

Tool #10

How to Act Like a Guerrilla

Thinking and Acting Like a Guerrilla

Related to bootstrapping and leveraging is the concept of guerrilla behavior. The name comes from guerrilla warfare. The history of warfare is replete with examples of smaller, weaker, under-resourced combatants who manage to defeat more powerful foes by engaging in clever, unconventional tactics, utilizing the unexpected ambush, taking advantage of surroundings or environmental conditions, employing stealth, and relying on mobility, speed and the element of surprise. It goes back to the biblical story of David and Goliath.

Applied in an entrepreneurial context, guerrilla behavior is one of the more prevalent perspectives on how entrepreneurs can pursue opportunity when faced with severe resource constraints. In a new venture, guerrilla behavior is most often applied to selling and marketing, an area where the low income entrepreneur often has no resources and yet is trying to compete in a very competitive market. It refers to novel system of tactics that relies on time, energy and imagination rather than a large budget. The efforts are creative and unconventional, potentially interactive, can surprise customers, and consumers are targeted in unexpected places.

Consider the case of the new pizza restaurant in an urban area that decides to feed and pay homeless people to hold up hand-scrawled messages at locations throughout the city attesting to the fact that they are homeless, have tried every kind of pizza, and believe this restaurant offers the best pizza. Such a tactic is certainly clever, non-conventional, unexpected, and utilizes as a resource something that most others would not view as a resource. Another example is the entrepreneur who starts a restaurant, but runs out of money and so is unable to promote the new business. Undaunted by this obstacle, he/she decides to have a party in the restaurant just before the grand opening. Only one type of person is invited to the party. The entrepreneur invites every hairdresser in the town to a fun, festive and free party. Hairdressers tend to talk all day as part of their jobs, and for many months after the party they are likely to mention this restaurant in very positive terms. This kind of free publicity can produce more powerful results than spending large sums of money (that the low income person does not have) on conventional advertising on radio or the internet.

Guerrilla tactics are dependent on the entrepreneur's creativity and resourcefulness. While the possibilities are limitless, the table below presents some general categories of guerrilla approaches. Examples include co-marketing with other firms, finding opinion leaders and giving them your product, taking advantage of the surroundings such as putting up fliers on backs of restroom doors or putting table top tents on tables in popular areas, creating buzz by making some seemingly outrageous offer to customers, placing products in other people's businesses or ads, doing something provocative that attracts free news coverage, and advertising on grocery carts, floors or ceilings.

By thinking as a guerrilla, the low income entrepreneur finds alternative ways to communicate with customers, create visibility, and build a brand. Guerrilla methods enable the entrepreneur to reach markets and customers that would seem unattainable without large marketing budgets and extensive distribution channels. They can also convey an image of an entrepreneur who is clever, different, fun, and is working hard to get the customer's business.

Some General Categories of Guerrilla Marketing Approaches

Bartering: Trading out goods or services for a marketing resource. Example: printing company gives free services to radio station in exchange for on-air promotions.

Co-marketing and reciprocity: Different companies directly helping one another. Example: two marketers mention one another in their advertising.

Sharing: Different companies going in together to acquire a resource that one could not afford and then share it. Example: two companies share a salesperson.

Using opinion leaders: Placing products with opinion leaders and incentivizing them to use the products in public contexts. Example: fashion clothing company has popular high school students wear their clothing at school.

Taking advantage of surroundings: Turning things surrounding around the business into resources. Example: pizza restaurant uses homeless people to market its pizza.

Discovering underutilized resources that you don't own: Placing promotional messages in public venues where they do not typically appear (e.g., advertising on floors, bathroom stalls or elevator doors as they close).

Making use of underutilized resources you do own: Examining assets or things you own or control that are not being fully utilized. Example: car rental agency at an unbusy time uses the cars and employees to deliver donuts to car repair shops to generate referrals; plumber paints toilet on side door of his truck so he looks like he is sitting on it when driving.

Stealth/Disguising agents: Having people pretend to not work for you and have them effectively endorse your product. Example: maker of cameras has employees pretend to be tourists asking other tourists to take pictures of them using the company's product.

Placing products: Having products featured in movies, songs, video games or at events. Example: Harley Davidson offers motorcycles at no cost to the organizers of the Super Bowl halftime show.

Creating news: Doing something newsworthy and getting media coverage. Example: local computer store offers free training courses to disadvantaged or at-risk individuals from the inner city and gets local newspaper to publish story on the program.

Creating buzz by being provocative: Engaging in an activity in your business that is highly provocative and gets people talking. Example: Honest Tea runs "The most honest city in America" campaign and sets up unmanned displays with bottles of their tea in city centers to see who pays versus just takes one; or a jewelry store will give back 75% of the price of any diamonds purchased during the Christmas season if there is a white Christmas.

Leveraging networks: By belonging to various groups or organizations, the entrepreneur is able to effectively promote his/her business (e.g., membership or sponsorship by an entrepreneur of organization that supports stopping spousal abuse, which results in other supporters using the entrepreneur's services).

Co-creating: Using customers to help produce products or services. Example: You Tube does not create the content that is the essence of its value proposition; Vespa Scooters has a contest where customers create videos about why they love their Vespa.