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MARKETING COMMUNICATION
AND IMPROVING PLAN FOR
DENTAL SERVICE COMPANY
YAFEI DENTAL

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Abstract			
<p>YAFEI Dental is the first dental enterprise group based on a complete dental industry chain and is one of the upscale clinics in China. I was fortunately hired by YAFEI DENTAL GROUP as the assist of marketing director. This thesis aims at help YAFEI to design an expansion plan in marketing views.</p> <p>I analysed the industry condition based on my work experience and official dental industrial data published in administrative department. According to the situation, i realized this industry is promising indeed. But more and more followers pour into this market, so how can YAFEI win out from this competitive situation?</p> <p>I made a marketing research based on the theory of service marketing mix, 8Ps, which can help me get understanding how I can make YAFEI developing without making the mistake on some important aspects.</p> <p>In my point of view, I found that YAFEI is already has nice reputation and profit, but its development meet obstacle in attracting new customers. Then I want to figure out in professional way the reason why the increase of customer number stopped.</p> <p>Under my boss's authority, I started with some research methods to analyse the market and YAIFFE situation. The ultimate goal is to find out the answers of questions above, and around this concept to investigate.</p> <p>As the last part, I made a marketing plan focused on market positioning in comprehensive view according to my studies and work experience at YAFEI.</p>			
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1 Introduction

This chapter aims to give a background to the area of research. It will also simplify present the organization YAFEI Dental's problems on expansion and daily running. What I will do is to analyse the common problems on service industry, then design a plan for YAFEI DENTAL in basis of marketing research result.

Background of YAFEI dental group

I was fortunately hired by YAFEI DENTAL GROUP as the assist of marketing director Mr. Su Hua who has worked for Yum (KFC Kentucky Fried Chicken in China) for more than 19 years.) I'm so grateful for this amazing chance to get deep touch with marketing events and participate in making development plan for YAFEI DENTAL GROUP. I believe I can more comprehensively analyse it than outsiders. I leave this company at Oct 1st, which means I have been worked for it over three months.

Defined problem-limits of further development on profit and scale

With the development of national economy in the developing countries, the service industry starts developing rapidly in recent decades. Dental service is one of the typical cases. Due to my working experience, I had chance to see the weak part of this business. Here we got 2 core questions.

1. How can YAFEI attract more customers?
2. How can YAFEI win out from the over-heated competitive market?

Overall Purposes

In my point of view, the service industry will lead the main consumption power in the future according to the experience of developed countries. So I want to research how I can get my future business succeed. So firstly I want to help my boss reach her dream.

In China, there is a sentence said “if you use advertisement, you’re dying. If you don’t, you died.” this is just a joke, but it reflects something. How we use the power correctly is the key to success. So marketing will be my cannon, let’s see whether I can handle it.

To the company's future development, new customers are essential. So how to attract new customers become our loyal customers is the key. So my research is to understand the customer's direction, I would like to combine some academic concepts to further help me to find solutions to the problem.

2 Service Marketing

Marketing as a tool of service industry.-(definition of service marketing)

services are economic activities, which provided by one party to another. Service performance satisfies the customer or recipients’ desire which not taking ownership of the physical elements. (Lovelock and Wirtz, 2007, 4)

Service marketing is a branch of marketing, which consists of two main part Goods marketing (fast moving consumer goods and durables) and services marketing.

Service marketing is usually refers to two types of business model. business to consumer (B2C) and business to business (B2B) services, including marketing services, like telecommunications services, financial services, various types of reception service, car rental services, air travel, health care services and professional service. (Lovelock, C., Gummesson, E. 2004.

Whither Services Marketing)

2.1 8Ps for Services Marketing Mix

Now here is a new marketing mix coming into our view, the designed 8 Ps for service marketing in purpose of capturing the distinctive nature of service. This is why it’s modified. (Lovelock& Wirtz, 2007, 22)”Product elements, place and time, price and other user outlays, and promotion and education, physical environment, process, people, and productivity and quality”

Traditionally marketers usually use 4Ps to market manufactured goods. The four P are: product, price, place (distribution), and promotion, which are how 4Ps formed.

Here Mr Lovelock introduce a vivid example, in order to win out from the competitive service market environment, these 8 key elements should work as the Oxford-versus-Cambridge boat race's lightweight boat. Each element plays like rower. "Speed comes not only from the rowers' physical strength, but also from their harmony and cohesion as a team." in order to reach the effectiveness,

Product elements

In marketing, a product or a service is anything that can be offered to a market that might satisfy a want or need. Service takes the most important role in a firm's marketing strategy; because this is the direct thing can meet the customers need and effect customer relationship. A poor-designed service or product can't bring any meaningful value to customers. So no matter how well other 8Ps work, poor service keeps damaging company's value.

Here come a guide for design suitable service and supplementary service element.

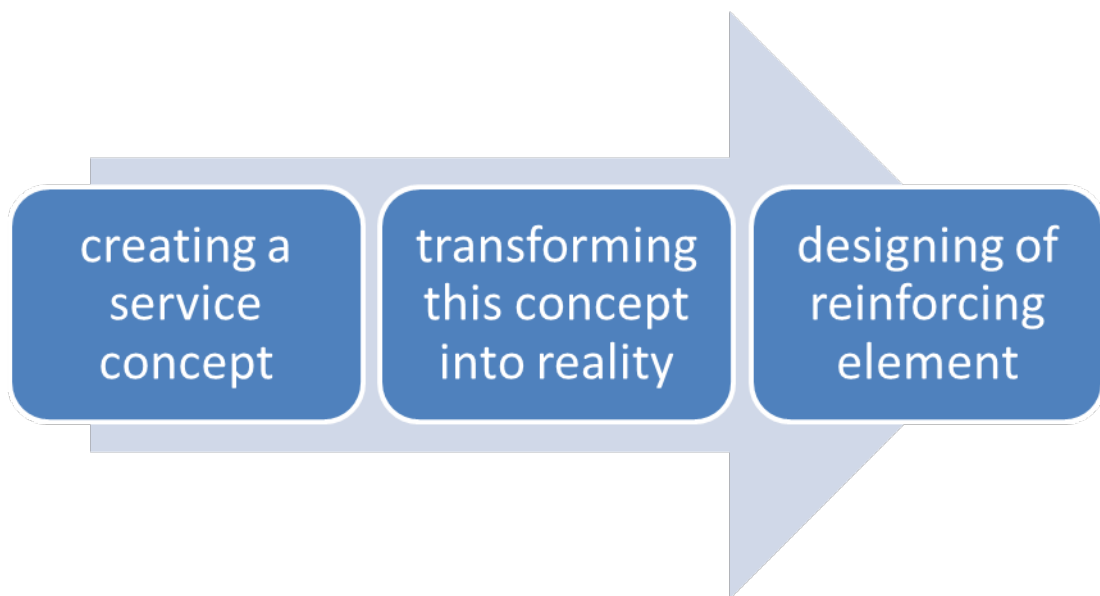


Figure 1, the process of creating service. Lovelock& Wirtz, 2007

Transforming this concept into reality means how we convey a service concept to target customers accurately. KFC in China is a great case, it provides children free sport training, meantime it win people's trust and loyalty.

Designing of reinforcing element introduces us that how can make the concept stronger and trust-worthy. (Lovelock& Wirtz, 2007, 23)

Like the company I worked, YAFEI dental, its major business includes teeth-cleaning which is not popular in China. What YAFEI dental did is to publish the harm list of not doing teeth-cleaning at public media as the health care information, at same time; promotion comes on teeth-cleaning.

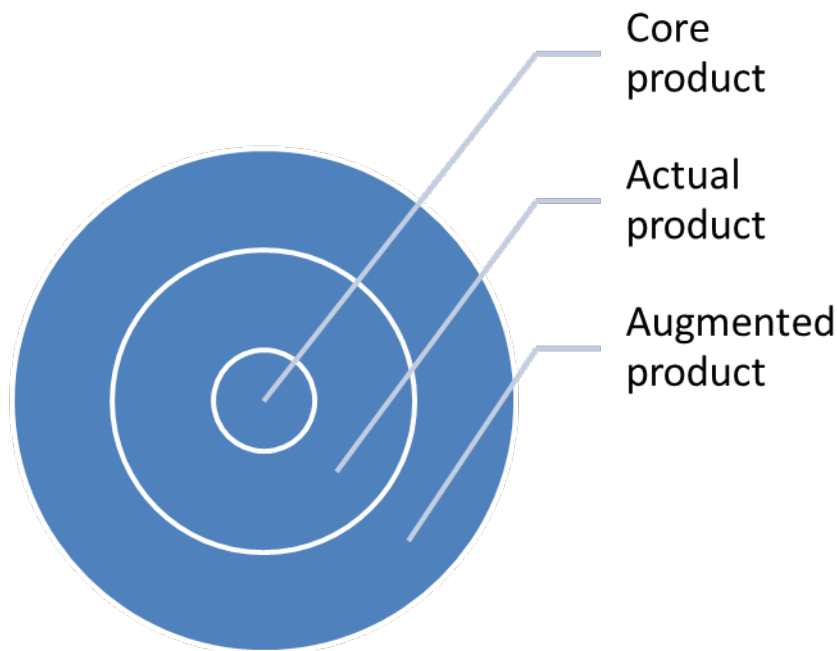


Figure 2, three levels of product by Kotler&Armstrong, 2006, 234

Product should be seen by the planner as three levels of products, each rating meaning a higher value. The most basic is the core benefit. It can meet the most basic needs of the customer. The second level is the actual level, such as brand name, feature, quality level, design, packaging, which is created from multiple aspects.

The most advanced is the augmented product and based on actual level of basic benefits. It requires the company needs to resolve guest problems, for example, after-sale service warranty, delivery, installation.

(Kotler&Armstrong, 2006, 234)

Place and time

As we know, the most obvious attributes of service is intangible. So not likely the traditional manufactured good we must have to physically deliver it to customers' hand. So we can make service delivery into both physical and electronic channels.

Information transaction is increasingly conducted via electronic channels. There are three inter-related elements deal with electronic distribution, the process of making deal via the internet.

- ❖ Information and promotion flow: distribution of information and promotion materials stimulate customers being interesting in purchasing the service
- ❖ Negotiation flow: the process of reaching agreement, in other word, selling the right of using service to customer. And also inform customers the service accurately in order to avoid dispute.
- ❖ Product flow: many services require physical facilities for delivery. But service like net-banking, distance learning, PC game just needs a centralized site.

(Lovelock& Wirtz, 2007, 99)

My topic is YAFEI dental, it needs the physical facility to deliver its service, and I call it clinic. So deciding where to set up the clinic is the crucial.

Normally where, cost, productivity and access to labour are key determinants. But those specialty services can extend the distance in customer's expectation. (Lovelock& Wirtz, 2007, 104)

The trend of opening time has gradually transformed from 40 or 50 hours per week into 24/7 model in some region. 24 hours a day, 7 days a week. Especially obvious at the country that tourism is the main industry, like Thailand, because of the over-heated competition. (Lovelock& Wirtz, 2007, 104)

Price and other outlays

Price is the sum of all the values that consumers exchange for the benefits of having or using the product or service. The money charged for a product or service. (Kotler&Armstrong, 2006, 307)

Price is highly dynamic, which will be adjusted according to type of customers, time and place of delivery, level of demand, and available capacity. Actually I'm not talking about how pricing strategy can bring business the maximized profit, the more I want to see is that the price and layout is the key element that customers will take into consideration, no matter its poor or rich. We know that rich man use money more smartly. When customer calculates whether a service is "worth it" they will also assess the outlays of their time and effort except money. If the layouts are high, no matter how reasonable the price is, the business will still be losing the loyalty of customers.

Service marketers therefore, must not just set prices that target customers are willing and able to pay, but also understand-and seek minimize possible-other burdensome outlays. (Lovelock& Wirtz, 2007, 24)

Nevertheless, to reduce the uncertainty on pricing strategy, Customers will chose the supplier they contacted before if they're not sure about the value they can receive from service, because no one want to use money with feeling of uncertainty of price. (Lovelock& Wirtz, 2007, 131)

YAFEI dental clinic's biggest problem occurs on uncertainty of service value. Many years ago, people have no access to know the cost of dental materials, with the development of internet in China. Customers start perceiving dental industries as the monopoly of high tech. Also medical industry will generate a lot expectable cost during treatment period. So the "monopoly" image with unpredictable outlays because the untrusted feel from YAFEI customers.

Promotion and education

Effective communication is vital for a marketing program in order to achieve 3 important functional purposes. (1) Providing the needed information and advice. (2) Persuading target customers of the merits of a specific brand or service product (3) encouraging customers at specific times.

In service marketing, the service providers sell concept at the beginning, because customers and prospects have no idea whether they need this service, is it worth to pay for. So service provider has to use promotion method to achieve the educational goal in order to convey the

information of (1) the benefit of certain service. (2) Where, when and how to obtain it. (3) How to participate in service processes to get the best results. (Lovelock& Wirtz, 2007, 25)

Physical environment

Service is apparently intangible, so the first impression made by customers are normally from the physical environment which include the appearance of buildings, vehicles, interior furnishing, equipment, staff's uniform, signs, printed material, and other visible cues.

There are 4 main purposes of service environment.

- ❖ Shaping customers' experiences and behaviour.
- ❖ Image, positioning, and differentiation. People usually assess the service company initially by the service environment. That's why a successful company crafts the service environment carefully in order to shape up the appropriate image. Luxury or decent decoration is not good for every company; we take an example of low-price supermarket, LIDL which locate at remote place, save space for goods. It has successfully conveyed the image of "low-price" to the whole Europe I think. It precisely positions itself by creating brand image.
- ❖ The service scape as part of the value proposition.
- ❖ Facilitate service encounter and enhance productivity.

(Lovelock& Wirtz, 2007, 289)

People

In service delivering process, interaction among front-line staff and customers is not avoidable. This contact will generate great influence on how customers perceive the company. So service people should have a mature and comprehensive system from recruiting to training.

Productivity and quality

Productivity is a measure of the efficiency of production. Productivity is a ratio of what is produced to what is required to produce it. Usually this ratio is in the form of an average, expressing the total output divided by the total input. Productivity is a measure of output from a production process, per unit of input.

Improving productivity can help company lowering the cost. The quality can shape the product differentiation, customers' satisfaction and loyalty. Sometimes service company don't do plenty research before improving product's quality or service, which lead the increase on price. Customers are not willing to pay for this unnecessary item. So proactive manager should understand what customers really need. There is a newest example, the latest apple mobile phone, IPHONE 4S. There is no any change on its appearance, but huge upgrade inside. In Chinese market, it won't be as popular as the previous one IPHONE 4. Chinese people more care about the outlook and the decent image. So if apple can even make a slight change on this phone's out looking, the result will be totally different. (Lovelock& Wirtz, 2007, 25)

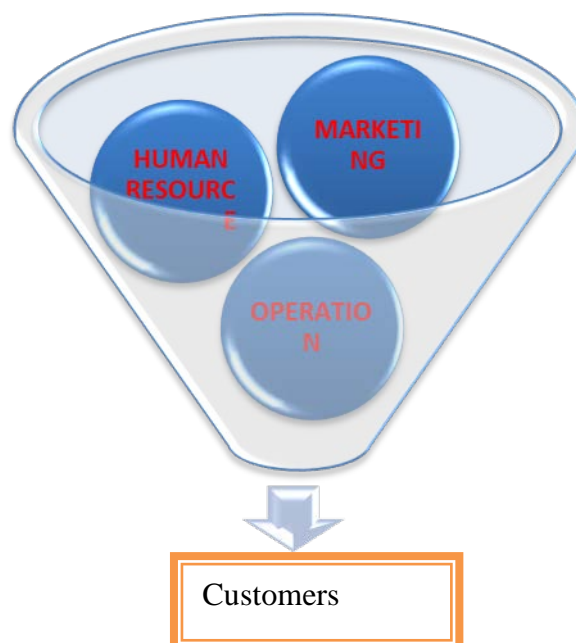


Figure 3, how to create customer benefit (Lovelock& Wirtz, 2007, 26)

At above, 8 Ps on service marketing are briefly analysed, which will be used later in my finding of how I design a future plan for YAFEI dental. Even though, Marketing should be integrated with human resource and operational management. (Donnelly and George 1999)

2.2 Challenges in service marketing

Unlike the traditional manufactured products, service has many different characteristics, which also determine the new concept on application of marketing knowledge's. So in order to know what I should be careful about challenges of service marketing, I will find related information and conclude it in this chapter.

Perishability-service products cannot be inventoried.

Take a simple example, YAFEI dental can serve 200 customers per day, fist day 120 customers are served. There are still 40% capacity are free, but can we sell this 40% capacity on second say? Definitely not! This is why we said its perishability. (Kotler, Et al, 2003, 45)

On the other hand, low demand will decrease the profit of service providers. How if the demand exceeds the capacity of service providers? The surplus part of customers will be lead to disappointment and to be asked wait later. While keeping the increasing profit, smart managers should keep the demand level into a smooth way through promotion, dynamic pricing strategies, and reservations. Nevertheless, experienced marketers know operation department cannot be separated from decision making process. (Lovelock& Wirtz, 2007,)

Intangibility-can't be felt, touched, and smelled, how can customers make evaluation process?

Even though there are many physical items involved in the process of delivering services, but still the core vale is from the intangible service process. Actually customers care more about the attitude of service people, not only the uniforms of them. But we still have to make the uniform clean, fit, and decent. (By Kotler, Et al, 2003, 43)

Why? Because customers need the physical evidence to evaluate the service and distinguish the quality or value from alternative competitors, there are two important and effective ways to convey service providers' value to customers.

Make service tangible through emphasis on physical clues. Employ concrete metaphors and vivid images in advertising, branding. (Lovelock & Wirtz, 2007, 17)

What's more we can do to make our service perception greater? The front-line staffs of company, Here comes a concept of "external communication". Communication among customers and potential customers is crucial, the purpose of us is to convince them to buy our service and perceive our brand is better than other alternatives. From the point of human renouncement, the first impression dominates the result of the interview. (Julie beard well & Tim Calydon, 2007, 23) So to control the quality of contact points of a company effects the value perception a lot.

- ❖ Service's delivery team
- ❖ After-sale department
- ❖ Credit department
- ❖ Company's website
- ❖ Complaint department
- ❖ Company's public relations team

These departments' personnel normally will make first contact with customers and prospects, which will shape the image and value of Service Company. (Kenneth E. Clown, Donald Back 2010, 284)

Inseparability- other customers and staff are part of the service experiences.

There are 3 main aspects of the meaning of inseparability. Firstly, what it means is that in most hospitality services, customers and service providers both are the necessary element of making sure service happened. So like I said before, personnel can dominate a company's image to

some extent. No matter how excellent the nurse's skill is if she has no manner, patients will not be comfortable. (By Kotler, Et al, 2003, 45)

Secondly, the productivity and product quality will be influenced by customer's factors. We can call this co-production. Normally service need customers participate actively more or less, such as gym. If all people are professional, they can keep doing sport in long time, and then our capacity will be lower than if the people are relatively weaker than them. On the other hand, if all the customers are fresh man, the depreciation rate will be much higher. The fresh customer might damage the facilities and equipment. (Lovelock& Wirtz, 2007, 18)

What's more? The service quality will be affected by customers. Especially in the public resort, the civilization level of customers is important, if the people don't care about how others feel and speak loudly and rudely. No matter how awesome the resort, others will not be satisfied. So how to train, educate, manage, and select "our customer is a big issue for service company. Fast Food Company implies their customers clean the tables, which can save the labour force and increase the capacity of restaurant. (Lovelock& Wirtz, 2007, 18-19)

Variability

This is one of the biggest problem service companies meet starting expanding process. Because the standardized service quality can't be provided easily, this is caused by high involvement of people. Even we can control the quality of service people, there are still some reasons that make variability happened. The demand fluctuates with time; it's relatively hard to make sure the quality of service at peak hour.

Distribution may take place through nonphysical channels.

This might be kind of pure service attributes, such as information-based services. Service providers can use internet or mobile phone to deliver the services. With the development of telecommunication technology, more and more interaction can be done without face-to-face. Such as reservation made by phone, net bank service system. (Lovelock& Wirtz, 2007, 21-22)

Especially in the service and hospitality market, the electronic marketing has totally changed the tradition channel. I will get deep analysis on direct marketing and database marketing in the purpose of creating competitive advantages for YAFEI dental company. In order to collect and manage customer's data and manage profile then company can use direct marketing to customers and prospect with interest of consuming. Still electronic marketing has great potential, over than 500 million people had experience got access to internet, which still keep increasing sharply over years. (Kotler, Et al, 2003, 631,)

3 The Customer Acquisition Management

The Customer Acquisition Management means how to get new customers through the marketing. It includes many aspects, such as the developing products, branding, pricing, advertising, sales promotion, personal selling and so on. But according to my thesis, I chose three of them as issues. I think they will help me in YAFEI marketing planning later. While at work, I also learned a lot of knowledge. (Kenneth, E, Clow& Kotler, 2009, 114)

I believe that most of the marketing team can never be relaxed, as they face (1) to retain existing customers (2) development of new customers. A growing numbers of corporate clients over year's means good performance, so how to achieve customer acquisition?

First, consumers realized that the company's existence, then we need such as advertising, Sales promotion. Second, to guide consumers in consumer behaviour, eventually, post purchase is applied, so that customers do have a sense of wise decision.

In many cases, marketing managers are more concerned about the development of new customers in the top, ignoring the focus on existing customers. Smart company should set up special departments to improve guest loyalty, because the development of new customers means higher costs and time investment. (Kenneth, E, Clow& kotler, 2009, 118)

3.1 The use of brand in modern marketing

“Products are made in the factory, but brand are created in the mind.”

-WALTER LANDOR

I do like this sentence, because it accurately describes the difference between a product and a brand. In this modern society's many cases, not the product itself to attract customers. Very interesting phenomenon, and why more expensive products, such as Starbucks, they can oversell than the local coffee shop. What is the answer? It Might be its good management, logistics systems and so on. But the most important answer is the brand. (James Hammond, 2008, 7)

Almost all scholars agree that branding is a very important part in modern marketing, whether in academic or practical applications. Determines the success or failure of a company, a good brand will directly lead to an increase in customers, including potential customers much greater. Especially in a strange place, a well-known brand becomes the world local brand, people can find brand which is familiar with.

There are many types of brands, some of the company's brand and will not apply to any product, such as Procter & Gamble, and we can call it as a house brand. Usually divided into the following types of brand:

- ❖ Family brand
- ❖ Flanker brand
- ❖ Brand extensions
- ❖ Private brand (or private labels)
- ❖ Cobrands
- ❖ Global brands

(E, Clow & Kotler, 2009, 123)

Family brand:

From the literal meaning, family brand is a company with many brands, but have been managed by one primary brand. The advantage is a new product or service can get the family's reputation and brand image. But the new brand's core product is related to the product feature before; otherwise the loyalty does not happen. Such as Starbucks create a new brand which sells clothes. It might not make sense.

Flanker brand

It refers to a company to develop new brands or types of services, in an existing brand. The Purpose is to distinguish between different price ranges of products by the brand. Which can create high value-added products, such as Procter & Gamble, he has dozens of different brands. Meanwhile, flanker brand confused consumers and dilute the brand equity has been developed for decades

On the other hand, the operation of globalization, flanker brand for different countries and regions can create a different brand.

Brand extensions

It is the use of existing brands in new products and services, or a new generation of products, because of its complexity, brand extension become a hot topic of discussion.

When we use it, we should be care of assuring the quality and value of new product, because the failure of new product on extension brand will damage the company' reputation and the brand equity.

Private brands

It is becoming increasingly popular, due to changes in consumer perception of private brands. Was cheap, poor quality of the image has gone.

As the private brands sold in large stores, resulting in difficult to realize that if you buy private brand. Meanwhile, more and more people accept the private label, and the other which began mass production. At the same time manufacturers have been a lot of orders, resulting in a win-win situation.

Finally, the retailer also believes that private brands can enrich the customer's choice, in order to attract new customer groups.

Therefore, in the high-end department stores, or Wal-Mart, we can find private brand there. (E, Clow & Kotler, 2009, 125)

Here I define YAFEI dental group as the private brand, as I mentioned before, which is created by Ms.Zhang YAFEI twenty years ago in a small clinic. So YAFEI still experienced the stage of perceiving as poor quality brand. But now the situation is totally different.

Co-brand

Co-branding is an arrangement that associates a single product or service with more than one brand name, or otherwise associates a product with someone other than the principal producer. The typical co-branding agreement involves two or more companies acting in cooperation to associate any of various logos, colour schemes, or brand identifiers to a specific product that is contractually designated for this purpose. The object for this is to combine the strength of two brands, in order to increase the premium consumers are willing to pay, make the product or service more resistant to copying by private label manufacturers, or to combine the different perceived properties associated with these brands with a single product

Global brand

A global brand that this is all over the world to reflect the same set of values. Establish a global brand relationship with consumers in different countries and cultures. They are sold on the international market. Examples of global brands are Facebook, Apple, Pepsi, Sony and Nike. These brands are sold in the markets for more than the same products, can be considered as a success within the diversified consumer-related products is easily recognizable.

3.1.1 The process of enhancing the existing brand

As you know, the success of brand development for the enterprise plays a huge role, but how to create a successful brand? There are nine characteristics to inspire us.

TABLE 1, nine characteristics of a strong brand, Martin roll, 2006, 13

Nine characteristics of a strong brand
A brand drives shareholder value
The brand is led by the boardroom and managed by brand marketers with an active buy-in from all stakeholders
The brand is fully integrated part of the entire organization, aligned around multiple touch points
The brand can be valued in financial terms and must reside on the asset side of the balance sheet
Customers are willing to pay a substantial and consistent price premium for the brand versus a competing product and service.
Customer associate themselves strongly with the brand, its attributes, values and personality, and fully buy into the concept which is often characterized by an emotional and intangible relationship
A brand is a trademark and marque which is fiercely and proactively protected by the company and its legal advisors
The brand can use as collateral for financial loans and can be bought and sold as an asset.
Customers are loyal to the brand and would actively seek it and buy it despite several other reasonable and often cheaper options available.

Attributes: a strong brand in the minds of consumers will be able to create some sort of product attributes. .

Benefits: Customers do not buy the product attributes; they buy benefits. In order to have a strong brand, companies need to translate into functional and emotional benefits of the property.

Character: a brand project a certain personality. Consumers may have a certain personality; they may be associated with a visual brand. For example, ROLEX brand will attract potential buyers of the actual or desired self-image, brand image match.

This criterion gives me clue to rethink how to help YAFEI making the brand getting better?
There is a common sense that no famous or strong brand in Asia. At early year, “made in Asia

or China” means cheap, poor quality, mass production and so on. These traditional values still exist, but in fact gradually began to focus on creative product development in Asia. But still the lack of value creation is biggest obstacle for China or Asia becoming a superpower.

TABLE 2, world GDP list (IMF, Nominal GDP list of countries. Data for the year 2010)

Rank ↕	Country ↕	GDP (PPP) \$Million ↕
—	<i>World</i>	74, 384, 980
—	 <i>European Union</i>	15, 203, 145
1	 <i>United States</i>	14, 526, 550
2	 <i>China, People's Republic of</i>	10, 119, 896
3	 <i>Japan</i>	4, 323, 504
4	 <i>India</i>	4, 057, 787
5	 <i>Germany</i>	2, 944, 352
6	 <i>Russia</i>	2, 230, 954
7	 <i>United Kingdom</i>	2, 181, 456
8	 <i>Brazil</i>	2, 178, 529
9	 <i>France</i>	2, 134, 941
10	 <i>Italy</i>	1, 778, 832

A 2003 report by Goldman Sachs forecast, by 2041, China will overtake the US economy in size and become the largest economy group. Although the Asia's strong economy is being forming, but we still can't call it a superpower. If we take a look at GDP/per people, tragically, China is on the bottom of the list. (Martin roll, 2006, 28)

But this can't be perceived so that Chinese companies are not successful; the power of brand can make great contribution to achieve high performance in many aspects, such as Apple. Then we can take some practical action on creating the powerful brand.

“Brand halo”

Here is an interesting theory called “brand halo” presented by Mr James Hammond. At this part I want to analyse this theory into how can enhance an existing brand-YAFEI dental.

The human nature is that when people recognize strange items, the first impression of it with some good features, we will think this item's other part is also good. Even we're not familiar with that. Mr James calls this brand halo effect.

(James Hammond, 2008, 188)

For YAFEI, company doesn't need make everything right, to find out the part that can convey consumers the favourable impression, which is strong enough to carry out this brand to lasting memory. This is one part of brand halo. Such as YAFEI, the interaction with patient occurred among doctors and nurses should be highly noticed, which determine the image of company. So controlling the quality of front-line staff is the key point.

(James Hammond, 2008, 189)

With the development of the digital age, vivid, persuasive advertising is no longer just the data and facts. Story is becoming increasingly important as a brand needs its own history, while the storytelling is more catchy, easily impressed.

The word "unique" is what we often hear nowadays; a story is a good way to make your business unique. "Story of you" is unique thing in the world, which can be used in public relation, building awareness, creating differentiation from all rivals. This can be seen as the advantage of private companies or company with strong individualism leadership.

(James Hammond, 2008, 191)

Communicate!

According to report Accenture, 70% marketing people can't capture attention with customers in marketplace due to noise or distraction. The importance of communication is equal as product or services itself.

Companies should pay attention to communication mix of continuity and consistency. All information should be clear and relevant. The audience can clearly receive the information. For the management of communication channels should be comprehensive and detailed. (Martin Roll, 2006, 205)

Exploit new technology

Modern technology has played an important role in brand planning. Further, technical assistance enhance the efficiency and competitive edge. Such as the company home, which cannot measure the size of the business and other factors? For small businesses, home image is a good channel for Publicity Company. At the same time online interaction is also important. In recent years, blog, other social media tools show their importance in modern society, the function to support online feedback, complaints, and timely response. CRM, Asia's most commonly used software. It is a good application in the real corporate management. It provides the company well-structured system. More, it helps companies to establish a database to analyse customer data.

(Martin Roll, 2006, 200)

3.2 Advertising management in service industry

"Advertising" is becoming increasingly important, with the rapid development of technology. Followed by a new challenge, how can we win in the competitive commercial market? In fact, non-profit project, advertising the application is also very common, such as charities, and so on. (By Kotler& Armstrong, 2006, 455)

Here I will discuss is how the services sector can effectively use the advertising as a promotional tool for accurate and effective delivery of enterprise information, and to attract new customers-customer acquisition.

Advertising is also part of the IMC process, integrated marketing communication, so threads play an important role in the establishment of effective communication system. Successful marketers will use the "major activity" as an advertising element. Have a good understanding of its own company and customers in order to establish the event. (By Kenneth E.Clou and Donald Baack, 2001, 166) For example, YAFEI sponsored event "international teeth care day" in order to gain more influence in society, while as an advertising element.

There are two methods of developing and overseeing a company's advertising program presented by Kenneth E. Clow (2001) and Phillip Kotler (2006) in two different perspectives, but still some parts overlap. Mr Phillip's theory is more theoretical and comprehensive to analyse, Mr Kenneth's put effort on practical way.

- ❖ Establish advertising objectives,
- ❖ Create an advertising budget,
- ❖ Choose an advertising agency
- ❖ Oversee the advertising program
- ❖ Assess advertising effectiveness

(By Kenneth E. Clow and Donald Baack, 2001, 167)

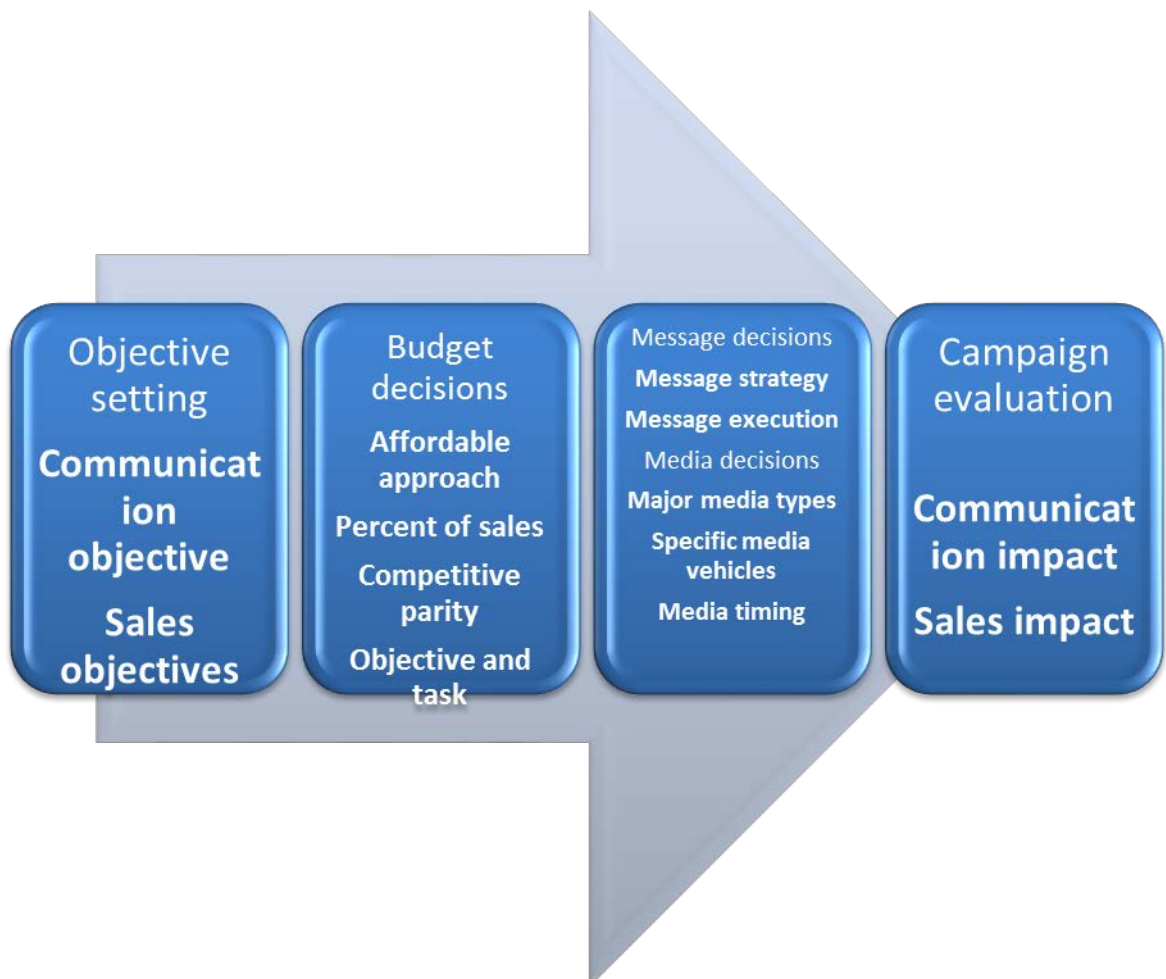


Figure 4, major advertising decisions (By Kotler & Armstrong, 2006, 455)

Objective setting

Objective setting, According to the company's needs, the purpose is different; the same thing is that the eventual aim of advertising is a specific communication task to be accomplished with a specific target audience. Each ad in the formulation of the time, company needs to design it based on past experience and current situation but also the future needs. The primary objectives for company as figure 5 showed, communication and sales objective.

Basically, advertising is divided into three purposes, Informative advertising, persuasive advertising, reminder advertising. (Kotler, Et al, 2003, 565)

Informative advertising, be used in the promotion of new product categories. The main purpose is to establish the initial demand. These purposes include, telling customer about new product, informing the price change, building company image, correcting false impression.

Now persuasive advertising are called comparative advertising sometimes. It is used to display their unique products and advantages directly or indirectly. This method of advertising is more commonly used in the FMCG industry, Such as beverages, batteries, and so on. But company should use this strategy with caution. Because the competitors response actively, which will turn this competition into ad war. Persuasive advertising's purposes include set up brand preference, encouraging purchase action. Changing the previous perception of product attributes.

Reminder advertising reminds people keeping attention on brand or product. Such as Coca-Cola remind people not informing or convincing them the product attributes, (By Kotler& Armstrong, 2006, 456)

Budget setting

Predict the benefits of advertising are difficult, because it relies on ad content, ad quality, media selection, and show time factors. Advertising a new product results will not be good, because it takes time to cause concern, then buying behaviour. A good marketing person more concerned about how to use money, rather than how much money on advertising. Formulation of the budget there are four general ways. Percentage of sales, according to the previous year's sales, according to a certain percentage as advertising

costs. Or sales forecast for next year, the same approach. Meet the competition, according to competitors advertising investment, and then design projects. Arbitrary allocation, corporate decision makers to determine the amount of investment. (By Kenneth E. Clow and Donald Baack, 2001, 168)

In order to develop a strong advertising content, the concept of the message strategy is presented here. What kind of message should be passed to the consumer? Human nature is like benefits. Therefore, we should first think clearly, the information content delivery potential benefits to customers.

Meanwhile, the contents of the message should be simple, direct statement of benefits, and further, the message need to be creative, memorable. So simple and easy to produce creative and innovative concept, the integration between the two is very important.

Secondly, the best benefit is not directly tell the customer how good the product or service, but to tell how the product or service better than competing products. For example, under the same technology, SWATCH advertising to tell consumers, it means fashionable, stylish. This is its differential advantage. (By Kotler & Armstrong, 2006, 461)

A good idea needs to be implemented, in order to attract potential customers in real life. Many aspects need to be considered, lifestyle, culture, tone, words, and form of expression. This involves more professional skills.

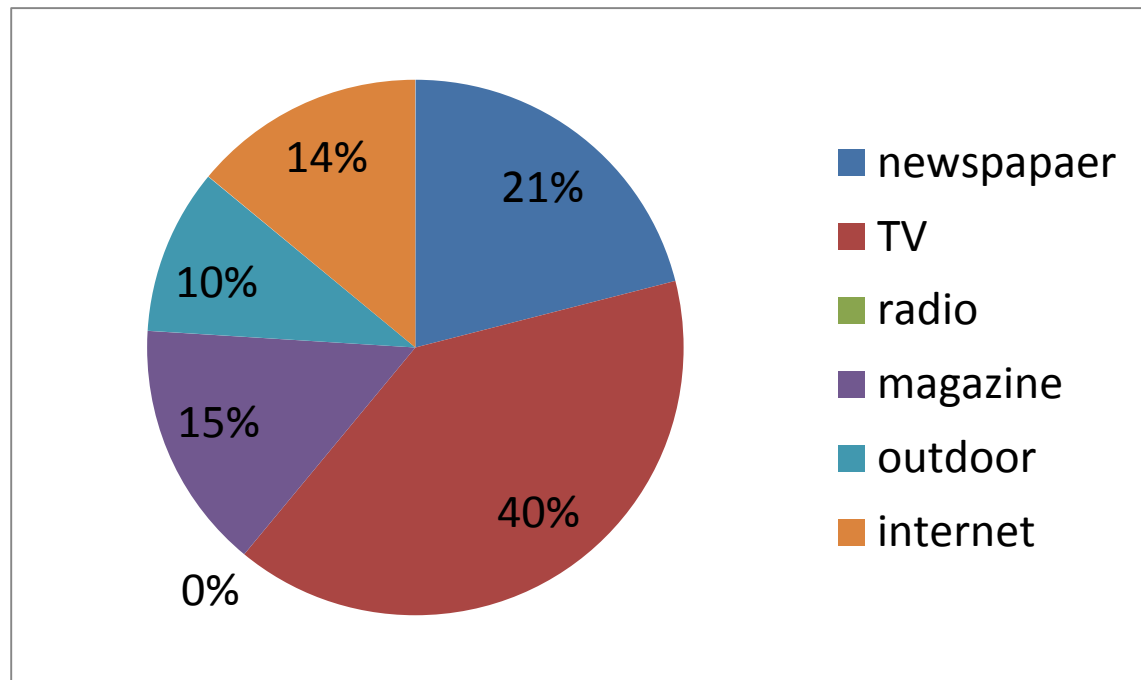


FIGURE 5, MEDIA selection in Chinese Medical service industry. (Published on Dec, 2010 at China database office)

Here we can see from the table above, in Chinese medical service companies, most budget has been put into the Traditional mass media, television, newspapers. TV can contain sound, images, and special effects, likely to cause great concern, very wide coverage characteristics. But the absolute most expensive, lack of flexibility, because a TV ad long production cycle, high cost.

And the choice of the reason is because the newspaper, flexible, but local coverage accurate, high believability. The disadvantage is that, short-life, poor reproduction quality.

More outdoor advertising is used in fast-food industry, such as McDonald's, because the appetite will be aroused by shop signs

(By Kotler, Et al, 2003, 578)

With the development of technology, the traditional e-mail marketing has gradually turned into internet marketing. More and more web-based tool appears in China, I will focus on internet marketing application in later chapters.

Internet has several unique features, high selectivity, low cost, immediacy, and interactive capability. (By Kenneth E.Clow and Donald Baack, 2001, 192)

Advertising should be analysed in two ways, communication effects and sales effects. You can use copy testing approach, similar to the questionnaire. To measure how the ad affected customer recall or product awareness, knowledge, and preference comparing with the effect before the ad displayed.

Another way is compare the sales effect of advertising with past advertising expenditure effect. Also company can choose different place to implement different spending level with same strategy. (By Kotler& Armstrong, 2006, 466)

3.3 Sales promotion in high-end service business

Promotion is widely used in everyday marketing. There are three reasons, the sales manager is facing pressure to perform, and promotion is the most effective way. Second, companies use promotion in differentiation competition, the third, when the effect is poor advertising, promotion as an alternative. (By Kotler& Armstrong, 2006, 469) This is also the realization of pull strategy. When consumers demand a kind of product or service, they will "pull" the manufacturer or service provider. (By, Jim Blyth, 2006, 239)

This chapter I will introduce the "consume promotion", according to high-end services to analyse the situation. "Consumer promotion" aims to: increase short-term sales or increase market share in long-term. Either market share or sales promotion should be concerned about long-term customer relationships. Because the only way to really enhance the brand equity. The concept mentioned in the previous section.

(By Kotler& Armstrong, 2006, 470)

There are many types of promotions, as more attention is the high-end service brand, some sales may result in the wrong perception, for example, "price-off", the wrong use of it will lead to customers the value of that product or service is untrue. At the same time it will lead to less frequency of purchase action when the price is at the original level.

(By Kenneth E. Clow and Donald Baack, 2001, 206)

Except the traditional tool like coupon, price-off, sampling, premiums, refunds and rebates, bonus pack.(By Kenneth E. Clow and Donald Baack, 2001, 197))

There two types of promotion can effectively be utilized in high-end service business based on the attribute of high-end service business, which are contest and sweepstake and the mix of “off-the –shelf promotion joint promotion “the purpose is to reinforce the brand image and perception of service value. (By, Jim Blyth, 2006, 241-242)

Contest and sweepstake

Around \$1.8 million dollar every year is used in this promotion method. In contest, individuals should act in certain requirement in order to get the benefit provided by companies. But this should be in accordance with local laws. Sweepstake won't require customers doing anything or purchasing during the activities. Sometimes the purpose is to enrich the consumer database and show the power of brand. What's more? Brand awareness, brand loyalty and positive brand image are enhanced directly.

The reason why companies choose this promotion is that creates interest, excitement, and buzz.

(By Kenneth E. Clow and Donald Baack, 2010, 202)

The mix of “off-the –shelf promotion and joint promotion”

Off-the-shelf promotion are provided by suppliers which are specifically organized around providing sales promotions." said by Mr Kenneth (2001), Which means the company provide the unused capacity, like the empty room of hotel, to customers.

From the customer perspective, customers want discounts or benefits. Companies use this to attract customers, but guests will have gratitude. Generally speaking, the guests will have the additional spending, as free or low-cost service has its limitations, extra income or even make up for investment. The unused capacity is the company's waste of resources. The essence of this promotion is to offer value which can meet the customers' demand and expectation. (By, Jim Blyth, 2006, 242)

Joint promotion with another company means a share of the cost of promotion action, while improving both influences. Most of the joint promotion usually is short-term, such as exchange

of samples or services. Another form of cooperation with the charity, its advantage is image enhancement. (By, Jim Blyth, 2006, 242)

In China, company creates the “shelf” by cooperating with other companies. The motivation for companies is to improve both companies’ image. Such as YAFEI dental provides teeth-whitening quota to a high-end message shop who offer us the free beauty course.

4. THE RESEARCH

4.1 presentation of the employer

Yafei Dental was founded at the birthplace of China's dentistry-Chengdu in 1988. It is the first dental enterprise group based on a complete dental industry chain and is one of the upscale clinics in China. After development for over two decades, Yafei has established a full-scale dental care system and training system integrating dental treatment, denture fabrication, international trade and vocational education and now it owns multiple dental clinics, international dental trade corporation, dental laboratory and dental schools nationwide. Yafei has gained a great reputation for its high level dental service worldwide. It has not only helped hundreds of thousands of European and American people for their smile makeover but also trained lots of technicians.

Yafei Dental takes advantage of its cutting-edge technology to make dental care a process of artistic creation. Yafei is committed to building itself into a dental carrier in China and for the smile makeover for the Chinese people.

YAFEI History and Honours

The first medical institution comprising clinic, education, manufacture, trade, chain clinics in china

The first private medical institution to hold international academic exchanges in china

The first medical institution operated and managed as an enterprise in china

The first medical institution market oriented in china

The first institution considering dental treatment as a kind of service

The first medical institution equipped with a special service department

The first private medical institution separating administrative management from health care

The first private medical institution that a dentist practices only in his/her specialized field of dentistry.

One of the first specialized private medical institutions

One of the first medical institutions to be accredited by ISO9001

One of the first medical institutions to cooperate with US

One of the first large-scale private medical institutions

One of the first dental institutions to carry out "four hands" operation policy

I had a brief interview with my employer Mr.Suhua who is the chief director of marketing.

YAFEI hope to further develop the market, but the reality is that there are fewer and fewer new customers. We discussed YAFEI's advantages, and hope to find out answers to the following questions.

- ❖ How can YAFEI attract more customers?
- ❖ How can YAFEI win out from over-heated competitive market?

Under his authority, I started with some research methods to analyse the market and YAFEI situation. The ultimate goal is to find out the answers of two questions above, and around this concept to investigate.

4.2 The nature of Research

Research is based on reasoning and observations. Many entrepreneurs conduct research without a thought of underlying academic considerations but research philosophies are important. Because they enable entrepreneurs to achieve aims beyond their past experiences. According to study, there are two major research methods, positivism. Positivism has three basic assumptions. First, 'that the social world exists externally and is viewed objectively', secondly that 'research is value-free' and last that 'the researcher is independent, taking the role of an objective analyst. (Blumberg and Schindler, 2005).

4.3 Methods of data collection

In this investigation, I chose the quantitative method as the main method. Because in order to acquire new customers, I have to fully understand the potential YAFEI customer needs and expectations. It is especially effective in obtaining culturally specific information about the values, opinions, behaviours, and social contexts of particular populations. This is what I need to know in order to better develop the market. There are several advantages of quantitative research method.

- ❖ Enables the research and description of social structures and Processes that is not directly observable
- ❖ Well-suited for quantitative description, comparisons between Groups, areas etc.
- ❖ Analysis and explanation of (causal) dependencies between social phenomena

My research is an “exploratory research”. Because I want to find out “what is the correct delivering message and improvement in business for YAFEI dental”, to seek new insights, to ask questions and to assess phenomena in a new light” (Robson, 2002). It is particular useful if you wish to clarify your understanding of a problem”. There are 3 principle ways of conducting exploratory research---

- ❖ A search of the literature
- ❖ Interviewing “experts” in the subject
- ❖ Conducting focus group interviews

In this chapter, I will explain the concept of interviewing and questionnaire to collect data, collection process will be introduced at next chapter. According to UMA SEKARAN said (2000), usually there are three data collection methods, interviewing-face to face, telephone, computer-assisted interviews. Questionnaire, including personal, by mail and other means, and observational of individuals

Interviewing is a method of data collection, collected the relevant information concerning about interviewers’ interest from respondents conducted by face-to-face or other communication tool.

There are two ways, (1), structured interview, which conducted when it's known at the outset what kind of information is needed. Interviewers have a list of predefined questionnaire, and then distributed to target groups through a variety of ways. The same problem can be used in many respondents. Through this step, some new factors will be found, and to obtain a deeper understanding. When collected enough information, interview can be stopped. (2) Unstructured interviews because all problems are a series of unplanned questions.

A questionnaire is a pre formulated written set of questions to which respondents record their answers, usually within rather closely defined alternatives.

It is an effective data collection when investigators know exactly what is needed and how to measure variable of interest, which can be administered personally, mailed or electronically distributed. (UMA SEKARAN, 2000, page 233)

4.4 Steps of my research

In order to get the believable and valuable result of market research, I will develop my research according to following instructions basically.

There are eight major stages of the market research process: (Hollensen, 2011)

- Problem definition
- Identify information needs
- Choose unit of analysis
- Examine data availability
- Assess value of research
- Research design
- Analysing data
- Presenting the findings

4.4.1 Establishing goals

The first step in any research is to decide what goals need to be achieved. The more specific the goals are the easier is the progress of the research. So my purpose is to find out (1)how can

YAFEI attract more customers by getting data on finding out what kind of information driving customer to using money. Among of the first purpose, the research also tries to identify (2) how YAFEI win out from over-heated competitive market based on 8Ps, which need to be questioned into sort out the priority order of these 8Ps.

4.4.2 Choosing sampling group

Hollensten (2011) defines sampling plan ‘a scheme outlining the group/groups to be surveyed in a marketing research study, how many individuals are to be chosen for the survey, and on what basis this choice is made’. There are several kinds of sampling procedures (Hollensten, 2011, 187).

- ❖ Probability sampling. It is possible to specify in advance the chance that each element in the population will have of being included in a sample, although there is not necessarily an equal probability for each element
- ❖ Non-probability sampling, Here it is not possible to determine the above-mentioned to estimate the sampling error. It is rely on the personal judgments of the researcher.

The advantages of non-probability approach are (Hollensen, 2011, 187):

- ❖ Cost less than probability samples
- ❖ Conducted speed very quick
- ❖ If executed properly, can produce samples of the population that are reasonably representative

I chose to existing customers as the target group, because they had the experience of buying dental care, which means they are familiar with dentistry. In order to obtain more reliable information, data collected from the relevant customer.

4.4.3 Design of questionnaire

The questionnaire was designed to identify the priority order of 8PS and most effective marketing communication tool. But at the beginning I did research based on demographic factors in order to get more comprehensive understanding of my customers.

Personally administered questionnaires is applied, when a survey is used in local area, and the organization is willing and can assemble groups of employees to respond to the questionnaire at the workplace. The main advantage is that the survey can be completed within a shorter period. Administering questionnaire to huge numbers of individual is less-expensive and less time-consuming than interviewing. (UMA SEKARAN, 2000, page 224)

YAFEI group provided me with good support, so I can use this method. In order not to affect the guests, I will get their permission in advance. The questionnaire is attached in the appendices.

4.5 Data analysis

The collected data is analysed in two parts. The Questions 1-4 with the demographic information provide the basic information from the respondents. 5-11 are the internal information which the respondents provided as the main leading guide of the research with yes or no questions. Also it contains the information about their advertisement receiving habit and attitude of their previous promotional participating experience.

The analysis of demographic data of YAFEI

Table 1 presents the demographic data of the respondents. Fortunately, because of the administering questionnaire applied 98 out of 100 questionnaires were recollectd, which is randomly distributed in three times after every 3 hours in one day. Statistical of respondents is presenting in the table below we can see that there is almost balanced number of female and male shoppers in my sample, which means dental service like repair or treatment is suitable for both man and women. The reason causes the gap between numbers of man and women is from part of teeth whitening and orthodontics. Female customers more care about the outlook, which lead them making purchase behaviour on beauty function service.

While analysing the age of the online buyer then we can see that the highest percentage rate of age from 19 to 49. In China, most of the mid-aged people has dental problem formed at early year. With the development of dental service and conscious of teeth beauty, more money spent on dental service. But as YAFEI's market position, customers should be with strong purchasing power; this is why the mid-aged people are the main group of YAFEI dental.

Regarding the monthly income of the respondents, the research found that most of them are at high or middle income level according to the monthly income above 5000 RMB (equal to 500 Euro) in China. The majority of them are buying service 2-5 times a year.

Based on the basic information of the respondents shown in Table 1 I can make a brief conclusion. There are 76% YAFEI service buyers fall in the group of Chinese mid-aged people with the ages of 19 to 49. Furthermore, there are 70 percentages of them are high incomes.

TABLE 3, Demographic data of YAFEI existing customers

Demographic data of Gender of respondents	Percentage (%)
Female	59
Male	41
Age of respondents	Percentage (%)
5-18	16
19-49	51
50+	33
Monthly income of respondents	Percentage (%)
<input type="checkbox"/> 1000-3000 RMB	9
<input type="checkbox"/> 3000-5000 RMB	21
<input type="checkbox"/> 5000-10000 RMB	62
<input type="checkbox"/> 10000+ RMB	8
How often will you use YAFEI service	Percentage (%)
<input type="checkbox"/> Once a year	22
<input type="checkbox"/> 2-5 times a year	65
<input type="checkbox"/> 6-10 times a year	10
<input type="checkbox"/> 10+ times a year	3

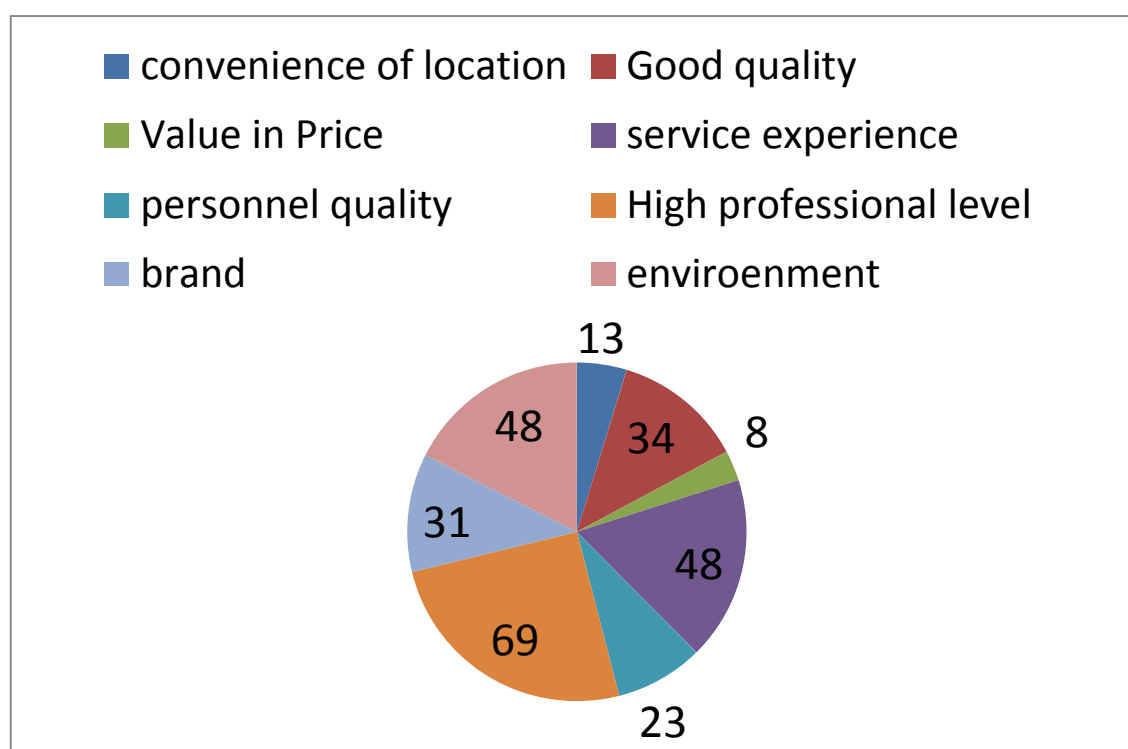


FIGURE 5, MEDIA selection in Chinese Medical service industry.

The research also tries to identify how YAFEI win out from over-heated competitive market based on 8Ps, which need to be questioned into sort out the priority order of these 8Ps.

This is the goal-setting at the beginning, which are the top important factors can make YAFEI win out from various competitors? What kind of P should be improved at YAFEI? I designed the question based on the idea of find element representing each one of 8PS. The answer should be according to the consumers' expectation. Sellers should find Chinese customer needs to satisfy them at a profit. If the need is strong and service provider's performance or service that meets the need and expectation, then a purchase decision is likely to be made there and then. If not, the process of information search begins.

Figure 5 shows the result of "multiple questions". 69 percentages of the respondents choose 'high professional level and 34 percentages of them choose 'good quality" and 48 percentages choose good environment as the top three reasons in the competitive advantages. So we can know that the core benefit of dental service plays a big role, which is like the quality of service or skill of doctors will take account.

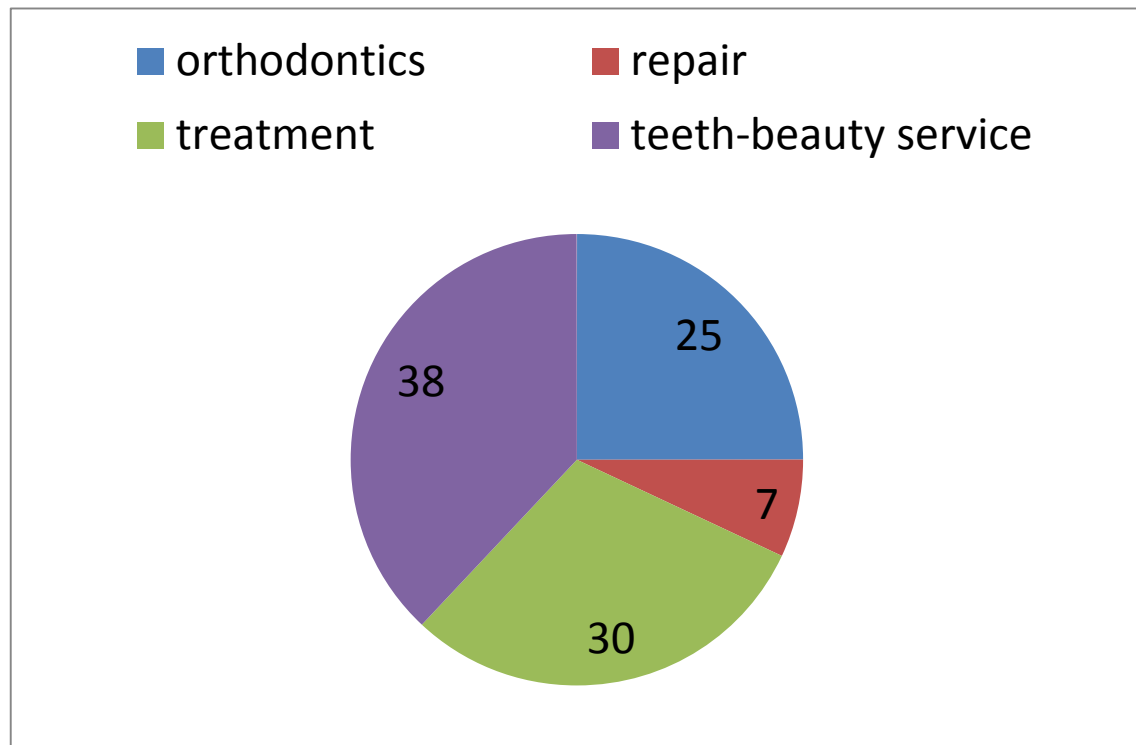


Figure 6, products purchase rate at YAFEI

Figure 6 shows the result of the Question 6 that we can get a strongly confirmation is that YAFEI dental has a higher brand image to the others competitors in orthodontic. Because it's a long-term complicated process charged with expensive price, normally it won't take 10% of purchase rate. So the orthodontic service of YAFEI is highly admitted by society. How to improve the performance of other high added-value service are important. Meanwhile; keep the level up for orthodontics service.

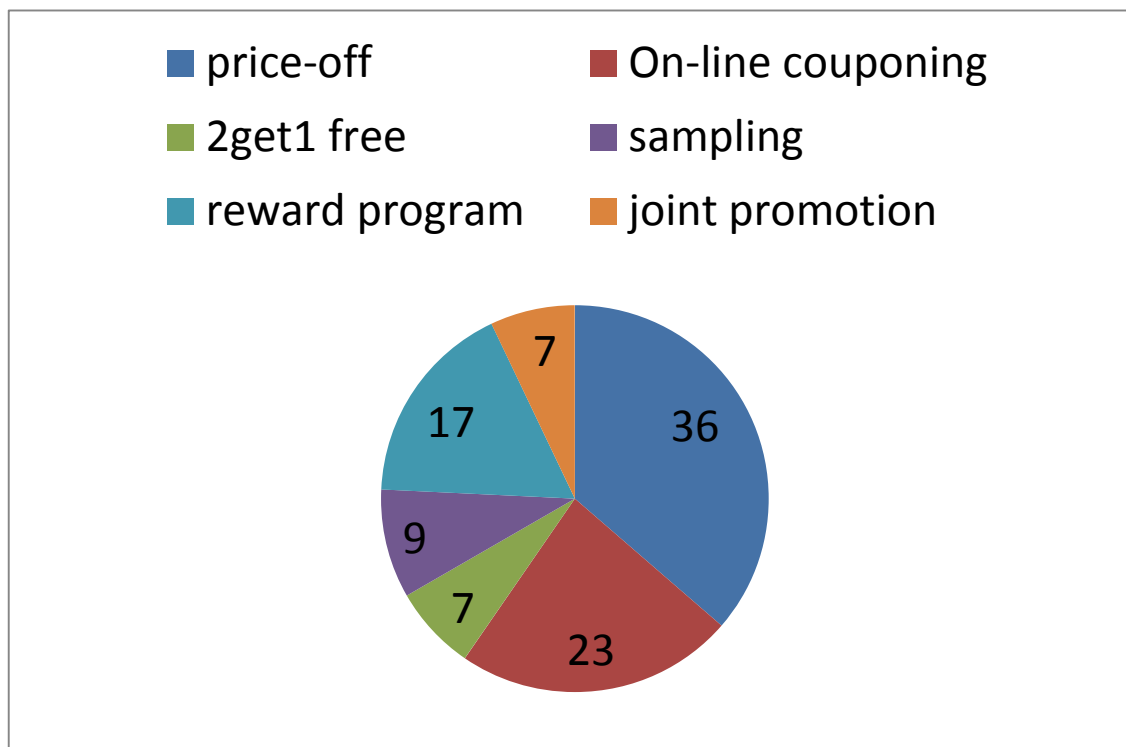


Figure 7, promotional tool preference at YAFEI

According to the Figure shows, Yafei's six promotional tools are used as a survey option. Which we can see, price-off accounted for the largest part, 36 percentages. It appears that people often have a greater interest in the cash benefits in the dental industry. Secondly, on-line couponing is the second largest part. Since the promotion of the network channels and inputs, a large part of the guests is through the Internet channel to understand YAFEI. Therefore, online coupon was chosen by considerable numbers of customers but still in order to minimize the uncertainty of price issue, we shouldn't do promotion in a complicated way.

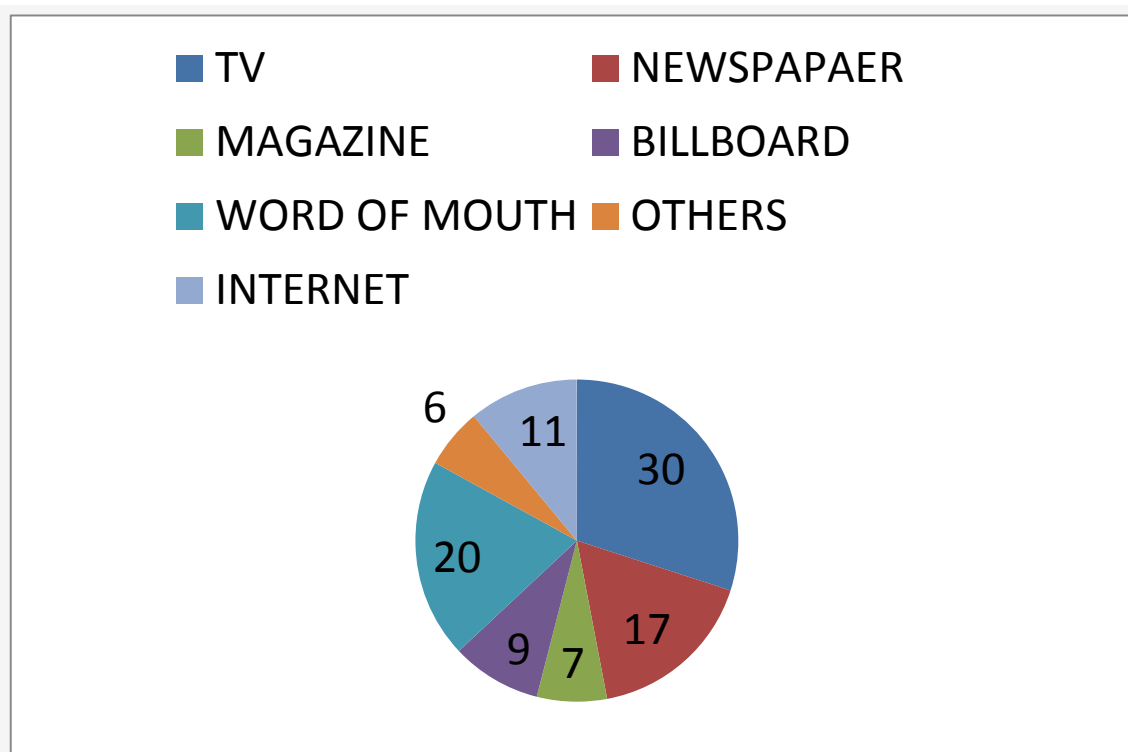


Figure 8, marketing communication channel at YAFEI

As Figure 8 shows, the power of traditional media is still very strong. Customers' acquisition from the television channels and newspapers, respectively, are 30% and 17%. We have analysed the media prior to selection; academic theory here has also been confirmed. In order to gain more customers, the traditional media as the most widely spread is the best choice of tools. As the special nature of the dental industry, the customer is relatively sensitive. Therefore, words of mouth from people who have experience at YAFEI become a major marketing communication tool for us, which bring 20% numbers of total customers.

5 THE MARKETING COMMUNICATION PLAN FOR YAFEI DENTAL GROUP.

In this chapter, I will develop marketing plans for the YAFEI according to the theoretical part of the survey data as well as my real work experience. Some parts have been applied to YAFEI's market operation. I will focus on market positioning, which contains the entire major factor in the current Chinese dental market place. Second, the advertising program will be introduced, which includes the mainstream media, online and outdoor media. Finally, how can YAFEI create competitive advantage based on 8Ps theory? All conclusions based on the theoretical part and survey data.

Overall, the dental monopoly is difficult and has outstanding advantages only in technology, services, environment, price, publicity, which can determine the positive result of fierce competition. But in order to cover the great cost of marketing activities and research development, the way to survive better is to upgrade the level of business

5.1 Advertising Strategy

Through research analysis and academic theory, in this chapter, I will YAFEI develop practical advertising program. The main purpose is to enhance YAFEI brand image, so that more visitors spending. At this stage, the main purpose is the communication objective, because as YAFEI not been exposed to mass media under. Kotler (2006) "major advertising decision" and the research data will be the basis for the program.

As we know, advertising is a specific communication task; it should be combined with the marketing program. Therefore, the development program, I will first analyse YAFEI target consumer group.

The target customer analysis

YAFEI brand's vision is the leader in Chinese dental; YAFEI now has high-class advanced equipment, professional authority of the international team, Extreme 'service, showing it's unique. For this reason, we will YAFEI market position in the high-end customers. The target consumer has the following characteristics:

- ◆ income level: secondary and higher income
- ◆ good at receiving new things, the views of the market leaders in consumer
- ◆ stable life, know how to seek more health guarantee
- ◆ pursuit of service quality, high value-added service value

Objective setting

In the analysis of the customer, I need to figure out the purpose of this advertising program. Usually has several goals, described in the article I started advertising usually has three objectives, informative objective, persuasive objective and reminder objective. According YAFEI current market position, is already a mature brand, brand preference and encourage purchase action are main purposes, and so persuasive push strategy.

So advertising objective is designed around persuasive purpose, which includes building YAFEI brand image preference,
 Encouraging customers switch to YAFEI,
 Change on old-fashioned dental service impression.
 But I will not use the comparison advertising strategy, because he will be vicious competition.

Budget decisions

As the ad contains a lot of uncertainty comes from a lot of subjective reasons, such as the customer's personality, values, and so many uncontrollable factors. So how to choose the advertising budget is mainly based on the company goals. Here is the first time since YAFEI planned large-scale investment in advertising and in the chairman's permission, so affordable approach will be adopted. The first three months of financial investment is 50,000 EURO, which can be distributed in several media channels and cost of video clip. This budget is according to the 10% of monthly sale, which is affordable for YAFEI marketing department. We will assess the effect of advertising in the final.

Message strategy

The success of advertising is not really entirely due to the budget. Customers will believe something that they will benefit from it. We must show a clear customer benefit.

According to the beginning of the customer analysis, YAFEI target audience is high-end groups. According to Professor Philip Kotler concept, our target population of need is not the "core benefit". But the second level is the actual level, such as brand name, feature, quality level, design, packaging, which is created from multiple aspects. In this ad, we will highlight the YAFEI environment, quality, etc. and so on. Thus creating more added values is essential. This is how they can get benefit from YAFEI.

So the basic idea for ad message is to emphasize the environment and exclusive service. But the message should be creative, which will bring the message strategy to life in a distinctive and memorable. Message should be simple and Cathy.

I create a slogan "YAFEI quality brings better life". This sentence implies not just solve the problem of pure medical purpose. This sentence will be fully expressed on ad clips.

Media selection

Therefore, in order to better cover these consumers through the media, and the questionnaire survey. We found that the most effective media in China's service industry including: television, newspapers

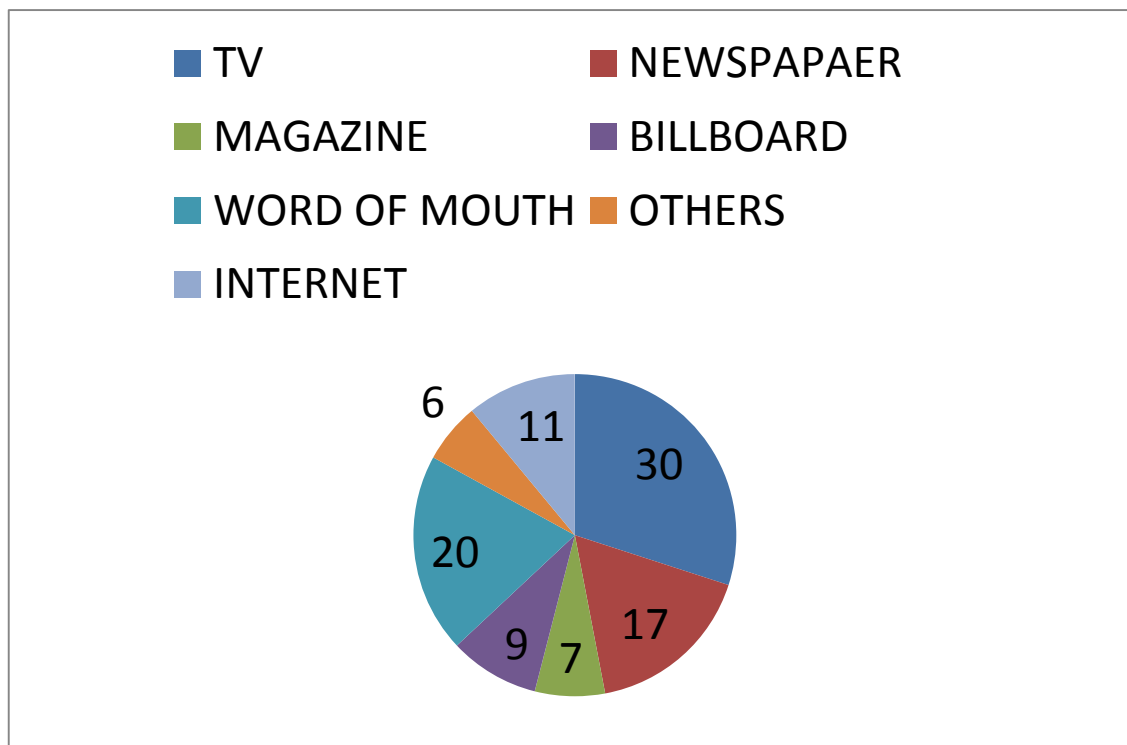


Figure 9, marketing communication channel at YAFEI

So the reality has proved the effectiveness of TV and newspaper, from the theoretical view. There are many advantages of huge audience size, sight sound and motion, permanence and targeting your demographic.

Because the business area of YAFEI still focus on my hometown Chengdu, so I choose the most popular TV show “Chengdu news”, which is a local TV show that introduces the news happened every day.

TV ad Input plan :

Program name : Chengdu news
Display module : 15 seconds commercial break
Display time : Monday-Sunday 18 : 50—19:30
Cost : €10,000/per month €30,000 in total

Newspapers have a short life. Relative to magazines, newspaper ads have limited potential for on-going exposure as they are often recycled or thrown out after initial reading. Reproduction quality also affects the print quality, especially in the latter part of a production run. It also has limited ability to target segmented markets through newspapers. While geographic targeting is an advantage, you have to pay for the newspaper's audience regardless of who fits into the market segment.

I choose Chengdu commercial news as the newspaper media; the audiences are similar to the Chengdu news TV program.

TIME	plate-type	Information
First month	Half page (colour)	Promotional information (coupon)
Second month	Half page (colour)	Persuasive information (building brand preference)
Third month	second full page (colour)	Introduction of newest dental technology

5.2 creation of competitive advantage for YAFEI dental according to 8Ps theory

The 8 “P”s of marketing expand upon the original 4 Ps. This list, defined by Lovelock and Wirtz in *Services Marketing: People, Technology, Strategy*, can be used to structure and de-

fine the key selling points in a strategic marketing plan. They provide a checklist, making sure businesses provide customers with the best image of their brand and products.

So I will check each section can figure out how to improve the marketing mix in a comprehensive perspective.

Product:

At the beginning stage, YAFEI provides the basic dental treatment and repair services. We call this core benefit product. With the changes in positioning and target customers, I find more customers demand is actual product, so at this stage we have added several other new dental services, for example, Oral treatment, oral repair (including teeth planting)oral orthodontics oral beauty , while the concept of the brand will be integrated into the product inside, the ultimate goal is augmented products. To achieve this goal, other marketing mix factors will be further enhanced, in order to achieve the effect of the brand.

Place and time:

Tell customers the time scales, for delivery or completion, how quick the buying process is. Where you are located can impact customer relationships, as can the method of delivery. The main idea is to emphasize the convenience and timeliness of service. As YAFEI provides professional services, according to the theory mentioned before, professional service can extend the distance that customer willing to go for. However, as a high-end dental brand, YAFEI provide the most convenient location, it has seven stores in Chengdu, take full account of convenience.

Meanwhile, in order to improve efficiency, booking service is a major way. Its advantage is that a reasonable allocation of capacity, customers do not need to wait, while increasing guest satisfaction.

YAFEI working hours can be extended by two hours until 19:00, so many office workers can accept timely treatment.

Price and outlays

The price factor is that all customers will be concerns. The traditional medical industry, the price system is opaque, especially in China. So there will be uncertainty for the consumer price and outlays.

According to market research results, YAFEI consumers are mostly high-income people, so it is not a price-sensitive group. But we must understand is that no one wants to get something which cannot match the perceived value. So we need to improve the value of the products, the appreciation of the services.

At the same time, the pricing system must be clear and transparent; all consumers need to be informed in advance of invisible guests. Because of our position is the market leader, so we will do our best to do in this area...

Promotion and education

What can information could be included that will educate buyers about the *need* for the product on offer, and why this specific offering meets that need more fully than others on the market.

Dental industry is a new industry in China, particularly in the context of the concept of dental beauty. So the majority of customers to accept new things are an educational purpose. Publicity and promotion of the strategy, YAFEI should guide the consumer demand; educate them with the advantage of YAFEI and how they can get benefit from dental service. So our first month of advertising strategy will focus on the YAFEI's services and exclusive environment, and so on. These differences will be our advantage.

While creating a concept, we are a luxury in the dental brand, and we can provide the best and most authoritative service.

Process

Successful companies have strong work processes upholding good quality of service. Showing potential customers this strength as part of a marketing strategy creates trust, and suggests a good user experience which will, hopefully, only be reinforced by their actual experience. The process improvement, which is a more systematic and comprehensive concept, the company's operating needs of the entire company team.

Therefore, to enhance cooperation in various sectors will increase awareness of the company's efficiency and quality of process, which will play a decisive role.

Regardless of the brand value and brand image, at the same time, all the process must be standardized. This can greatly enhance the efficiency and professionalism. It can reduce the risk of medical procedures and cost.

Another advantage is that standardized processes can be used in future expansion of the process, especially the chain store model.

Physical Environment

The environment surrounding a business can have a huge impact on people's perceptions. Well maintained, clean and pleasant workplaces imply an organized, efficient and ethical company.

Its biggest advantage is that the physical environment, the chairman has spent €200,000 in the decoration. So whether it is medical equipment or space, are very beautiful. Main style is similar to the church, because her faith is Christianity.

Independent room, free coffee bar, complimentary Internet access, and audio-visual room, all in Purpose of providing the best experience for the guests. These facilities have been installed, also won the praise of all guests. In other words, guest satisfaction and loyalty are increased. Dental services not only be confined to the traditional hospital model, and gradually converted into a kind of experiential consumption patterns.

However, this huge investment is accompanied by high risk, so find a good balance is very important.

People

Front-line staffs strongly impact the perceptions and experiences of customers. They are the face of the company, and need to represent the ideals you are forwarding.

Therefore, human resources management is a very important sector. Doctors are to provide professional services staff, so a good professional skills and academic background are the most important. YAFEI doctors are all from regular medical college, which contains foreign doctor. In order to better improve the medical quality, YAFEI doctors held a number of academic meetings, learn from each other and motivate each other.

Reception staff we pay more attention to image quality, because the image will give guests a good warm feeling. The first impression is usually determined by the appear-

ance. Good communication skills are also part of the training, how to answer guests' questions patiently, and so on.

The other is the construction management team, most managers are experienced. Many managers have experience in multinational companies. We have many experts in operations, logistics experts, and training experts. They are YAFEI core property.

6 CONCLUSIONS

Finally came to the last part, the purpose of this paper is to help YAFEI attract more customers and create core competencies, as mentioned in the first paragraph. First, I clearly know that marketing principles can be applied here, so all of the academic support comes from marketing, which the customer acquisition and 8ps as the main theories. After reading the book, I extract the relevant information, and analysis.

In order to further validate my theory is reasonable, and find out how to apply theory to practice. I conducted a series of market research activities; this survey is full of YAFEI support. From the market research process, I learned how to properly choose and use market research methods. I have a whole new market for China's understanding of the Chinese market is still dominated by traditional marketing stage. Therefore, there is one huge room for development. Market is not a monopoly, so timely to become the market leader is very important to become market leaders. The key are how to attract customers and retain customers. Therefore, marketing communication and 8Ps become a major research direction.

Theory of this paper, many have been actually applied to real business. Especially from 8ps build the core competitiveness. The service business provides a more clear idea of the development of what is worth the investment, what is secondary. In this way, the guests needs and expectations are met, the maximum business profits. My thesis involves only a small part of the whole theory of marketing should be further applied in YAFEI. From this process, I once again re-learn the marketing system of knowledge; I also had a strong interest in this profession. Since the whole process is a combination of theory and practice, and will not be bored.

Secondly, I found a clear and logical, persuasive report requires a lot of effort. Be-

cause academic support is a basic requirement, good understanding and clear thinking are essential. Throughout the process, my teacher gave me a lot of support.

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APPENDIX 1:

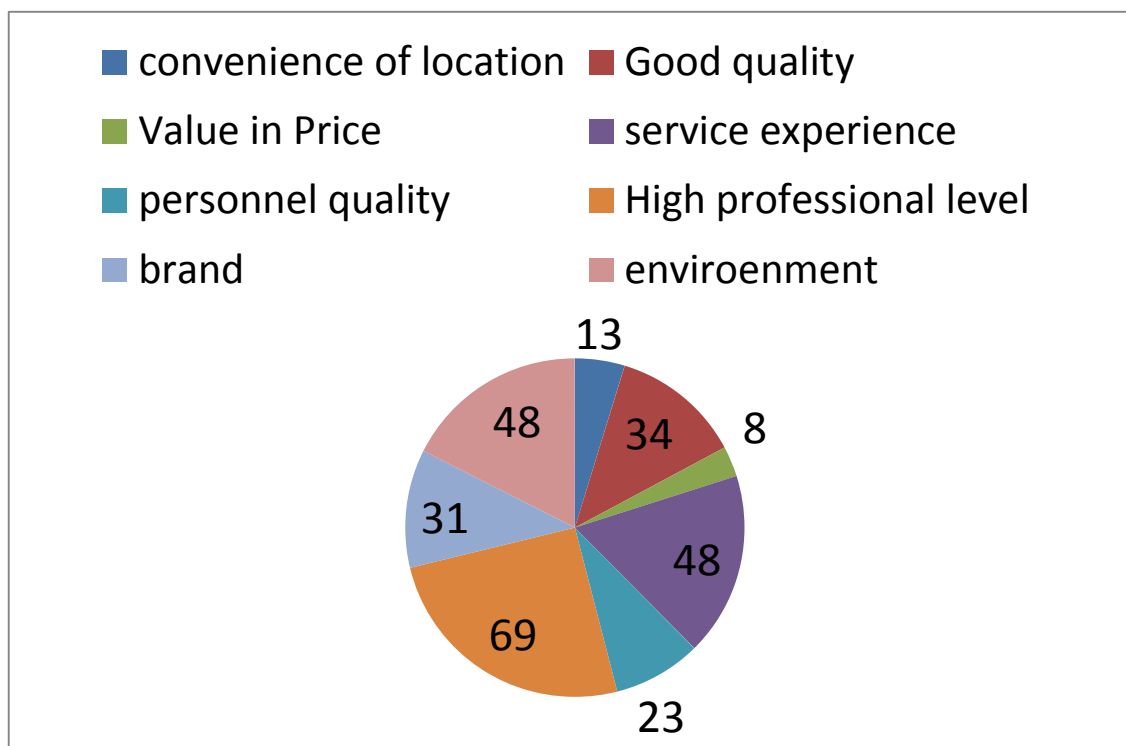


FIGURE 5, MEDIA selection in Chinese Medical service industry.

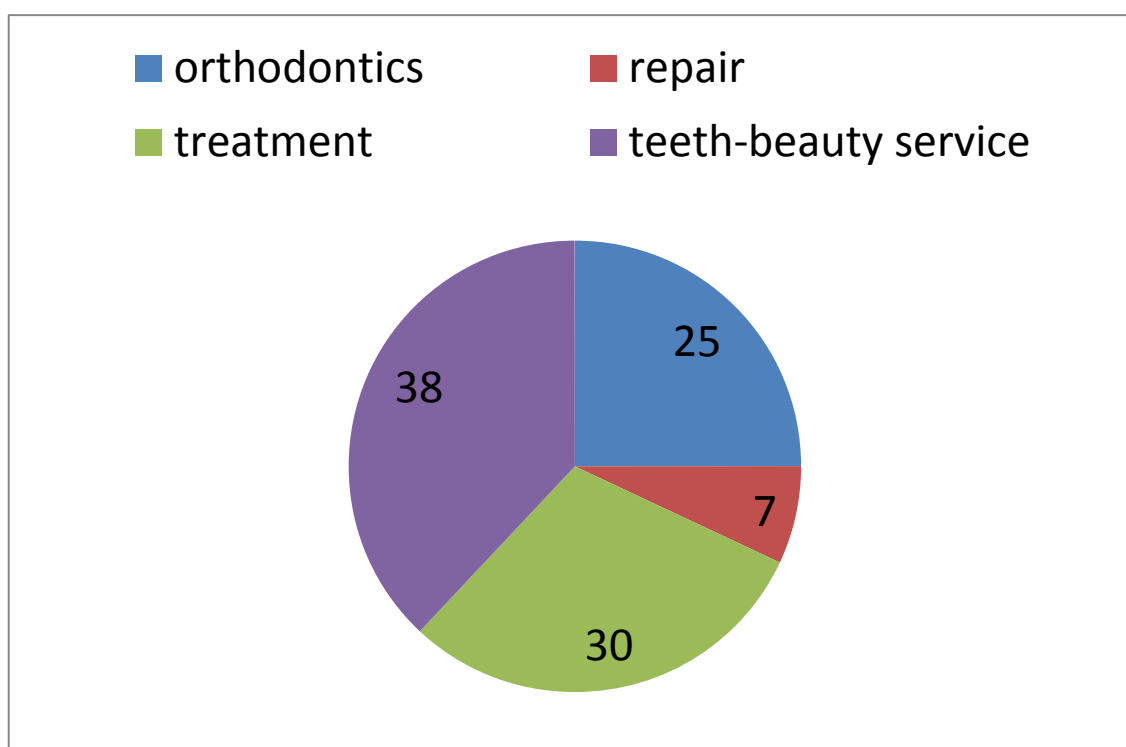


Figure 6, products purchase rate at YAFEI

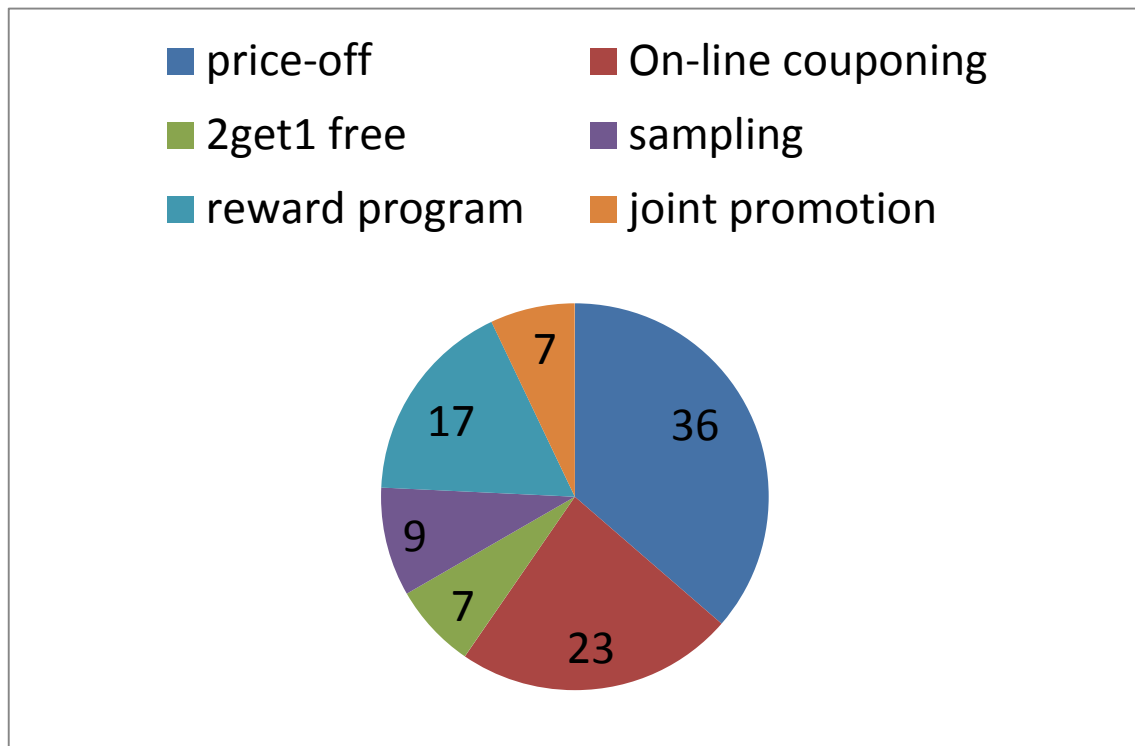


Figure 7, promotional tool preference at YAFEI

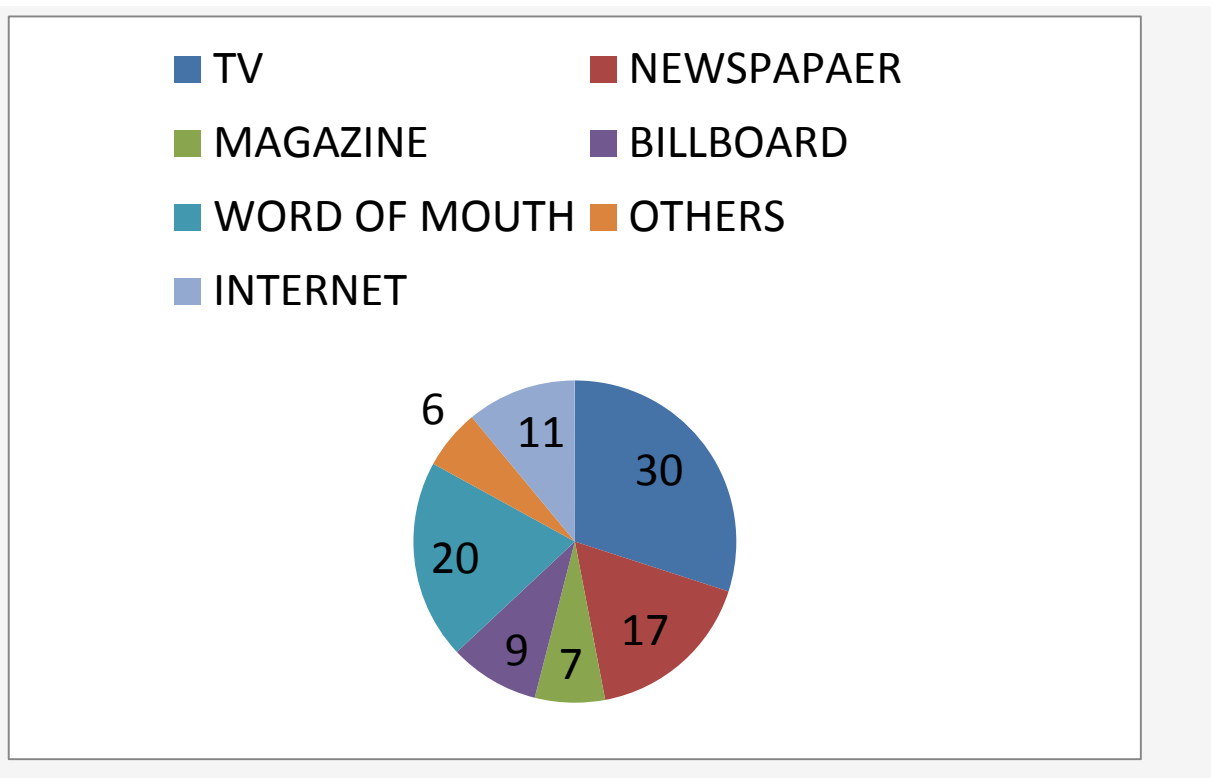


Figure 8, marketing communication channel at YAFEI

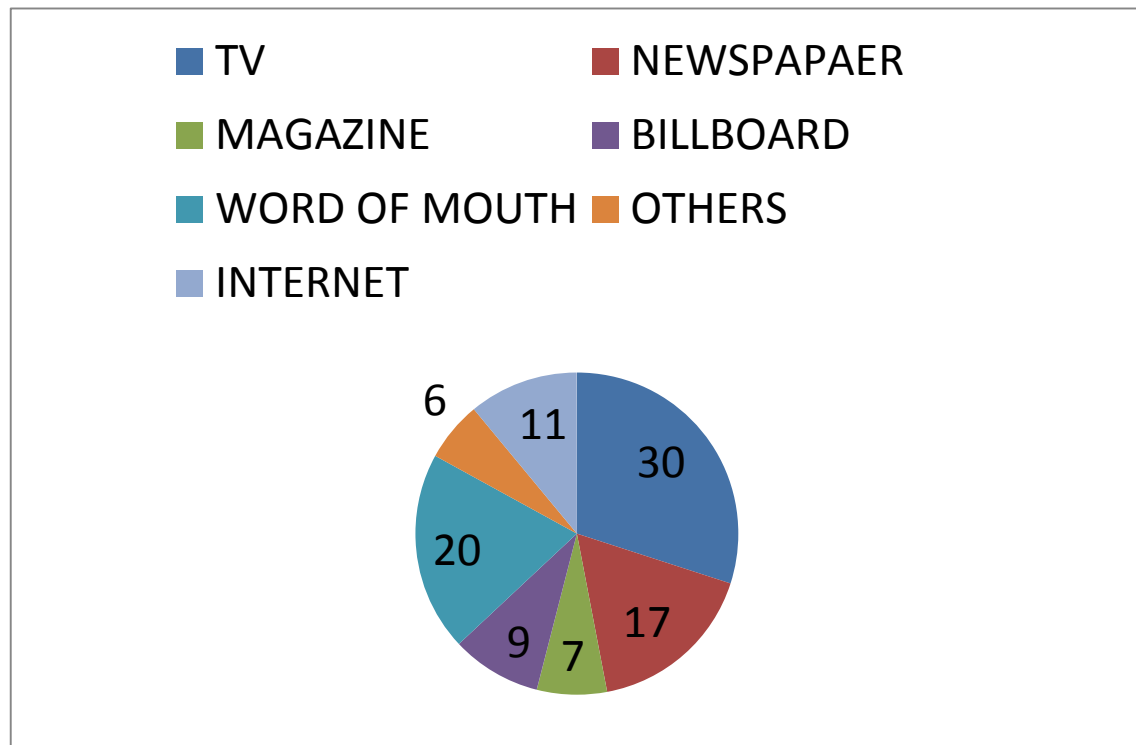


Figure 9, marketing communication channel at YAFEI

APPENDIX 2: Questionnaire survey on YAFEI's customers.

Questionnaire survey for YAFEI existing customers

1. Gender

- Male
- Female

2. Age

- 5-18
- 19-49
- 50+

3. Monthly income (1EURO= 10 RMB)

- 1000-3000 RMB
- 3000-5000 RMB
- 5000-10000 RMB
- 10000+ RMB

4. How often will you use YAFEI service

- Once a year
- 2-5 times a year
- 6-10 times a year

- 10+ times a year**

5. The reason why you choose YAFEI dental (multiply choice)

- convenience of location (place and time)**
- Good quality (productivity and quality)**
- Value in Price (price and other user outlays)**
- Good customer service experience (process)**

- personnel quality (people)**
- High professional level (Product elements)**
- brand image (promotion and education)**
- nice environment (physical environment)**

6. What kind of dental service you purchased at YAFEI?

- Orthodontics**
- Teeth-beauty service**
- Repair**
- Dental treatment**

7. What kind of promotional activities will drive you purchasing at YAFEI? (Multiply choice)

- price-off**
- On-line couponing**
- 2 get 1 free**
- sampling**
- reward program**

8. How do you know YAFEI through media channel??

- Words of mouth**
- TV**
- Newspaper**
- Magazine**
- Outdoor billboard**
- internet (website)**
- others**

Table 1: Demographic data of Gender of respondents	Percentage (%)
Female	59
Male	41
Age of respondents	Percentage (%)
5-18	16
19-49	51
50+	33
Monthly income of respondents	Percentage (%)
<input type="checkbox"/> 1000-3000 RMB	9
<input type="checkbox"/> 3000-5000 RMB	21
<input type="checkbox"/> 5000-10000 RMB	62
<input type="checkbox"/> 10000+ RMB	8
How often will you use YAFEI service	Percentage (%)
<input type="checkbox"/> Once a year	22
<input type="checkbox"/> 2-5 times a year	65
<input type="checkbox"/> 6-10 times a year	10
<input type="checkbox"/> 10+ times a year	3