Marketing plan for Xing Yin Yue Art Center

Anni Chen

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This bachelor thesis was about a marketing plan for XYY Art Center - a Chinese company which mainly offers art lessons for 3-14 years old Chinese children. The author did two month practical training in this company and found this company did not have a marketing plan and they urgently need one because their business was not going well. Marketing plan plays one of the most important role in today’s business organizations. A well written marketing plan is always the key to success. It is hard for a company to thrive in 21st century without having a solid marketing plan.

The aim of this thesis was to help XYY Art Center attract more customers and increase net profits in the future. The objective of the thesis was to create a marketing plan for XYY Art Center. An online customer survey was conducted in this thesis. Both quantitative data and qualitative data were collected and analyzed from the survey.

Useful suggestions were generated from the customer research and based on the results, the author was able to give practical recommendations on improving the customer services, the brand awareness as well as the customer relationships. The foremost job for XYY Art Center was to start doing the social media promotion. Besides, redesigning the course contents was also a big change for the company which they need to take into considerations.
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<td>Xing Yin Yue Art Center</td>
</tr>
<tr>
<td>P.R.China</td>
<td>People's Republic of China</td>
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<td>App</td>
<td>application</td>
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1. INTRODUCTION

The purpose of this thesis is to help Xing Yin Yue Art Center attract more customers and increase net profits in the future. In order to accomplish this purpose, it is necessary to create a marketing plan. The first part is an brief introduction to marketing plan and some background information of this thesis.

1.1 About Marketing plan

Marketing plan is a detailed document which illustrates the marketing actions of the company which are taken to achieve the business objectives. A marketing plan usually consists of the marketing objectives, an introduction to the target market, a SWOT analysis, the marketing mix and competitor analysis. It takes time to do researches on the target market before formulating an effective marketing plan so valid information can be used in the plan.

Nowadays, every company needs a marketing plan because a perfect marketing plan is the foundation of the business and is one of the most important reasons for a company to thrive in the industry. It helps the people who owns the business to understand the their current situation and target market so they are able to make better decisions. Also the company can get a deep insight on their customer’s needs through the marketing plan.

1.2 About the company

Xing Yin Yue Art Center (XYY Art Center for short) is an educational company located in Nanjing, China. The detailed address is Nantong Road 112, Gulou District, Nanjing, Jiangsu Province, China. XYY Art Center is a newly established company which was founded in 2018. There are three shareholders in the company, the one who owns the most shares is a professor from Nanjing University of the Arts. Nanjing University of the Arts is the biggest art university in China and it is one of the top 10 art universities in the country. It is jointly established in 1912 by the Ministry of Culture and Tourism of the P.R.China and the People's Government of Jiangsu Province.
The company provides art training lessons for children mainly from 3 to 14 years old. They offer many kinds of instrument training classes to the kids together with painting and dancing lessons as well. XYY Art Center is also selling instruments including guitar, violin, ukelele, erhu (a Chinese instrument), saxophone, flute and drum set. XYY Art Center is the biggest art training center in Nanjing which covers the area of 400 square meters and it has 12 classrooms. Besides the art training lessons, XYY Art Center also has an after-school care service for children from nearby primary schools just in case some parents do not have time picking up their children due to work so one of our staff could pick up the kid from school and let them stay in The art center do their homework under supervising. During the summer holiday, XYY Art Center sometimes organize summer camp for children as well.

1.3 Research background

The reason why the author chose XYY Art Center as the case company for doing the thesis is that the author has done her second part of practical training in this company and she found the company was only established last year. One of the shareholders is actually the author’s friend and he told her that the company made a loss over the last year and it seemed hard to find ways to get better. Apparently the only way to get better is to attract more customers and increase sales. In order to do that, they need to learning how to do the marketing job. The author got to know that the company has not had a solid marketing team yet, only 2 people are in charge of the marketing department. The author has talked with the so-called “head of marketing department”, she told her the company actually did not have any marketing plan so far, the only marketing method they were using was to giving out leaflets to random people on the street. As a result, the business is not going very well.

The author thought the company was in desperate need of a detailed marketing plan which can help the company change their current situation. Since they have never had one before, this project could create completely new business significance for the company. The person who is responsible for the marketing department agreed with the author and is willing to assist her to do the job.
It was surprised to know XYY Art Center has not had a marketing plan or a solid marketing team yet since the Art Center is actually the biggest one in Nanjing, no wonder their business is not going so well. They can barely pay the rent because it has bunch of classrooms and during the author’s practical training period, she found that the utilization of the classroom is low and there were many empty rooms during the day. Hope with the assistance of the staffs, the author can help the company earn more profits by creating a marketing plan for them.

Next Chapter illustrated the aim and objectives of this thesis.
2. RESEARCH AIM AND OBJECTIVES

The aim of this thesis was to help XYY Art Center attract more customers and increase net profits in the future.

In order to achieve the aim of this thesis, it is necessary to create a marketing plan. A research is usually conducted before making the marketing plan. The objective of this thesis was to create a marketing plan for XYY Art Center and it can be formulated into one main question as below: What things should be considered when conducting the research before making the marketing plan for XYY Art Center?

It goes without saying that customer is the core of all kinds of business organizations. More customers bring more sales to the company. When a company wants to find ways to increase the customer number, the first thing that the company needs to consider is their current situation. If they cannot get a clear insight on their current situation in the industry, their business is 100 percent not going to succeed in the future. After that, based on all the resources we have now and the resources we might have in the future, we can make a good use of them then to draw up a plan to improve the customer service. Besides, brand awareness is also vital to a company. Only if the customers know about you, they will choose you over other competitors. A good brand awareness is always one of the keys to success. At last but not least, customer relationship management is really important for business executives to learn because a strong customer relationship can increase customer loyalty and lead to a better word-of-mouth which can increase sales. Everyone knows that managing current customers is always easier than managing new customers since a customer database can help the executives record customer behaviors but the new customers’ behaviors have high uncertainty.

In conclusion, four sub-questions can be considered for specifying the main question mentioned above:

1. How is our company’s current situation?
2. How to improve our customer service?
3. How to improve brand awareness?
4. How to enhance our customer relationship?
3. RESEARCH PROCESS

This chapter explains the market research process in general and the research process followed in this thesis.

3.1 Marketing research process

In general, there are six steps involved in the market research which are defining the objectives, determining the research method, doing the research, collecting data, analyzing data and generating the results. Figure 1 below shows the detailed information about the market research process.

![Six Step Market Research Process](image)

*Figure 1: Six steps in market research process*

3.2 Thesis process in this case

This thesis is generally a marketing plan for XYY Art Center. A customer research has been done. This thesis process consists of 9 main steps. Firstly, There was an introduction of some background information. Secondly, Thesis aim and objectives plus
research methodology were introduced. Thirdly comes the theoretical framework. Then for the step 4, the author decided to analyzing the company’s current situation by using SWOT Analysis tool. This step can help the author design the survey questions later on. The target market was defined in step 5. For the step 6, the research survey was conducted and the data was collected and analyzed by the author. Then comes to the step 7, a marketing mix was generated based on the research results as well as the recommendations to the company. In step 8, a competitor analysis has been done and for the last step, conclusions of the thesis are summarized.

Those 9 steps explained above are clearly showed as the figure 2 below:

![Figure 2: The thesis process](image)

Next chapter introduced 3 main research methods and explained the method used in this thesis.
4. RESEARCH METHODOLOGY

The research methods can be mainly divided into 3 types which are quantitative research, qualitative research and mixed methods research. Mixed methods research refers to a research which includes collecting and analyzing both qualitative and qualitative data. This method can offer marketers a deeper insight on the research and help them acquire better understandings about the results of the research.

4.1 Quantitative research

Quantitative research is defined as a systematic investigation of the question by collecting numerical data (QuestionPro, 2017). It is an deductive, objective and theory-based research method. The research come from the theory first, then hypothesis is usually made after that. Quantitative research is conducted in the form of questionnaires, surveys, rating scale etc. All the questions are fixed-ended and the results of the research can always be analyzed by number. So collecting quantitative data is a very quick process. And once the research sample is selected correctly, the result of the quantitative research is reliable because all the answers can be presented in numbers and numbers are accurate data.

4.2 Qualitative Research

Qualitative research is a totally different research method compared with quantitative research. It is defined as a research method which pays attention on collecting non-numerical data such as feelings and words. Unlike the previous one, qualitative research is an subjective and inductive research method. In the end, theories are often generated from the research. In qualitative research, the answer from the respondents are all text-based or can be coded into texts so it is impossible to analyze the result by mathematical techniques (Research Methodology, 2011). This method is usually conducted in the form of interviews, opened-ended surveys, observation, etc. The advantage of this research method is that it can help the researcher obtain real-time and detailed data. The respondents may also mention some points that the researcher has not considered before. But everything has two sides, qualitative research takes more time to collect and analyze data than quantitative research.
4.3 Selected research method

In this case, a mixed research method is chosen which contains both quantitative research and qualitative research. Marketing research process includes the process of collecting data, analyzing data and presenting useful information about the customers or markets. A customer research will be conducted in the form of an online-survey for our customers in order to get data about people’s opinions towards our customer service. There is an customer database in Xing Yin Yue Art Center so the author can get access to the contact information of the customers. The online survey will be performed by Tencent Questionnaire System. It is a Chinese questionnaire platform which offers free and diverse types of questionnaires and it is one of the most popular platforms among Chinese business organizations nowadays. There will be both closed-ended questions and open-ended questions in the survey. Therefore, both quantitative data and qualitative data will be collected.

The online survey will be designed with English first, since the respondents are all Chinese, the survey will be translated into Chinese as well. Both English version and Chinese version can be found in the appendix. There will be polar questions which are also known as Yes or No questions, nominal questions, Likert scale questions and an open-ended question. The link to the survey will be sent to 83 customers by e-mail which acquired from the customer database. The survey link is planned to be sent on 1st of November, 2019 and the data collection process will be ended on 10th of November. There will be 10 days allowed for the respondents to answer the survey.

The goal is to get at least 40 respondents out of 83 so in order to ensure the response rate is satisfied, the author has talked to the shareholders of the company and they all agree to offer incentives for the target sample. There will be a winner who can win two movie tickets which worth 100 RMB (Chinese currency). The winner will be picked by the questionnaire system and automatically informed by e-mail in 3 days after the survey closure. The data collected will be calculated by the author and made into tables or graphs. Since the sample size is not that big and considering the potential response rate, it is not a hard work to calculate the data by herself.
5. CONCEPTS AND THEORETICAL FRAMEWORK

5.1 SWOT analysis

SWOT analysis is a familiar term to every market researcher. It is a very useful tool which can be used to identify both internal and external environmental factors that effects the organization. SWOT analysis stands for: Strengths, Weaknesses, Opportunities and Threats. Strengths mean that the advantages that the organization has over other competitors. Weaknesses mean that the disadvantage that the organization has compared to others. Opportunities implies that the things in the external environment which the organization can exploit as an advantage. Threats mean that the things which may cause damages to the organization. The figure 3 below shows the details about SWOT analysis.

<table>
<thead>
<tr>
<th>Positive factors</th>
<th>Internal factors</th>
<th>External factors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Strengths</strong></td>
<td>What are we best at?</td>
<td>Opportunities</td>
</tr>
<tr>
<td></td>
<td>What intellectual property do we own?</td>
<td>What changes in the external environment can we exploit?</td>
</tr>
<tr>
<td></td>
<td>What specific skills does the workforce have?</td>
<td>What weaknesses in our competitors can we attack?</td>
</tr>
<tr>
<td></td>
<td>What financial resources do we have?</td>
<td>What new technology might become available to us?</td>
</tr>
<tr>
<td></td>
<td>What connections and alliances do we have?</td>
<td>What new markets might be opening up to us?</td>
</tr>
<tr>
<td></td>
<td>What is our bargaining power with both suppliers and intermediaries?</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Negative factors</th>
<th>Internal factors</th>
<th>External factors</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Weaknesses</strong></td>
<td>What are we worst at doing?</td>
<td>Threats</td>
</tr>
<tr>
<td></td>
<td>Is our intellectual property outdated?</td>
<td>What might our competitors be able to do to hurt us?</td>
</tr>
<tr>
<td></td>
<td>What training does our workforce lack?</td>
<td>What new legislation might damage our interests?</td>
</tr>
<tr>
<td></td>
<td>What is our financial position?</td>
<td>What social changes might threaten us?</td>
</tr>
<tr>
<td></td>
<td>What connections and alliances should we have, but don’t?</td>
<td>How will the economic (boom-and-bust) cycle affect us?</td>
</tr>
</tbody>
</table>

Figure 3: SWOT Analysis

5.2 The 7 P’s Marketing Mix

The marketing mix is a marketing tool which helps the marketers design the marketing plan. The organization always use this model to achieve their objectives. The marketing
mix was a 4 P’s model in the very beginning. It was originally put forward by E. Jerome McCarthy in 1960. The 4 P’s model includes products, price, place and promotion. During that period, most of the companies on the market were selling products over services so with the time goes by, more and more service companies turned up. The 4 P’s marketing mix was not designed for service companies. Because of its limitations, Booms and Bitner proposed an extended marketing mix for both product selling companies and service companies in 1981 which is a model of 7 P’s. The 7 P’s model has got an extra 3 P’s which are People, Process and Physical evidence.

5.3 Market segmentation

Segmentation is a really important part of a marketing plan. It means separating the current and potential customers into different groups by various characteristics. Every customer has their own needs and wants so it is impossible to design different products or services for each individuals because it would cost too much, both time and money. Then on the contrary, mass production saves time and money but it probably does not fit most of the customers needs, only minority of them could accept the products or services. The concept of Market segmentation was proposed firstly by Smith (1957). The purpose of market segmentation is to help the marketers understand the customers needs better then divide them into groups in order to make the most profitable and effective decisions by using this marketing strategy. There are many different ways for doing the market segmentation, but people mainly do four kinds of segmentation which are geographic segmentation, psycho graphic segmentation, behavioral segmentation and demographic segmentation.

5.4 Competitive advantages/USP

Finding Competitive advantage is to define the Unique selling proposition (USP for short). The USP refers to the attributes that the company has to make itself stand out compared with other companies. Creating the competitive advantage is vital to a business because it is actually related to the customer loyalty. Once a customer notice your competitive advantage, he or she are very likely to become a loyal customer. Competitive advantage helps the company create special products or services which
differ from other competitor. A unique selling proposition can provide customers great value for money.

Kimberly Amadeo (2019) has stated there are three main steps a company should consider before defining the competitive advantage. Firstly, they need to define the target market. Knowing who is your customer is every company’s primary task before doing the business. Then the company needs to thoroughly understand their customers’ needs. Secondly, get familiar with every features of the product and define how the product will benefit the customers in order to design the products or services the customer truly need. Thirdly, to identify the competitors and see what do they offer, how can they fulfill the customers’ needs then try to offer the unique product which performs better value to the customers.
6. SWOT ANALYSIS

Before doing the research and making the marketing plan for XYY Art Center, it is necessary to understand the company’s current situation. In this chapter, a SWOT Analysis tool is used for doing that and it also helps the author generate research questions later on during the research.

6.1 Strengths

✓ XYY Art Center is the biggest art center in the city which covers the area of 400 square meters.

✓ The teachers in XYY Art Center are either professors or students from Nanjing University of the Arts which is the biggest and top 10 art universities in china. All the teachers in the company are professional and qualified.

✓ XYY Art Center offers various kinds of training lessons almost covers every common instruments.

✓ There are many schools near XYY Art Center which may bring potential customers to the company.

6.2 Weaknesses

● XYY Art Center is a newly established company which was only founded last year so the brand awareness is low.

● The company has too few students. There are many empty rooms during day time.

● All the teachers in the company are doing the part-time job, because they are all students or professors from Nanjing University of the Arts. The company do not sign a contract with them. Teachers can leave the company at anytime which brings bad efforts to the company and students.
● Business is not going well which results in a vicious circle that the company does not have enough capital to do the marketing.

6.3 Opportunities

✧ More and more Chinese people choose to let their kids take training lessons outside school at their spare time these days. It has become extremely popular for especially young parents. There has been a saying called “Winning at the starting line” in China, it means the more skills your kids learned, the better future they could have.

✧ All the teachers in XYY Art Center are more professional than those in any other Art Centers in Nanjing.

✧ XYY Art Center is located near high-end residential area. Most of the residents nearby are pretty rich. Their living standard is much higher so they are more willing to pay for extra training lessons for their kids.

6.4 Threats

➤ Nowadays, there is a growing number of Art Centers setting up in the education industry in Nanjing which are doing basically the same thing as XYY.

➤ There is another Art Center near XYY Art Center which is only within 3 kilometers. It has high brand awareness and was founded much earlier than XYY Art Center.

➤ Some of the parents are more focus on the results than the process. They are anxious to achieve quick success and get instant benefits. They wish their kids to be able to play complicated songs with the instruments after only a few lessons. But XYY Art Center focuses more on the learning of music theories and process.
7. TARGET MARKET

7.1 What is target market?

Target market is the potential customers that a company wants to sell their products or services to. It is extremely important for every companies to understand what their target market is before doing any businesses or making the marketing plan. People who made up of a target market often have same characteristics. They can be separated into different groups according to different attributes which is called market segmentation.

Customers and consumers sometimes can be totally different. Customers are people who actually pay for the products or services and consumers are people who use the products or services. For XYY Art Center, consumers are fixed. They are all children from 3-14 years old and customers are their guardians because those children do not pay for their own studies, their guardians do.

7.2 Market segmentation

Market segmentation usually consists of several types. In this case, the current and potential customers are divided into different groups by using geographic segmentation, demographic segmentation and behavioral segmentation.

Geographic segmentation

Majority of the customers of XYY Art Center are living in the nearby communities. Most of their children are studying in those schools around the company. XYY Art Center’s only advertising method is to giving out leaflets on the streets just outside the company so it mostly attracts people from nearby. However, some of the customers are living a bit far from XYY Art Center, they got to know this company by word-of-mouth.

Demographic Segmentation
As for the age group, our consumers are all aging from 3-14 years old. Our customers are either their parents or their grandparents. Most of the parents were born in 1980s and the grandparents were born in 1960s. For the income level, most of people who let their children take training lessons outside school are from at least middle class or upper class because training lessons in China are not cheap so not every family can afford it.

**Behavioral segmentation**

For the behavioral segmentation, our customers and consumers can be separated into 2 types. The first type is both customers and consumers are interested in arts. The students are proactively want to study in XYY Art Center and their guardians also support them to. The other type is the students in XYY Art Center are not so willing to take those lessons but their guardians made them to learn. As the author mentioned before, there has been a popular saying among people which is called “winning at the starting line”. More and more Chinese people tends to make their children’s spare time occupied by all kinds of extracurricular interest classes even though their children are not very interested in doing that.
An online survey was designed by using Tencent questionnaire system, the link to the survey was sent to 83 current and previously customers of XYY Art Center by e-mail acquired from the customer database. The response rate was not satisfied at all at the first 5 days, there were only 7 people who answered the survey. Therefore, the author decided to send the link through Wechat again because e-mail is not frequently used by Chinese people.

Wechat is the most popular messaging app in China and it has over 1 billion monthly active users just behind WhatsApp and Messenger from Facebook (CNBC, 2019). It was released by Tencent in 2011. Tencent is the largest gaming and social media company in the whole world. Wechat is not only a messaging app but also an platform where you can book flights, top up your phone number, make payments and share your life. Nowadays in China, almost everyone who lives in the city owns a Wechat account and it is the most frequently used social media app for Chinese people.

In this case, the respond rate of the survey increased after the author send the survey link to the customers one by one on Wechat. There are 41 people in total who answered the survey and 100% of them are valid answers. 72 out of 83 people clicked the link to the survey but only 41 of them answered the survey. The respond rate is the survey responses returned divided by surveys sent Out then multiply 100 which is 49%. The average answering time is 2 minutes and 11 seconds.

There are 14 questions in this customer survey which contains 5 nominal questions, 5 Likert scale questions, 2 polar questions and an open-ended questions.

- The first question asked about gender, there were 15 men and 26 women out of the whole sample of 41 who have answered the survey.
The figure 4 above shows the detail for the question 1, male respondents shares 36.6% and female shares 63.4%. No one chose prefer not to say. It is pretty clear that female guardians are more often to take their children to have extracurricular lessons than males.

Question 2 asked about the age group:

As the figure 5 shown, 3 respondents (7.3%) are younger than 20 years old. 1 respondent (2.4%) is between 20 and 30 years old. 21 respondents (51.2%) are at the age group 31-40 years old. 7 respondents (17.1%) are between 41-50 years old. 6 respondents (14.6%) are between 51-60 years old and 3 respondents (7.3%) are above 60 years old. No one chose prefer not to say.
From these data collected, it is clear that 3 of the students answered the survey and the rest of them are all guardians of the students. Most of the guardians are parents who are in their thirties. There are also many grandparents who pay for their grandchildren. It has become quite common in China that a growing number of grandparents are now taking care of their grandchildren because the children’s parents are too busy to look after them and the grandparents are retired so they have enough time to take care of their grandchildren. Therefore, the target market is parents with 3-14 years old children and grandparents who has 3-14 years old grandchildren.

- The question 3 is about the way the customers know about XYY Art Center:

Figure 6 illustrates that 29 respondents (70.7%) got to know XYY Art Center by the leaflets. 10 respondents (24.4%) got to know the company from a friend and 2 of the respondents (4.9%) chose “other”. Those 2 respondents have stated that they got to know the company by themselves when they walk passed the company by chance. The detailed answers are shown below in figure 7, the respondents answered the survey in Chinese and the author translated them.

Other(Plesse state) I was taking a walk and saw your company

Other(Plesse state) I walk passed the Art Center so I got in and ask
Question 4 asked about the annual income of the whole family:

As shown in figure 8, 21 families’ (51.2%) annual income is between 200k RMB and 300k RMB. RMB is Chinese currency, 1 euro ≈ 7.77 RMB. While 13 families’ (31.7%) annual income is between 300k RMB and 400k RMB. 5 of the families (12.2%) have over 400k RMB per year. Only 2 of the families’ (4.9%) annual income is between 100k RMB and 200k RMB. No one has chosen under 100k RMB annually. In China, family’s annual income below 200k RMB is called lower class, while the range of 200k RMB to 400k RMB is called middle class and above 400k RMB per year is called upper class. (CHINA ECONOMIC NET, 2019). The data collected shows most of the respondents are from middle class and some of the respondents are from upper class. Minority of them are from lower class.

Question 5 asked about what kind of lessons does or did the customer take:
As shown in figure 9, 21 respondents (51.2%) joined the musical instruments class. 8 respondents (19.5%) joined painting class. 7 respondents (17.1%) used after school care service and 3 respondents joined summer camp. Only 2 of them (4.9%) joined dancing class. The data shows musical instrument class is the most popular class in XYY Art Center and dancing class is the least popular.

Question 6: Do you live near XYY Art Center? (Within 3 km)

It is easy to understand from figure 10, 34 respondents (82.9%) live near XYY Art Center while 7 respondents (17.1%) live far away from it. It can be inferred from these data that most of the customers live just nearby and still some customers live in other places. As mentioned, the only way of advertising in XYY Art Center is to giving out
leaflets on the street outside the company, that’s the reason why majority of the customers are from nearby communities.

- Question 7 asked about the preference of the location of the Art Center.
  Answer: Yes, I prefer art center near home./No, I don’t mind going somewhere far away.

![Figure 11: Preference](image)

**Figure 11: Preference**

Figure 11 shows that 27 respondents (65.9%) prefer going to art center near home and 14 respondents (34.1%) do not mind going somewhere far away from home. It is surprising to know many people actually do not care about the location of the company that much. The company should not only try to attract customers who live nearby but also find ways to attract customers who live far away.

- Question 8 asked about the professionalism of the teachers in XYY Art Center. (On a scale of 1-5, 1=Completely agree, 2=agree, 3=Neutral, 4=disagree, 5=Completely disagree)
Figure 12: Professionalism of the teachers in XYY

Figure 12 shows 36 respondents (87.8%) completely agree that the teachers in XYY Art Center are very professional. 3 respondents (7.3%) chose agree and 1 respondent (2.4%) chose neutral. No one chose disagree but 1 person (2.4%) chose completely disagree. The data shows most people are satisfied with the professionalism of the teachers and 1 person is not satisfied at all.

- Question 9 asked about how fast did the staff reply when customers were trying to reach them. (On a scale of 1-5, 1=very fast, 2=pretty fast, 3=neutral, 4=pretty slow, 5=slow)

Figure 13: Speed of reply

The figure 13 tells that 32 respondents (78%) think the staff reply speed was very fast and 6 respondents (14.6%) selected the “fast” option. 2 respondents (4.9%) were neutral
and still 1 person (2.4%) thought it was very slow. No one selected “slow” option. The data shows the respond speed is satisfied in general, but still some people seems not so satisfied with it.

**Question 10 is about the friendliness of the staff:**
(On a scale of 1-5, 1=very friendly, 2=pretty friendly, 3=neutral, 4=pretty unfriendly, 5=very unfriendly)

![Figure 14: Friendliness of the staff](image)

As shown in figure 14, 26 respondents and 9 respondents think that the staff was very friendly and pretty friendly, with the percentage of 63.4% and 22% respectively. 5 respondents (12.2%) were neutral while still 1 person (2.4%) think they were very unfriendly. No one selected “pretty unfriendly” option.

**Question 11 is about the facilities of XYY Art Center (equipment, decorations, environment)** (On a scale of 1-5, 1=very good, 2=pretty good, 3=neutral, 4=pretty bad, 5=very bad)
Figure 15: Facilities

Figure 15 shows 33 and 3 respondents think the facilities are very good and pretty good, with 80.5% and 7.3% respectively. 4 respondents were neutral which account for 9.8% of all sample. Still 1 person (2.4%) think the facilities are very bad. These data tells that the facilities including the equipment, decorations and environment in XYY Art Center are generally well-managed .

Question 12 asked about the overall experience. (On a scale of 1-5, 1=very good, 2=pretty good, 3=neutral, 4=pretty bad, 5=very bad)

As shown in figure 16, the result of the overall experience is very satisfied. 23 respondents (56.1%) think the overall experience is very good and 17 respondents
(41.5%) think the overall experience is pretty good. No one selected neutral or pretty bad but still 1 person (2.4%) chose very bad.

- Question 13 asked if the customers are willing to recommend XYY Art Center to friends.

![Figure 17: Recommendation rate](image)

Figure 17 shows 36 respondents (87.8%) are willing to recommend XYY Art Center to friends and 5 respondents (12.2%) selected “maybe”. No one is not willing to recommend. This result is a bit contradicted by the previous ones, because there was 1 person who chose the worst answer in every Likert scale question. If there is 1 person thinks everything is bad in XYY Art Center then why would not he or she choose “No” for the question 13? Since most of the people left their contact information at the end, the author contacted that person who chose all the bad ones. Then it turn out that he has misunderstood the scale, he thought 5 equals to the best and 1 equals to the worst. Finally it makes sense now, the worst answer in each Likert Scale question should be eliminated because of the misunderstandings.
Question 14 is an open-ended question which asked about suggestions from the customers. It is not a mandatory question so some people did not answer this question. 21 people wrote their suggestions here.

- I have an 19-year-old son who wants to learn how to play drum. Unfortunately you guys do not offer classes for adults.
- I don’t want my kid to take the piano grading test. I only want her to be able to play songs. Hope there can be a crash course in the future.
- Air conditioner does not work well. Classrooms are too cold for kids to study.
- The woman at the reception desk sounds unprofessional.
- Teacher got changed in the middle, I didn’t like it.
- The temperature is too low in the winter.
- The lady at the front desk is a bit rude.
- I have another granddaughter who is 17 years old and she wants to learn painting but only you guys only have classes for children.
- You guys changed a teacher for my daughter in the middle of the study, I don’t think it’s good for student to have different teacher.
- Too cold.
- You guys sometimes do not reply me on WeChat in time.
- It takes too much time for my kid to learn music theories, I just want him to be able to play songs with guitar quickly. His classmate is also learning guitar, he has only had about 10 lessons, he can already play songs.
- Could prepare some snacks for after school care kids to eat in the afternoon.
- Too pricey for me.
- Too cold in the art center in winter.
- Too little information to find on the internet.
- Too cold in the classroom.
- I don’t like the lady at the front desk, she sounds unprofessional cuz she speaks Nanjing dialogue.
- I tried to contact you guys one day in the evening on WeChat, no one replied me until next morning.
- The lady at the reception desk is not so friendly.
- A little pricy.

Figure 18: Suggestions from the customers
Among those 21 answers, 5 of them have mentioned the temperature in the classroom was too low in winter and the air conditioner did not work so well. 4 respondents have all mentioned that the lady at the reception desk was not professional. 2 respondents mentioned XYY Art Center lacks lessons for teenagers over 14 years old and adult. 2 other mentioned they want to join the crash course because they want their children to be able to play songs with the instrument as soon as possible. 2 respondents said their children’s teacher got changed in the middle of the study and 2 other said the staff did not reply them on Wechat in time. 1 person stated he can barely find information of the company on the Internet. 2 other respondents think the price is bit high for them. 1 after school care customers said there should be snacks for children to eat during the after school care.
9. MARKETING MIX

![7 P's Marketing Mix](image)

Figure 19: 7 P’s Marketing Mix

- **Products**

The main products of the company are the musical instrument lessons which designed for 3-14 years old children including piano, guitar, violin, ukelele, erhu, saxophone, flute and drum. Then they also offer children’s painting lessons and dancing lessons. There are also after school care service provided for children when their parents are too busy to look after them after school. In summer, XYY Art Center often organizes summer camp to take children to the nature and do outdoor activities.

For the musical instrument lessons, some customers like to seek quick success and instant benefits. They want their children to be able to play songs with the instrument as soon as possible without wasting too much time on music theories. In this case, XYY Art Center should consider opening a crash course for each instrument classes which teaches more practical songs and less music theories.

For after school care service, some respondents mentioned in the survey that XYY should prepare some snacks for the children. The author believes that is not hard for XYY Art Center to accomplish.

Besides the musical instrument lessons for 3-14 years old, XYY Art Center should consider designing lessons for teenagers over 14 years old and maybe adult since some respondents have mentioned this point and during the author’s 2 month practical training, she also noticed more than 10 people came in and asked if there were musical
instrument lessons for adults. When there is a need, there is an opportunity. As a matter of fact, teaching a 14 year old has no difference as teaching an adult except the teacher might use more mature words but the knowledge is completely the same.

**Price**

The prices for the musical instrument, painting and dancing lessons are the same. There are 3 kinds of those lessons which are beginner lessons, intermediate lessons and advanced lessons. It costs 160 RMB each class for the beginner lessons, 280 RMB each class for the intermediate lesson and 400 RMB each class for the advanced lessons. All the teacher in XYY Art Center does not have basic wage because they are all doing the part-time job. The only salary they have is the class fees. They need to sign the class record book and will be paid at the end of each months according to the amount of the signatures. The teacher’s salary for the beginner lessons is 80 RMB each class, for the intermediate lessons is 120 RMB each class and 200 RMB each class for the advanced lessons. Every class lasts 45 minutes without any break in the middle. The after school care service charges 1000 RMB per month each child. The price of the summer camp differs each year, it depends on different activities.

XYY Art Center has not designed any discount packages for customers to choose. Since some respondents have mentioned that the price is a bit high, the author thinks it is truly necessary for XYY Art Center to come up with discount packages. For example, for the beginner lessons, 24 classes usually guarantee the students to master the basic knowledge. The originally price for 24 beginner class is 24 *160RMB which is 3840 RMB. XYY Art Center could offer a discount with only 3500 RMB for 24 classes which means (3500/24) 145 RMB each class. Then when people are trying to book less than 24 classes, the staff can introduce this discount package to them. There is a chance they might consider this package, therefore, the sales are increased. It is always important to offer discount to the customers, fixed price is not attractive at all. Same rules apply for all kinds of lessons.
**Place**

XYY Art Center is located in Nantong Road 112, Gulou District, Nanjing, Jiangsu Province, China. There are 2 kindergartens, 3 primary schools and 3 middle school within 3 kilometers. The detailed names of these schools are written down in the table below.

<table>
<thead>
<tr>
<th>Kindergarten</th>
<th>Nanjing St Mary’s Kindergarten; Nanjing No.1 Kindergarten</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary school</td>
<td>Nanjing Fu Xing Primary school; Primary School Affiliated To Nanjing Normal University; Nanjing Long Jiang Primary school</td>
</tr>
<tr>
<td>Middle school</td>
<td>Middle School Affiliated To Nanjing Normal University; Shu Ren Middle school; Nanjing No.12 middle school</td>
</tr>
</tbody>
</table>

Most of the current customers are from these six schools. It could bring more potential customers to the company in the future because these schools are the main source of students.

Previous research shows that some of the respondents do not mind going to the art center which is far away from home. It tells XYY Art Center that the advertising method they are using is totally not enough, they should definitely find ways to attract people who lives far away.

**Promotion**

Promotion plays an important role in increasing brand awareness. As just mentioned above, XYY Art Center has only one promotion method which is to giving out leaflets on the street just outside the company. This method can only attract people from nearby. Since the research shows people from far away also are willing to come and study, it is time to consider new promotion methods.

In 21 century, social media is always the most effective way to increase the brand awareness because online marketing saves a huge amount of time and money. It is surprised to know XYY Art Center does not have any official social media accounts at this point. In China, people are using their own Chinese social media because Facebook,
Twitter and YouTube are all banned by the government. The social media that Chinese people use the most are Wechat, Sina Weibo and Dou yin.

Wechat was introduced in Chapter 8. Sina Weibo is one of the biggest Chinese social media. It is a blogging platform which worked almost the same as Twitter. Sina Weibo has over 445 million active users monthly. Douyin is an short video app launched by ByteDance in 2016 and now it has over 320 million daily active users. XYY Art Center should start to create company’s official accounts on these three social media and post the information of the lessons on them from time to time so that customers can get an access to know more about the company. It is an effective way to enhance the customer relationships. Currently XYY has a private account on Wechat, customers can communicate with the staff on this platform. Research in Chapter 8 shows some customers think the staff did not reply to them on Wechat in time. XYY Art Center should definitely take the issue seriously. Customer service is always in close associated with the customer relationship. In order to enhance the customer relationship, XYY should pay more attention to customers inquires on Wechat anytime and reply them in time.

- People

As mentioned before, all of the teachers in XYY Art Center are from Nanjing University of the Arts which guarantees the professionalism of them. This can be our Unique Selling Point. The biggest issue here is that they are all part-time employees and XYY did not sign a part time contract with them so they can easily decide to leave the company which results in a high turnover rate. Research in Chapter 8 tells that some customers are unsatisfied with the changing teacher in the middle of the study. In order to overcome this issue, XYY Art Center should sign the part-time contracts with all teachers and also indicate the compensation in the contract. The compensation should be made by the teachers if they want to leave the company for unacceptable reason. The author believes the contract can lower the turnover rate.

The research also shows an important issue. Many respondents have mentioned the staff at the reception desk was not professional. Receptionist always give customer first impression about the company, an unprofessional receptionist can dramatically affect
people’s decisions. It is extremely vital for XYY to select a receptionist and give her or him enough training before letting her or him do the job.

- **Process**

From the research above we can see dancing class is not as popular as other classes and during the author’s two months practical training in XYY Art Center, the author noticed there were barely students coming for dancing classes. The classroom for dancing class is the biggest among all 12 classrooms and it is empty almost all the time. The dancing class is 5 times big as other instrument learning classroom and roughly shared 20% of the whole area. The rent for the whole company is 300k RMB per year. For the year 2018, the income is way much less than the expenses and for this year, the income and expenses approximately equals which means there was barely net profits. Earlier this year, a person who is responsible for a kindergarten came and asked one of the shareholders if they can rent out the dancing classroom to them and they can pay 90k RMB for XYY Art Center per year. The shareholder refused without even considering. After knowing this, the author think XYY should take the offer into consideration if this marketing plan does not work well in the future. They should probably consider shutting down the dancing class. This is a vital process in the company operations and it may help the company gain more net profits. Figure 20 below is a photo of the dancing classroom.

![Dancing classroom](image)

**Figure 20: Dancing classroom**
Physical evidence

XYY Art Center is the biggest art training center in Nanjing which covers the area of 400 square meters. It was newly decorated and has modern decoration style. Before the Christmas, the art center was decorated with Christmas trees and colored lights hung from the ceiling. During Halloween, there were pumpkin lanterns everywhere in the center.

From the research in chapter 8, it is not hard to notice that a great percentage of people have mentioned the temperature in XYY Art Center in winter is too low. It is time for the company to either fix or renew the air-conditioner because winter in Nanjing can be pretty cold and students can not focus on studying when they are in a frozen environment.
10. COMPETITOR ANALYSIS

When making a market plan, it is always essential to do a competitor analysis. The author searched on the e-map and walked around the company then find another art center within 3 kilometers of the XYY Art Center.

This art center is called Little Swan Art Center. It was established in 2002 and now has 9 branches in Nanjing. The center is mainly engaged in art courses such as musical instruments, dancing, painting, calligraphy, taekwondo and host performances. The center covers the area of 260 square meters with 8 classrooms. XYY Art Center is much bigger than Little Swan Art Center. Although it was founded much earlier than XYY Art Center, the teachers in that art center are not as professional as those in XYY. The author talked with the receptionist in Little Swan Art Center, she said teachers are from different cities but they all have grading certificates. Art grading system is not complicated in China and people with grading certificate are not rare. A great amount of people who did not have systematic art education have a grading certificate. Unlike them, the teachers in XYY are all professionals so this is the competitive advantage. However, Little Swan Art Center does have high brand awareness because they are very active in most of the social media platforms and they have longer history compared with XYY Art Center.

The price for art lessons in Little Swan Art Center is roughly the same as it in XYY Art Center but they have multiple discount packages for customers to choose which means they have better pricing strategies than XYY Art Center.
11. CONCLUSIONS

The aim of this thesis was to help XYY Art Center attract more customers and increase net profits in the future. The objectives was to create a marketing plan for XYY Art Center. A research of an online customer survey was done to collect information and suggestions from the current customers in order to generate recommendations on improving customer services. A SWOT analysis was done before the survey to help the author get a close insight on the current situation of the company and also help generate survey questions later on.

Answers to the main objective question “What things should be considered when conducting the research before making the marketing plan for XYY Art Center?” were explained in chapter 2. The 4 sub questions of the objectives “How is our company’s current situation?”; “How to improve our customer service?”; “How to improve brand awareness?” and “How to enhance our customer relationship?” are all answered in the previous chapters in detail. XYY Art Center’s current situation is not very satisfied because their brand awareness is low. The reason behind it is that the company was only founded last year. Another reason is they do not have a solid marketing team. A company can not survive in the long term if they do not know how important is the marketing.

In order to improve the customer service, the company should fix or update their equipment in order to ensure a better environment for the customers. There is also an opportunity for them to design lessons for adult as well as redesigning the course type (Crash course) in the need of their customers. Besides, it is necessary for the company to sign a contract with all the teachers in order to decrease the turnover rate. They should pay more attention on the receptionist since there are many complains about her received from the previous and current customers. For increasing the brand awareness, XYY Art Center should start working on the social media promotion because it plays the most important role in 21st century’s marketing sector. The company should open official accounts on 3 main Chinese social media platforms and post discount events from time to time so that customers can get know about the changes immediately through social media and the company should reply to all the inquires from customers in time. It is an effective way to enhance customer relationship.
The commissioner agreed that this bachelor thesis has brought XYY Art Center many practical advises for improving their current situation and for helping them attract more customers in the future in order to boost net profits. The author has got a deeper insight on how important was the marketing plan and how to conduct an online research related to this. It is a pleasure to be able to use knowledge learned in the university to help a friend’s company gain many useful and practical suggestions.
12. REFERENCES


Research Methodology: Types of Research Methods. (2011). Read on November 03, 2019, from https://research-methodology.net/research-methodology/research-types/


13. APPENDIX

13.1 Appendix 1 - English version survey

The link to the survey: [https://wj.qq.com/s2/5106966/4dab](https://wj.qq.com/s2/5106966/4dab)

Hello,

My name is Anni Chen, I am from Tampere University of Applied Sciences. I am conducting this customer survey for my bachelor thesis. The survey is about the customer service of Xing Yin Yue Art Center. It takes 3-5 minutes to answer and your answers are very valuable for both me and the company. There will be a winner who can win two movie tickets which worth 100 RMB, so please leave your contact information at the end. Thank you very much. We appreciated for your answers!

Best wishes,
Anni Chen

1. Your gender? *
   -【】Male
   -【】Female
   -【】Prefer not to say

2. How old are you? *
   -【】<20
   -【】20–30
   -【】31–40
   -【】41–50
   -【】51–60
   -【】>60
   -【】Prefer not to say
3. How did you know about us? *

- From the leaflet
- From a friend
- Other (Please state) ________

4. What is the range of your family's salary per year? *

- 0–100k
- 100k–200k
- 200k–300k
- 300k–400k
- >400k
- Prefer not to say

5. What kind of lessons did you or your children take in Xing Yin Yue Art Center? *

- Musical Instruments class
- Painting class
- Dancing class
- After school care service
- Summer camp

6. Do you live near Xing Yin Yue Art Center? *

(Within 3 km)

- Yes
- No

7. Do you think the location of the art center can affect your choice of choosing to study here? *

- Yes, I prefer art center near home.
- No, I don't mind going somewhere far away.
8. Do you agree our teachers are very professional? *

On a scale of 1–5, 1=Completely agree, 2=agree, 3=Neutral, 4=disagree, 5=Completely disagree

Completely agree ○ 1  ○ 2  ○ 3  ○ 4  ○ 5  Completely disagree

9. How fast did our staff respond to you when you were trying to contact them? *

(On a scale of 1–5, 1=very fast, 2=pretty fast, 3=neutral, 4=pretty slow, 5=very slow)

very fast ○ 1  ○ 2  ○ 3  ○ 4  ○ 5  very slow

10. How friendly is our staff? From receptionists to our teachers. *

(On a scale of 1–5, 1=very friendly, 2=pretty friendly, 3=Neutral, 4=pretty unfriendly, 5=very unfriendly)

very friendly ○ 1  ○ 2  ○ 3  ○ 4  ○ 5  very unfriendly

11. How do you think of our facilities? (equipment, decorations, environment) *

(On a scale of 1–5, 1=very good, 2=pretty good, 3=neutral, 4=pretty bad, 5=very bad)

Very good ○ 1  ○ 2  ○ 3  ○ 4  ○ 5  very bad

12. How would you rate your experience with us overall? *

On a scale of 1–5, 1=very good, 2=pretty good, 3=neutral, 4=pretty bad, 5=very bad

very good ○ 1  ○ 2  ○ 3  ○ 4  ○ 5  very bad

13. Will you recommend us to your friends? *

○ Yes
○ Maybe
○ No

14. Any suggestions for us?
您好，

我叫陈安旎，来自 Tampere 应用科技大学，这份问卷调查是关于我本科毕业论文。这个问卷是关于星音悦艺术中心的顾客服务。大约花 3-5 分钟可以填完，您的回答对我们非常重要。填过问卷的幸运有机会可获得价值 100 人民币的 2 张电影票。请您在最后留下您的联系方式，感谢您的参与！

此致，

陈安旎

| 1. 您的性别？ *
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<td>○ 我不方便说</td>
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| 2. 您的年龄？ *
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<tr>
<td>○ &gt;60</td>
</tr>
<tr>
<td>○ 我不方便说</td>
</tr>
</tbody>
</table>
3. 您是通过何种方式了解到我们公司的？ *
   - 宣传单
   - 朋友介绍
   - 其他 ________

4. 您的家庭一年收入大约是多少？ *
   - 0~10万
   - 10万~20万
   - 20万~30万
   - 30万~40万
   - 40万以上
   - 我不方便说

5. 您或您的孩子在我们星音悦艺术中心参与了哪项课程？ *
   - 乐器
   - 画画
   - 舞蹈
   - 课后托管班
   - 夏令营

6. 您住在我们公司附近吗？ *
   - 3km 以内
     - 是的
     - 不是

7. 你觉得艺术中心离家距离的远近会影响你对孩子学习地方的选择吗？ *
   - 是的，我喜欢孩子在离家近的地方上课
   - 不会，我不介意去远一点的地方
8. 您同意我们的老师很专业这个说法吗？
   1=非常同意 2=比较同意 3=中立 4=比较不同意 5=非常不同意
   1 分为非常非常同意, 5 分为非常非常不同意, 您的评分是 ____________ 分

9. 我们员工的回复消息速度有多快？
   1=非常快 2=比较快 3=中立 4=比较慢 5=非常慢
   1 分为非常非常快, 5 分为非常非常慢, 您的评分是 ____________ 分

10. 我们员工的友好程度（从前台到老师）
    1=非常友好 2=比较友好 3=中立 4=比较不友好 5=非常不友好
    1 分为非常非常友好, 5 分为非常非常不友好, 您的评分是 ____________ 分

11. 您觉得我们的硬件设施如何？（设备，装潢，环境）
    1=非常好 2=比较好 3=中立 4=比较不好 5=非常不好
    1 分为非常非常好, 5 分为非常非常不好, 您的评分是 ____________ 分

12. 您觉得您或您的孩子在我们学校学习的总体感受如何？
    1=非常好 2=比较好 3=中立 4=比较不好 5=非常不好
    1 分为非常非常好, 5 分为非常非常不好, 您的评分是 ____________ 分

13. 您愿意把我们公司推荐给朋友吗？
   ○ 愿意
   ○ 可能
   ○ 不愿意

14. 请问您对我们公司有什么意见或建议吗？

15. 请留下您的邮箱，幸运者可获得价值100人民币的两张电影票