The authors also found that the influence of social media marketing on consumer behavior was mediated by consumers' attitudes toward social media advertising. This suggests that PR professionals need to carefully design their social media advertising strategies to create positive attitudes among consumers. (Dinh, T., & Nguyen, T. H., 2019)

Pikine Hair Braiding has a low customer retention rate in the target market. They have not been able to differentiate themselves from competitors, resulting in low brand awareness and limited customer engagement. Mabogunje, A. L., & Oyewobi, L. O. (2019) provides a comprehensive review of the current literature on social media marketing and future research directions. The authors begin by discussing the importance of social media marketing in today's digital age and its impact on businesses. They then delve into the various aspects of social media marketing, such as social media strategy, content creation, engagement, and measurement. The article also highlights the challenges faced by businesses in implementing effective social media

marketing strategies, such as the need for a clear understanding of their target audience, identifying the right social media platforms, and measuring the success of their campaigns. The authors also discuss the role of influencers in social media marketing and how businesses can leverage their influence to reach a wider audience. The article provides valuable insight into the current state of social media marketing and the challenges faced by businesses in this area. The authors also provide useful recommendations for future research in this field. (Mabogunje, A. L., & Oyewobi, L. O., 2019)

Based on these factors, the buyer persona for Pikine Hair Braiding could be described as follows:

Name: Candace Phillips

Age: 30

Occupation: Freelance Accountant

Income: \$50,000 - \$60,000

Education: College Degree

Location: Downtown Detroit, MI with a significant African American population.

Candace loves to travel, try new restaurants, and spend time with her friends and family. Candace is motivated by a strong desire to be independent and successful. She loves learning and improving her life through education and experience. Candace is active on Instagram, Twitter, and Facebook. Candace will use Pikine Hair Braiding's services to make her look stylish and feel confident. She will also be able to save time and money on her beauty regimen, which will give her more time to explore her passions.



candace phillips

Guests: Google Profile Photo of by Candace Phillips (2023) (Google)

Secondary Research

The hair braiding industry is highly competitive in the United States, with several players operating in the market. There is a growing trend of consumers using social media platforms to find hair braiding salons and share their hairstyles.

Demographics of the target market: To better understand the target market for Pikine Hair Braiding, it is important to examine the demographics of the area. United States Census Bureau (2020) states that Detroit has a population of approximately 670,000 people, with African Americans making up over 79% of the population. This indicates that Pikine Hair Braiding's target market is primarily African American individuals. (United States Census Bureau, 2020).

It is essential to understand the demographics of the target market to create a successful campaign. The target market for Pikine Hair Braiding is primarily women aged between 25 and 35 years old. They are likely to be interested in African hair braiding styles and want to maintain their hair's health and appearance.

Social media habits of the target market: social media is an essential tool for marketing campaigns, and it is crucial to understand the social media habits of the target market. Pew Research Center (2018) found that 69% of African Americans use social media platforms, with Facebook being the most popular among this demographic. (Pew Research Center, 2018). This suggests that Pikine Hair Braiding should prioritize their Facebook presence when it comes to social media marketing. Further research shows that the primary social media platforms used by the target market are Instagram, Facebook, and Pinterest. Therefore, creating engaging content on these platforms can help reach a broader audience.

Competitor research: Understanding the competition is vital to create a successful campaign. Researching competitors in the African hair braiding industry can help identify their strengths and weaknesses and develop strategies to differentiate Pikine Hair Braiding from its competitors. Competitors in the hair braiding industry in Michigan offer similar services to Pikine Hair Braiding. However, they differentiate themselves through their pricing strategies and customer service. Mintel (2020) shows that there has been an increase in demand for natural hair products among African American women, with 39% stating that they prefer using natural hair products. (Mintel, 2020).

Geographic region: Understanding the geographic region of the client can help create a localized marketing strategy that resonates with the local audience. Pikine Hair Braiding is located in Detroit, with a diverse population and a significant African American community. In addition to the demographics of the city, Pikine Hair Braiding should also consider the cultural significance of hair braiding within the African American community. Brown, K., & Brown, S. (2019) examines the experiences of black women who have faced discrimination in the workplace due to their hair, including braids. Brown, K., & Brown, S., 2019). In the United

States, hair braiding has also been used as a form of resistance against Eurocentric beauty standards. Understanding this cultural significance can help Pikine Hair Braiding connect with their clients on a deeper level.

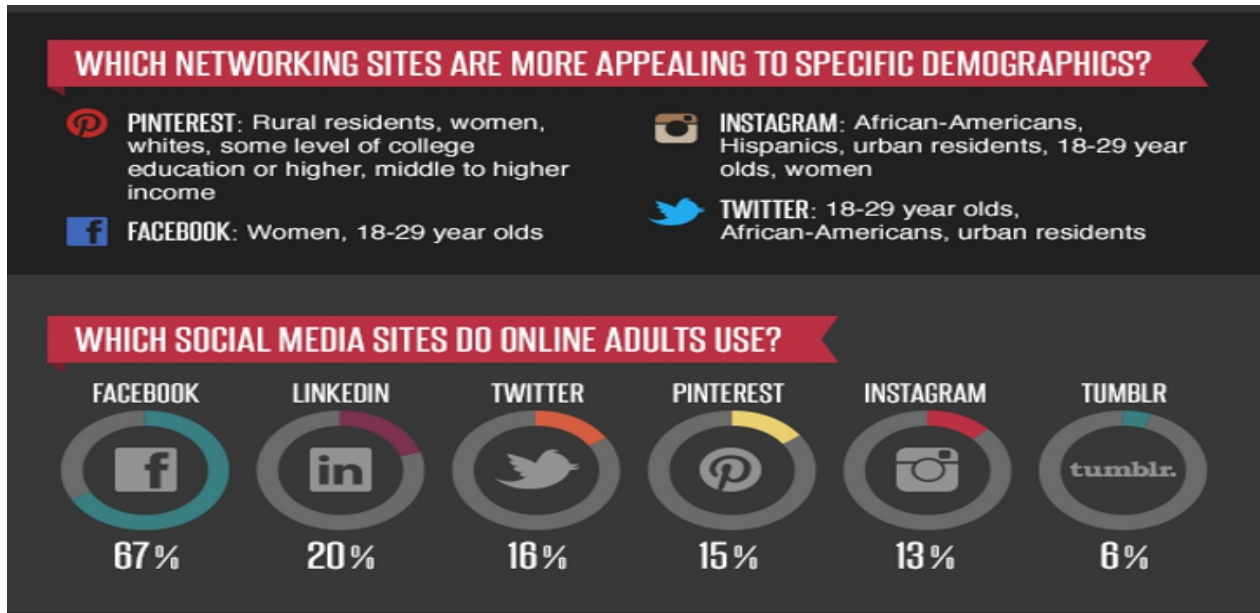
Industry trends: Keeping up with industry trends can help create a campaign that aligns with the current trends and interests of the target market. The African hair braiding industry has seen an increase in demand for natural hair care products and services, which can be incorporated into Pikine Hair Braiding's marketing strategy. Hootsuite (2020) shows social media usage continues to grow worldwide, with global social media penetration reaching 45% in January 2019. The world's most-used social platforms are Facebook, YouTube, and WhatsApp. TikTok, in 7th place, now has 800 million monthly active users, with 500 million of these users in China. We have also seen growth in advertising audience numbers across many major social platforms. Facebook's data show 1% growth over the past quarter, while Instagram's ad audience has risen by nearly 6% in the same time period. The standout performer is Pinterest, whose advertising audience numbers jumped 12% after it added a number of new countries to its advertising targeting options. (Hootsuite, 2020). This trend highlights the importance of having a strong social media presence for businesses, including Pikine Hair Braiding.

The target market is active on social media platforms like Facebook and Instagram, where they share their hairstyles and interact with other users. They rely on recommendations from friends and family when choosing a hair braiding salon and are attracted to salons that offer personalized services and use high-quality hair products. In conclusion, conducting research on demographics, social media habits, competitors, geographic region, and industry trends can help create a successful marketing campaign for Pikine Hair Braiding.

Infographic One:

Title: Social Media Usage among the Target Market

Data Source: Pew Research Center: <https://images.app.goo.gl/xj9oMb4SXDD2HF4N9>



Infographic Two:

Title: Popular Hair Braiding Styles among the Target Market



Data Source: Google and <https://www.stylecraze.com/articles/how-to-style-your-ghana-braids/>

Primary Research Design

In order to determine the best primary research design for Pikine Hair Braiding, it is important to first understand the types of surveys and focus groups available. Surveys can be conducted in various formats such as online, phone, mail, or in-person. Focus groups typically consist of a small group of individuals who are brought together to discuss a specific topic or product. Dillman et al. (2014) online surveys have become increasingly popular due to their cost-effectiveness and ability to reach a larger audience. However, in-person surveys may be more appropriate for Pikine Hair Braiding as they allow for more personal interaction with the target audience. (Dillman et al., 2014)

J. F., Wolfenbarger, M., Ortinau, D. J., & Bush, R. P. (2019) research can be used to solve marketing problems and inform decision-making. Additionally, the book includes a variety of tools and resources for conducting research, such as sample surveys and questionnaires. (J. F., Wolfenbarger, M., Ortinau, D. J., & Bush, R. P., 2019). Based on the research, the proposed primary research design for Pikine Hair Braiding would be an in-person survey. The survey would consist of a series of questions related to hair braiding services, pricing, customer service, and overall satisfaction. The survey would be conducted at the Pikine Hair Braiding salon during business hours to ensure that customers are available and willing to participate. The survey would also be offered in both English and French to accommodate the diverse customer base. To ensure the accuracy and reliability of the data collected, a random sampling technique would be used to select participants for the survey.

Primary Research Findings

Introduction

The primary research for Pikine Hair Braiding was conducted in order to gain a deeper understanding of their target market and consumer behavior. The research aimed to identify the preferences and needs of their target market, as well as the effectiveness of their current marketing strategies. The research was conducted after reviewing relevant secondary research about the target market and the hair braiding industry.

Method

For the primary research, a survey was conducted with 10 participants who fit the target market profile. Participants were selected based on specific criteria, including age range (25-35 years old), gender (female), and geographic location (Metro Detroit area). Participants were recruited through social media platforms and contacted via phone and email to confirm their participation. The survey was conducted in a private setting and was moderated by a member of our team.

Procedure

During the survey, participants were asked a series of open-ended questions about their hair braiding habits, preferences, and experiences. They were also shown marketing materials from Pikine Hair Braiding and asked to provide feedback on their effectiveness. The survey lasted approximately 90 minutes and was recorded for later analysis.

Analysis

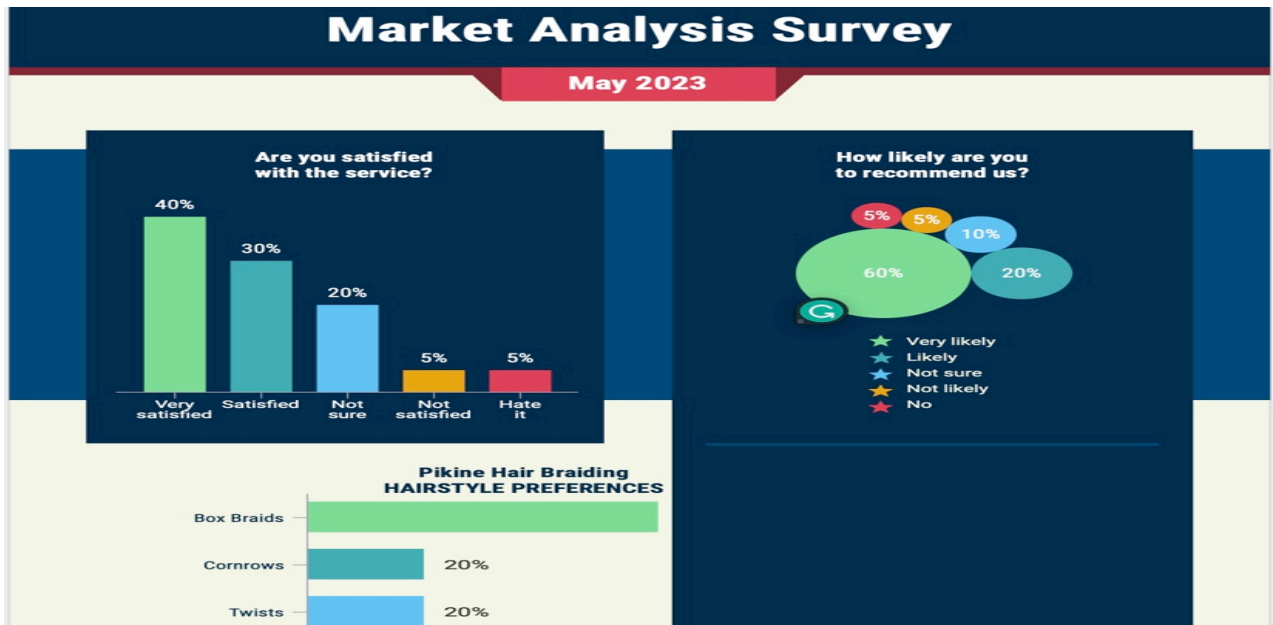
The data gathered from the survey was transcribed and analyzed using both qualitative and quantitative methods. The responses were coded and sorted into themes and patterns, and statistical analysis was conducted to determine the frequency and distribution of specific

responses. The respondents were all female and between the ages of 25-35, with varying levels of income and education.

Results

The results of the primary research showed that the target market for Pikine Hair Braiding is primarily made up of female customers who are interested in unique and creative hair braiding styles. They are interested in affordable pricing and convenient scheduling but are also willing to pay more for high-quality service. The respondents provided feedback on the current marketing materials and suggested improvements to make them more engaging and informative.

Infographic 3: Hair Braiding Preferences



Data Source: Survey Conducted by Real Star, LLC, May 2023

Infographic 4: Marketing Material Feedback



Data Source: Survey Conducted by Real Star, LLC, May 2023

Conclusion

Based on the primary research findings, Pikine Hair Braiding should focus on offering unique and creative hair braiding styles at affordable prices, while also providing high-quality service. They should also improve their marketing materials to make them more engaging and informative. The next step for primary research will be to conduct another survey of current and potential customers to gather additional data on their preferences and needs. This survey will be conducted using an online survey platform and will be promoted through social media and email marketing.

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Appendix

Figure 1: SWOT analysis chart.

Buyer Persona Guests: Google Profile Photo of by Candace Phillips (2023) (Google)

Infographic One: Title: Social Media Usage among the Target Market. Data Source: Pew

Research Center: <https://images.app.goo.gl/xj9oMb4SXDd2HF4N9>

Infographic Two: Title: Popular Hair Braiding Styles among the Target Market. Data Source:

Google and <https://www.stylecraze.com/articles/how-to-style-your-ghana-braids/>

Infographic 3: Hair Braiding Preferences, Data Source: Survey Conducted by Real Star, LLC, May 2023

Infographic 4: Marketing Material Feedback, Data Source: Survey Conducted by Real Star, LLC, May 2023