

A STUDY ON DESIGNING A MARKETING MIX FOR WELLNESS PRODUCTS

Dr.Rujuta Sanap

PGDHM 17



Institute of Health Management Research, Jaipur

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ABOUT JAINAM WELLNESS LTD

- A Health & Wellness benefit administrator company Managing preventive & cure services through health providers to Individuals ,Corporate, Retail & Mass (Rural)
- It has a head office located in Mumbai.
- It provides managed care services.
- The various segments of the company are:
 - Plan my health that deals with wellness programs
 - Pharma online
 - Free Health.in
 - Pharmacovigilance

The company has esteem health and wellness service providers empanelled with it that provides services to the customers and itself acts as a third point of contact.



INTRODUCTION

- **Defining wellness**

The American Heritage Medical Dictionary terms '**wellness**' as a 'condition of good physical, mental and emotional health, especially when maintained by an appropriate diet, exercise and other lifestyle modifications.'

- In India, **traditional medicine** and **preventive practices** have always stressed on 'a healthy mind in a healthy body'.
- Accordingly, Indian traditional practices of Ayurveda, yoga and meditation were aligned to deliver physical and internal well-being, mental peace and happiness. Most of the ancient wellness concepts have largely focused on the basic needs of an individual within the need hierarchy, namely a focus on health, nutrition and relaxation.
- Wellness comprises the following five segments:

Healthcare Cosmetic Nutrition

Alternate therapy Rejuvenation



**Health
&
Wellness**



The Wellness Ecosystem

Consumers

- comprise s the users of the products.
- Increasing need to look good and feel good has led these young consumers to seek wellness solutions to meet lifestyle challenges.

Providers

- Offer wellness services and products to meet the hygiene, curative and enhancement needs of the consumer

Adjacent Industries

- Such as healthcare, media, hospitality and education are capitalizing on the growth of the wellness sector to generate additional revenue streams, leverage existing competencies and offer a wider array of services/products to customers.

Facilitators

- Include employers, insurance companies and schools, who are likely to play a key role in encouraging and inculcating pro-wellness habits among consumers going forward



Some of the key industry trends.....

From its nascent unstructured beginning in the early 90s, wellness industry in India has rapidly evolved to meet changing lifestyle trends of consumers

1995

- 'Wellness' as a concept did not enjoy mainstream popularity.
- Corporate play was limited, with most participants being small and individual.
- Sectors like fitness and nutrition were in their infancy.
- Low consciousness about body image ; Spending on pampering was limited to the affluent

2000

Globalization, increased exposure to western culture ,led to high awareness levels in consumers, especially among youth.

External appearance or 'looking good' became more important and the rapid Penetration of satellite television fuelled this trend.

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2005

Entry of organized players (both Indian and foreign) led to increased options for consumers.

There was greater awareness on the correlation between looking good and feeling good.

Increasing brand consciousness and willingness to spend on non-essentials and luxuries made consumers willing to experiment with new products and services.

Sectors like hospitals, media, retail, etc converged on the wellness boom.

2010

Customers are developing a holistic perspective on wellness.

Wellness is becoming an integral part of the shift from remedial to preventive care.

LITERATURE REVIEW

- **As per a recent study by the *Stanford Research Institute International***, the global wellness industry represents a market of nearly US\$ 2 trillion as opposed to the Indian Wellness Industry, which is a US\$ 9.8 billion market ;accounting therefore, for less than 2% of the global wellness industry. It is interesting to note the manner in which this industry has used the business potential of traditional Indian practices and home remedies and has moved from being a notion about luxury services to becoming a necessity. This is attributed to the fact that people want to live longer and healthier lives and so wellness, at some level or the other, is no longer the comfort of the rich.

- ***Imperatives for growth ,The wellness industry: A billion-dollar opportunity, August 2013,FICCI,PWC Report***

The overall wellness market in India is estimated at INR 490 billion and wellness services alone comprise 40% of this market. Some of the key industry trends include:

- The growing wellness industry has attracted a large number of domestic entrants and international players.
- Established players are pursuing revenue maximization through product and service diversification and are exploring new global and domestic markets. Franchising is emerging as a popular option for scaling up.
- Companies are actively seeking public and private equity investments to fuel their growth.
- While there is strong optimism about future growth prospects, recovery of investments may spread over a longer horizon than anticipated.
- There exists an opportunity for micro-segmentation to develop more targeted value propositions for consumers and Commercialization of traditional Indian home remedies.

RESEARCH QUESTIONS

- **Question one:** What are the internal and external environment market forces that are required to be addressed in marketing the Wellness products?
- **Question two:** What is the most appropriate marketing mix for the Wellness products?

AIM

- Aim of the study is to understand the existing internal and external environment and prepare a marketing mix for the wellness products.

OBJECTIVES

GENERAL OBJECTIVE:

To assess the internal and external environment market forces that are required to be addressed in marketing the Wellness products

SPECIFIC OBJECTIVES:

- To do internal environment scanning for wellness products via SWOT analysis.
- To do external environment scanning for wellness products via Porter's model and PEST analysis.
- To design a marketing mix for wellness products.

OUTLINE OF RESEARCH APPROACH

- Define what the company Jainam wellness ltd is into the industry.
- Identify the products or services that company provides.
- Identify the key stakeholders
- Conduct in depth interviews with the key stakeholders
- Existing environment scanning: Internal environment by SWOT Analysis and External environment by PEST analysis and porter's model.
- Design a marketing mix.

METHODOLOGY

TYPE OF RESEARCH

A Qualitative research with Descriptive research design

LOCATION OF STUDY

Mumbai, Maharashtra, India

SAMPLE SIZE

In depth interviews were conducted with 36 key stakeholders that were associated with the company.

2 Focused group discussions were done.

SAMPLING TECHNIQUE

Quota sampling : Population was first segmented into mutually exclusive sub-groups called quota.

These included corporate ,Banks, Insurance Companies,Families,Societies,Schools and clubs.

Judgment is then used to select the units from each segment. It was done by considering few of the stakeholders that are associated with the company. The second step makes it a Non probability sampling technique.

Focused group discussion was done with three marketing executives, a Sr.Healthcare consultant, company CEO, a Service provider.

RESEARCH INSTRUMENT

- The research instruments include a key stakeholder interview guide.
- This includes a set of questions which is common to all the stakeholders and later the sections are divided into following:
 - Corporate /Banks/Insurance Companies
 - Families/Societies
 - Schools
 - Clubs and gyms

DATA COLLECTION METHOD

- Set up interviews with stakeholders and Seek informed consent of the interviewee (written or documented/ oral).
- Re-explain the purpose of interview.
- Expected duration of the interview being 30 min.
- The information was kept confidential.
- key data was summarized immediately following the interview.
- FGD with the Company staff, Marketing team and Provider
- Secondary data review.

Health and Wellness benefit administration company/Third party administrator	Service providers	Beneficiary
		Families Corporate School Society Banks Clubs Gyms Insurance companies

Key stakeholders Interviews

Stakeholder	Number of interviews	Respondent
Corporate	5	Epicenter tech sol., Neural IT,WIAA,Travel tag,Quinnox consultancy
Banks	5	Karnataka Bank, South India Bank, Bank of Baroda, Bank of Maharashtra, CO
Insurance companies	2	HDFC , Karvat Cover more Travel tag
Families	10	Families in different locations of Mumbai
Societies	5	Ever shine and viceroy court,Kandivali
Gym	2	Powerhouse Gym; Waves Gym
Clubs	2	NSCI,Worli ; MCA,Bandra
Schools	5	Hansraj,Angel land , Poddar,Sane Guruji,Vidya vihar

DATA ANALYSIS

- ***Daily interpretive Analysis***

Record Analysis Conclusions

- **Qualitative data Analysis: Thematic Coding and Memo writing.**

Interviews are conducted with a selected group of people in different strata/quota. Depending on their responses , analysis of the need and perceptions about the wellness products and wellness market for each group of individuals is done.

- After conducting **the focused group discussions** and analyzing the responses of company, service providers and users, we could analyze the challenges / issues they face , understand the need of the product and prepare a suitable market mix for these sectors.



Analysis and Interpretation

INTERNAL ENVIRONMENT ANALYSIS

- *Focused group discussion* was done with the Administration company staff, Sr. Healthcare consultants, marketing team and service providers.
- On the basis of the discussion, SWOT analysis was done for the wellness products which gave an insight on the challenges faced by the Wellness benefit administration company, users, service provider and marketing team.

• SWOT Analysis

STRENGTH	WEAKNESS
• Good existing Network • Empanelled with esteem Brands • Value for money services • Limited competition	• competition in the industry due to new emerging players in market • Difficulty of measuring and communicating the quality of the service
OPPORTUNITIES	THREATS
• New trends to more healthier Lifestyle. • wellness market growth • Development of the Medical tourism	• Unstable economic environment • Strong growth of similar businesses • Upgraded services from other service providers



After conducting the FGD and analyzing the internal environment through SWOT analysis, we could the challenges / issues they face, which are discussed as follows.....

Challenges for Jainam Wellness Company:

- As the company is newer in the market and product is at initial stage of product life cycle, profit margin is very minimal.
- Need generation among the users for Wellness and managed healthcare is also a challenge.

Challenges faced by users:

- Lack of trust in the new company.
- Unresponsive staff.
- Doubts over the availability and skill of the service provider, thereby hampering reliability.
- Over promise and under delivery by service providers leading to unmet expectations of the clients

Challenges faced by Service providers:

- Price sensitivity of the customers, affected by the limited knowledge of wellness service offerings.
- Shortage of skilled manpower.
- Minimal profit margin due to discounted services, although there is increased customer footfall due to referrals.

Challenges faced by marketing team:

- Creating wellness specific content for media.
- Reach maximum number of people in limited cost.
- Different segments to be targeted like families, schools, and societies and corporate. So each segment requires different promotional activity and visibility of the products..

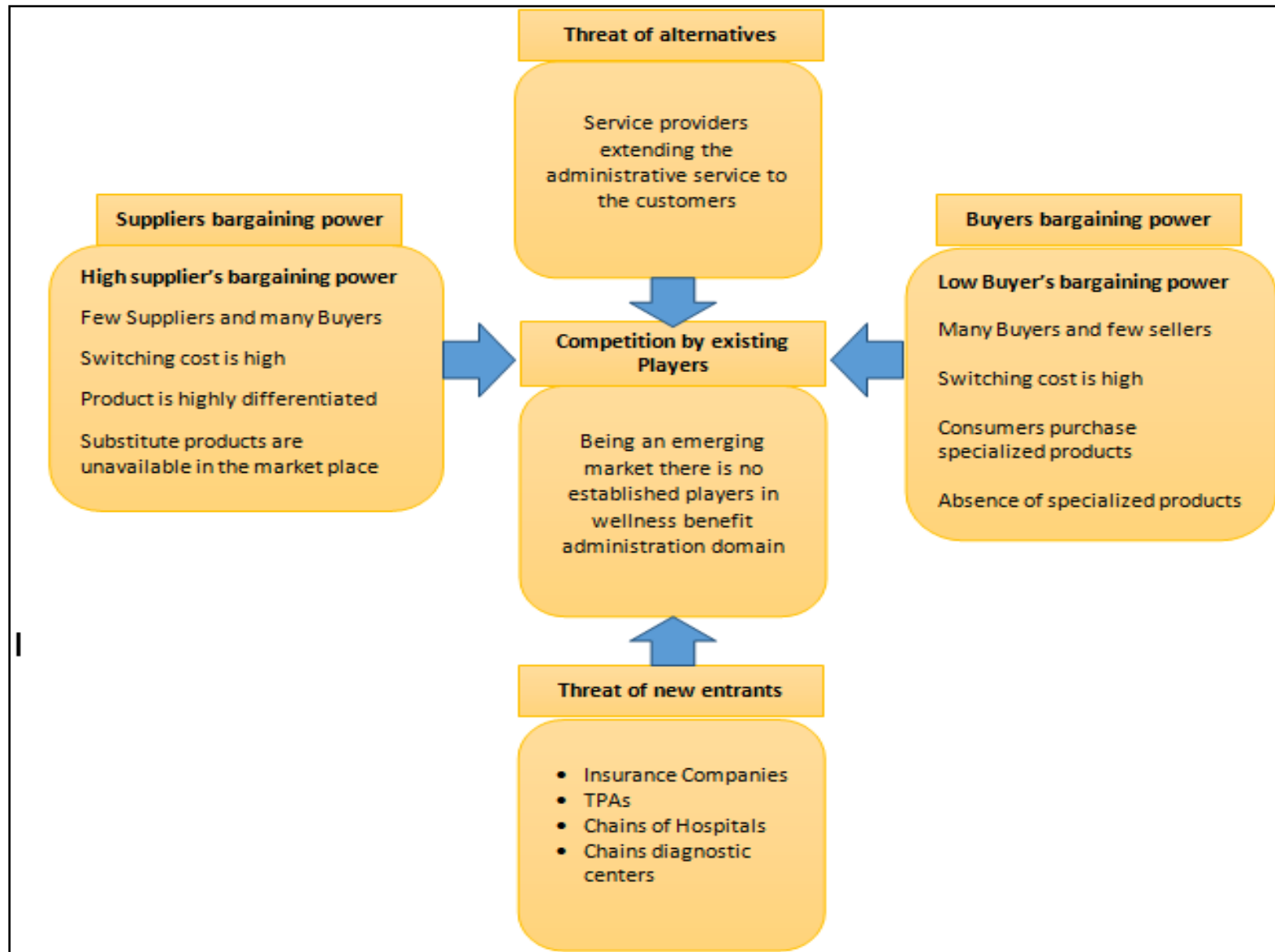
EXTERNAL ENVIRONMENT ANALYSIS

- FGD was done to understand the external environment factors required to be addressed in marketing the wellness products.

• PEST ANALYSIS

(P) POLITICAL FACTORS	(E) ECONOMIC FACTORS
• Stable Political environment	• Changes to tax system • Recession • Increase of VAT • Increased transportation costs
(S) SOCIAL FACTORS	(T) TECHNOLOGICAL FACTORS
• Rapid spread of new forms of communication • Social media (face book, twitter) • Preference for alternative medicine • Preference to biological & ecological products & services • Luxury = new experiences • Holistic & Consultative approach • Baby boomers, Gen X, Gen Y, Gen Z	• Continuous development of Software/EMR/PHR

PORTER'S Market Forces



- To understand the need, product packaging to be done ,price at which consumers will accept the product, place to make it available and promotion of product by means that is reachable to the end users, in depth interviews were conducted.
- Of the interviews conducted, most popular responses responses are as follows.....

SN	CATEGORY	NEED	PRODUCT	PLACE	PRICE	PROMOTION
1	Corporate	Increased productivity Workplace Environment Convenience Rejuvenation Preventive care	Diagnostic Check ups Health Sessions Health Record	On site	Rs. 500 to 1000	Website Info desk E mails Intranet Personal selling to corporates
2	Family	Quality Convenience Affordability Emergency support Rejuvenation	Doctor Home visits Medicine Home delivery Emergency support Disease Management Alternate therapy options	Hospitals Wellness centres Company office online	Rs.1000 to 2000	Websites TV Advertisements Newspaper Advertisements
3	School	Preventive care Student Development	Dental, Eye, Ear Check up Diagnostic Check up Health session	On site	Rs.150 to Rs.200	Website Personal selling
4	Society	Managed care Preventive care Affordability	Dental Check up Diagnostic Check up Health session	On site	Rs.100 to Rs.300	Website Personal selling Society bulletin boards Standee pamphlets



Results....

MARKETING MIX

PRODUCT	WHEALTH@WORK WHEALTH@SCHOOL WHEALTH@HOME WHEALTH@SOCIETY			
PRICE	Different range for different product categories From Rs.100 to Rs.3000			
PLACE	Wellness centers Retail clinics Medical home/Hospitals Tele health Specialty hospitals Online /website Company office Channel: Jainam Wellness Empanelled provider-----Consumer Third point of contact Retail: One-stop shop for wellness products			
PROMOTION	Advertising(Newspapers, Television) Personal Selling Sales Promotion Social media marketing Digital marketing Website Online Advertisements Standee Pamphlets to be distributed in societies along with newspapers Advertisement on society's Notice board			

Workplace wellness program;Whealth@work

PRODUCT	Health Day : 1.Diagnostic Check up of employees 2.Personal Health records (EMR) 3.Pre-employment check up 4.Health sessions : yoga session , stress management session, diet counseling. 5.Environmental check for air, water and sanitation, ergonomics
PRICE	Packages: Starter : Rs.500 Basic : Rs.700 Advance: Rs.1000 Per employee
PLACE	On site wellness program
PROMOTION	Website-mails circulated to the employees Intranet messages, Digital marketing Info desk and a orientation session at workplace

Home wellness program;Whealth@Home

PRODUCT	Doctor home visits Discounts on services/consultations Medicine home delivery Health call centre Emergency support Disease management Alternate therapy options
PRICE	Packages : silver : Rs 800 Gold : Rs. 1500 Diamond : Rs.2000
PLACE	Hospitals, Wellness centres,company office
PROMOTION	Newspaper Advertisements Television Ad Websites, online advertisements

School wellness program;Whealth@school

PRODUCT	Dental check up Eye check up Basic diagnostic check up (Hb and blood group) Health sessions : Adolescent education, Personal Hygiene, diet
PRICE	Rs.150 per student
PLACE	Onsite school wellness program
PROMOTION	Website, digital marketing Personal selling

Society wellness program;Whealth@society

PRODUCT	Basic diagnostic check up Dental check up Eye check up Discounts card Health session for society
PRICE	Rs.200 per person
PLACE	Onsite in society.
PROMOTION	Website Personal selling Society bulletin boards Standee and pamphlets circulated along with the newspapers.



DISCUSSION

- According to the market category, the company will be a **Niche player**.

It is a small but profitable segment of a market suitable for focused attention by a marketer. Market niches do not exist by themselves, but are created by identifying needs or wants that are not being addressed by competitors, and by offering products that satisfy them.

STRATEGIC BUSINESS UNITS

BCG Matrix product Categorization

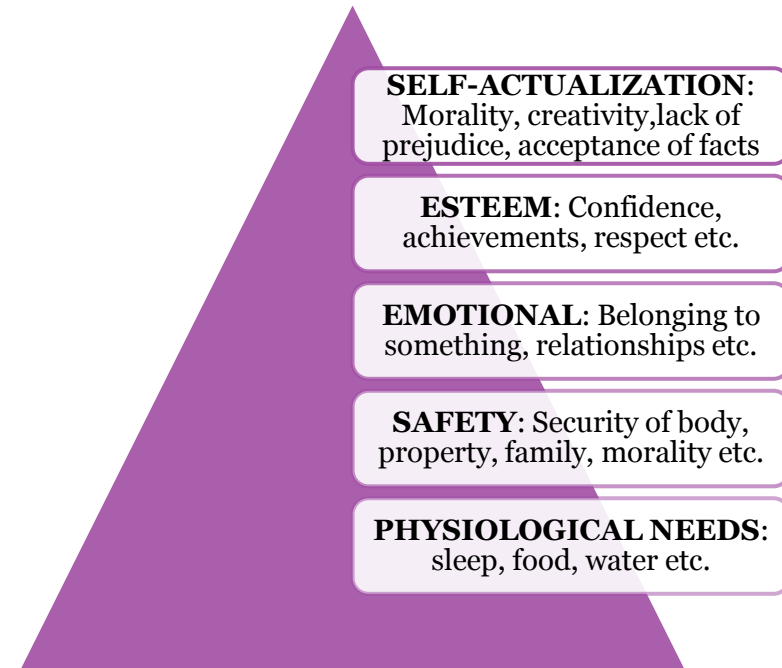
PRODUCT	STRATEGIC BUSINESS UNIT
WHealth @ Work	Stars
WHealth @ Home	Stars
WHealth @ School	Cash Cows
WHealth @ Society	Dogs

		RELATIVE MARKET SHARE Cash Generation	
		HIGH	LOW
MARKET GROWTH RATE Cash Usage	HIGH	STARS Earnings: <i>low, stable, growing</i> Cash flow: <i>neutral</i> Strategy: <i>invest for growth</i>	QUESTION MARKS Earnings: <i>low, unstable, growing</i> Cash flow: <i>negative</i> Strategy: <i>invest, if has potential, otherwise sell</i>
	LOW	CASH COWS Earnings: <i>high & stable</i> Cash flow: <i>high & stable</i> Strategy: <i>invest to maintain current level or harvest</i>	DOGS Earnings: <i>low, unstable</i> Cash flow: <i>neutral or negative</i> Strategy: <i>divest</i>

CONSUMER NEED ASSESSMENT

- Maslow's hierarchy of Needs

MASLOW'S NEED	CONSUMER NEEDS SATISFIED BY SERVICES
Safety	Emergency Assistance, Blood Bank support, Ambulance support, Insurance claim Assistance, Hospitalisation assistance, Second opinion by specialist doctors
Emotional	People are associated to company on which they can rely for their health care. Health Day at Workplaces, schools, societies bring people together building a good association with each other for a good reason , i.e. health.
Esteem	Wellness includes Yoga , Meditation, spas, rejuvenation, alternative medicines therapy, cosmetics. All of these is responsible for an overall well being at physical , mental and social level.
Self Actualization	The Plan my Health products itself will not aim to satisfy customers' self-actualization needs, however wellness and preventive healthcare as a concept will hopefully help person to achieve that.



MARKET SEGMENTATION

- **MULTI-SEGMENT MARKETING**

Market Segmentation for Jainam Wellness is based on behavioral and demographic factors.

Behavioral : Behavioral reasons for segmentation are the **benefit seekers** and segment with **loyalty status**.

As the interaction between the service provider and customer is very important, the good existing relationship, benefits and customer loyalty will make these segments attractive.

Demographic: Demographic reasons for segmentation are age, gender, occupation and generation.

- **NEED BASED SEGMENTATION**

Functionally driven offerings: Includes Disease Management, Emergency Management, Maternity management, Workplace wellness programs(WHealth @ Work)

Convenience driven offerings: Includes Doctor coming Home (WHealth @ Home) and Health Day (WHealth @ Society and WHealth @ Work)

- **TARGET MARKETING**

Differentiated marketing

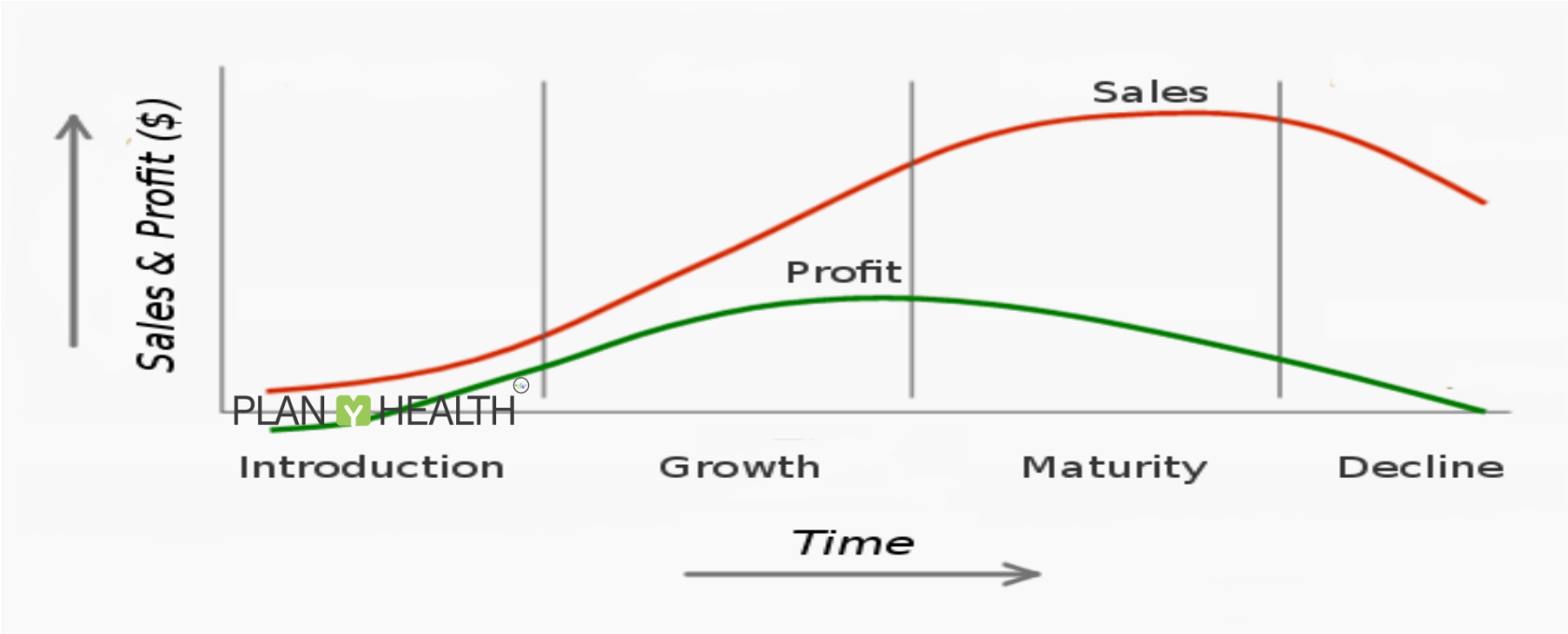
- **MARKET POSITIONING**

In addition to segmentation and targeting, company must create a value proposition to its product/service, which tells how it will differentiate the product/service to create more value for chosen market target segments and what is the position it wants to get in customers' mind-set.

- ***Competitive advantage:***

- ✓ Personalized Healthcare Service (Doctor Home visits)
- ✓ Managed Healthcare
- ✓ Preventive Health Check ups
- ✓ Discounts on Health and Wellness services
- ✓ One point contact / All services under one roof
- ✓ Value for money

PRODUCT LIFE CYCLE



CONCLUSION

- Wellness industry from its nascent unstructured beginning has rapidly evolved to meet changing lifestyle trends of consumers.
- The products are at the introduction stage of the product life cycle and thus initially the profit margins are low. But with time population will be drifted towards the concept of managed care, preventive approach to healthcare and overall well being i.e. wellness.
- There are many new players in the market which will increase the competition among these companies.
- The company has to have a competitive advantage and a product package that satisfies the need of the consumer and effective marketing strategies to sustain in the market.

SUGGESTIONS

1. Multiple brands to target distinct customer segments.
2. Providing consumers with options to induce trial.
3. Increasingly investing in consumer education and increasing the visibility of their wellness offerings.
4. Conducting health camps and offering free health check-ups.
5. Conducts health campaigns by observing events, encouraging consumers to maintain a healthy lifestyle and offering free Health checks-ups for consumers.
6. Social media and online presence to generate consumer awareness.



7. Undertaking a number of measures to win customer trust and improve overall quality standards.

8. Certifications and accreditations are some of the tools available to in order to build credibility.

Recognizing the need for accreditation within the wellness industry, the National Accreditation Board for Hospitals and Healthcare (NABH) had put in place a national set of guidelines, back in 2008-09, for the accreditation of wellness centers.

9. Providing an increasing amount of information to customers in an attempt to earn their trust.

10. Improving their customer complaint redressal systems to ensure a better customer experience.

11. Include information on customer feedback and complaint channels as a part of their packaging.

LIMITATIONS

- Further exploration of the study was a limitation because the availability of the key stakeholders was a concern. Interviews could have been more comprehensive without considering limitation of time and availability.



THANK YOU