



THE MARKETING PLAN FOR CARENET CO., LTD.

by
Mr. Dajphol Aurthavekul

A Final Report of the Three-Credit Course
CE 6998 Project

Submitted in Partial Fulfillment
of the Requirements for the Degree of
Master of Science
in Computer and Engineering Management
Assumption University

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Academic Year	July 2003

The Graduate School of Assumption University has approved this final report of the three-credit course, CE 6998 PROJECT, submitted in partial fulfillment of the requirements for the degree of Master of Science in Computer and Engineering Management.

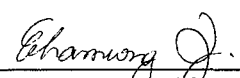
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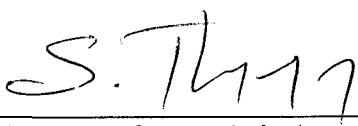
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ABSTRACT

This project combined business and marketing information from many reliable sources together with collected previous and current information of Carenet Co., Ltd., a telecommunication engineering services company in Thailand, which provides a comprehensive range of technical services for suppliers and operators of telecommunication system. The obtained valuable information was used to create this project. This project reviewed important marketing strategies and designed marketing strategies and business development plans for business purposes of Carenet Co., Ltd. to become a global service company in the near future.

From a careful consideration and strategic analysis, this project is able to provide three major business factors included Analyze Current Situation by using SWOT and Competitor Analysis, Analyze Existing Marketing Strategies by using Marketing Mix, and Develop New Marketing Strategies for Long-term and Short-term by using Marketing Mix as well. The well-prepared marketing strategies which emphasized on Marketing Mix (4Ps) are implemented with the competent experiences to identify marketing strategies, develop business areas, recommendation and evaluation of marketing plan through the continuing progress in short-term development in Thailand and long-term development in overseas to fulfill the growth of demand from suppliers and operators of telecommunication system.

The final result of this project should be beneficial in knowing the company's current status and forecasting the trend of the future development for the engineering team and extended services of the company worldwide.

ACKNOWLEDGEMENTS

The author wish to express sincere thanks to the following people who always provide great support for this important project.

Without Dr. Thanatphong Pratheepthaweephon, the best Project Advisor whose expertise in Marketing, the author would not be able to manage this valuable project. He is the most important person who spends his valuable time in giving great suggestions and comments to the project and the author respectfully takes his ideas to improve the project. The author would like to express thanks to the Approval Committee Members including: Prof.Dr. Srisakdi Charmonman (Chairman), Dr. Chamnong Jungthirapanich (Dean), and Assoc. Prof. Somchai Thayarnyong (MUA Representative), who are witnesses to approve project documentation and presentation. This final project would be the evidence of an effort in business planning of the author and helpful support from the above persons.

Thanks for special supports in project revision and recommendations from the author's senior colleague at Carenet Co., Ltd., Mr. Thanapun Tuntisattayakul, Account Manager. Special appreciation for the author's parents who supported the educational background from the past continuously until the present.

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I. INTRODUCTION

1.1 Company Background

Carenet Co., Ltd. (so called Carenet) is an engineering service company, which has been operating since 2001. Carenet offers a comprehensive range of technical services for suppliers and operators of telecommunication system. The support services cover Implementation, Network Operation & Maintenance, Network Optimization, Project Management, Training, Installation Material Provision, and Logistic.

Carenet understands the importance of customers' business and the commitment required for achieving the highest quality and efficiency implementation within the given time frame. They actively work with their customers to provide overall service packages that best fit to customers business needs.

Carenet has the efficient, high energetic, motivate and experienced engineers in the field of telecommunications. Their engineers have strong technical skills and knowledge, years of practical telecommunication industry experience and have been involved in the implementation, operation & maintenance and deployment of many wireless and mobile communication services.

With competent resources and clear marketing segment, Carenet is confident to deliver professional engineering services to customers.

Quality Policy of Carenet

The Goal

The goal of Carenet is to provide professional services that best meet the needs of customers. Therefore, they shall:

- (1) Always develop their competent engineers
- (2) Maintain high quality of services

- (3) Retain their customer satisfaction
- (4) Bring more value-added functions to their customers

This will bring them to become a more Worldwide International Company.

Mission Statement

The mission of Carenet has been formulated focusing on their goal. The company will therefore:

- (1) Provide the best quality, timely and cost-efficient range of services to their customers.
- (2) Continue search for and implement new services and practices, thereby to enhance their overall value to the customers.
- (3) Maintain high integrity in all that they do. They are fully aware that their customer is highly competitive and some information is highly sensitive due to the strategic and commercial nature of the Telecommunications business. A strict system of internal procedures assures the customers' confidentiality.
- (4) Provide training, support, review and recognition to their staff in order to retain quality employees. Employee satisfaction will bring the best value in the services.

"They always realize that part of their success comes from their staffs."

- (5) Commit to the responsibilities of enhancing professionalism.

Carenet's Business Strategies

Carenet way of doing business has been always to provide the best engineering service with timely efficiency, reaction speed, high responsibility and innovation.

The Commitment

Carenet is committed to the quality of its business; their management team is fully committed to ensure that their staffs fully understood the customer needs and

requirements. All staff has to perform at top quality services to ensure that the customers' expectations are met.

The Resources

Carenet employs a team of experienced field service staff and technicians that are dispatched for the provisions of services they offer to the customers.

Carenet provides a useful competent development to their staff and believe this is the most important key to success.

Carenet believes the successful management from starting to the end is directly related to the quality of their resources.

Safety Program

They are committed to a safety program that protects their staff, their property and the public from harm through proactive accident prevention. Employees at every level, including management, are responsible and accountable for the company's overall safety initiatives. They operate a comprehensive Health & Safety Management plan, which forms an integral part of all work practices.

Carenet First

The in-depth knowledge, quality and high performance & experience of their engineers along with their competitive prices are what set them apart from the competitors.

“Carenet behind your success”

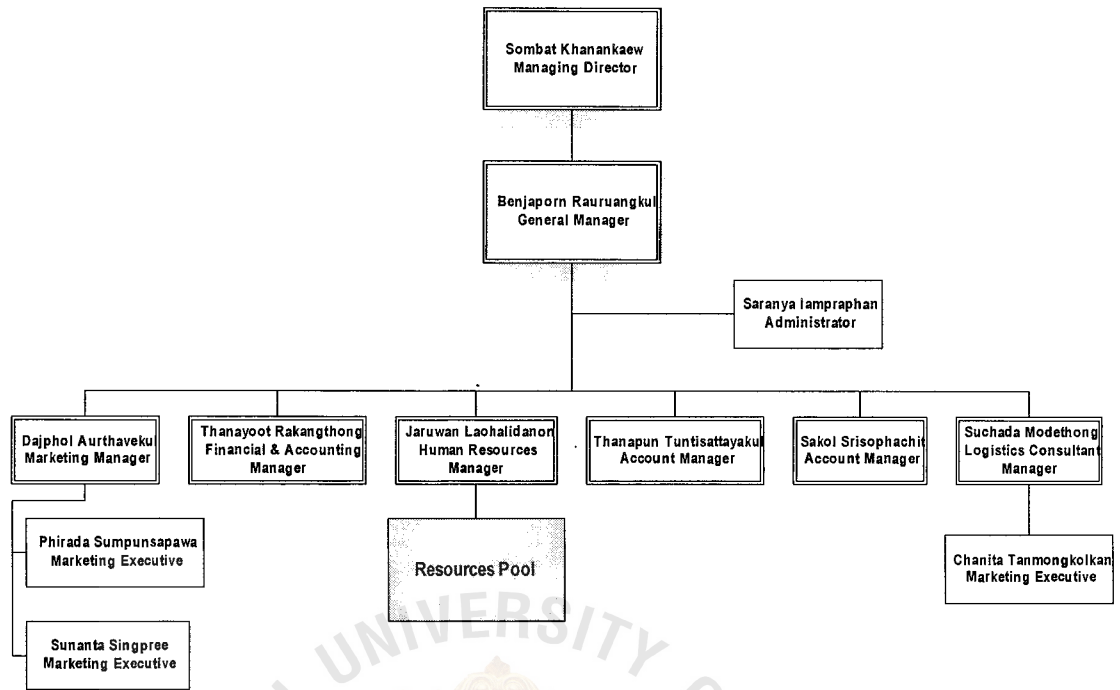


Figure 1.1. Organization Chart.

1.2 Objectives

- (1) To Analyze Current Situation by SWOT and Competitor Analysis
- (2) To Analyze Existing Marketing Strategies
- (3) To Develop New Marketing Strategies for Long-term and Short-term

1.3 Scope

Marketing Plans for Telecommunication Engineering Services Company in Thailand to extend to international countries.

II. LITERATURE REVIEW

2.1 Detail of Services

Carenet provides engineering services to communications providers with service requirements in the areas of BTS (Base Transceiver Station), BSC (Base Station Controller), NMS (Network Management System), MSC (Mobile Switching Center), Transmission Services in the following items:

(1) Implementation

All Installation, Commissioning, System Integration and Acceptance Test Employments can be performed by Carenet's potential engineers who have a good working experience and are highly trained.

(2) Network Operation & Maintenance

Carenet provides the technical expertise in GSM system, GPRS system, and CDMA system to the customer. They have the customer technical support teams who have the capabilities to diagnose any problems and also troubleshooting and solving the problem before the service affecting situation. They also are able to perform the Software Upgrade for Base Station System, Network Switching System, Serving GPRS Support Node, Gateway GPRS Support Node, Charging Gateway, and Network Management System. Their potential Operation and Maintenance team can continue maintaining and also improving the network performance for the customer's system.

(3) Network Optimization

Carenet's engineers are able to do the cellular network planning and Radio Frequency optimization with the most benefit in network and make the customer satisfaction.

(4) Project Management

Carenet have project managers who are the key men with the experience more than 7 years. They can plan, control, and run the client projects in both sub-projects and the whole turn-key projects. Their project managers are able to work under flexible environments with the best profit and control.

(5) Training

Carenet is a leading independent provider of specialist telecoms engineer training. They deliver high quality, high level training on complex telecommunication. Their courses are widely regarded as the best within the telecommunication field and their customers include the biggest names in global telecoms. Carenet did not provide only training course but also competent development plans for the customers.

(6) Installation Material Provision

Carenet provides the installation material with reasonable price. They always provide the high quality installation material for the excellent equipment based on the customer's requirement.

(7) Logistic

Carenet provides more value-added services of logistics management to meet their customer needs. With the globalization services, a variety of services include logistic management, registration service, licensing, custom clearance, warehousing and overland freight forwarding.

Furthermore, Carenet specializes in logistics system of telecommunication equipment comprising of Business License, Type Approval License, Import and Export License, Registration (Stickering Process), Custom Clearance, Transportation and Hardware Services.

2.2 Marketing Mix (4Ps) Philosophies

Products and Services Strategies

What Is a Product-Service?

- (1) Product: Anything that can be offered to a market for attention, acquisition, use, or consumption that might satisfy a want or need.
- (2) Service: Any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything.

The Product-Service Continuum

A company's offer to the marketplace often includes both tangible goods and services. Each component can be a minor or a major part of the total offer. At one extreme, the offer may consist of a *pure tangible good*, no services accompany the product. At the other extreme are *pure services*, for which the offer consists primarily of a service. However, many good and services combinations are possible. A company's offer may consist of a *tangible good with accompanying services*. A *hybrid offer* consists of equal parts of goods and services. A *service with accompanying minor goods*

consists of a major service along with supporting goods. The service may require a capital-intensive good for operating, but the primary offer is a service.

Levels of Product-Service

Product planners need to think about products and services on three levels.

- (1) The most basic level is the *core product*, which address the question: What is the buyer really buying? As Figure 2.1 illustrates, the core product stands at the center of the total product. It consists of the core, problem-solving benefits that consumer seek when they buy a product or service.
- (2) The product planner must next build an *actual product* around the core product. Actual products may have as many as five characteristics: a quality level, features, design, a brand name, and packaging.
- (3) Finally, the product planner must build an *augmented product* around the core and actual products by offering additional consumer services and benefits.

Therefore, a product is more than a simple set of tangible features. Consumers tend to see product as complex bundles of benefits that satisfy their needs. When developing products, marketers first must identify the *core* consumer needs the product will satisfy. They must then design the *actual* product and find ways to *augment* it in order to create the bundle of benefits that will best satisfy consumers.

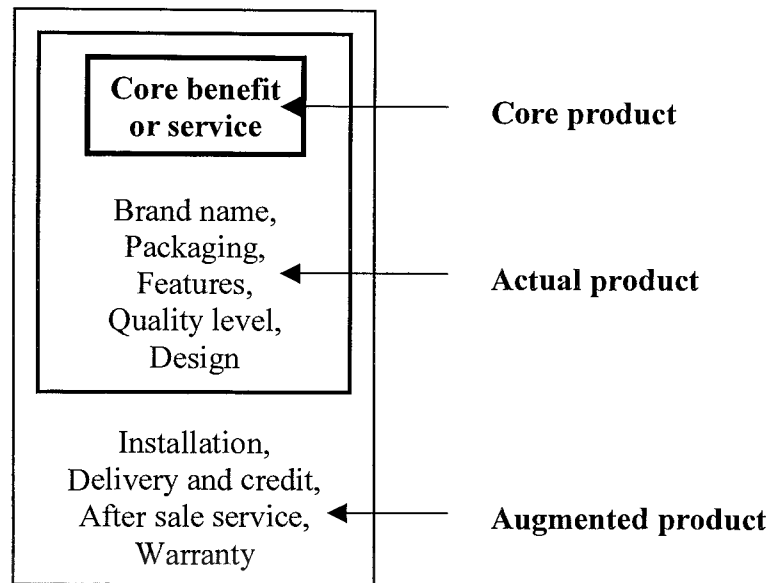


Figure 2.1. Three Levels of Product and Service.

Product-Service Classifications

The distinction between a consumer product and an industrial product is based on the purpose for which the product is bought.

Consumer Products

Consumer products are those bought by final consumers for personal consumption. Marketers usually classify these goods further based on how consumers go about buying them. Consumer products include *convenience products*, *shopping products*, *specialty products*, and *unsought products*. These products differ in the ways consumers buy them, and therefore in how they are marketed.

Industrial Products

Industrial products are those purchased for further processing or for use in conducting a business. The three groups of industrial products and services include *materials and parts*, *capital items*, and *supplies and services*.

- (1) Material and parts includes raw materials and manufactured materials and parts. Raw materials consist of farm products (wheat, cotton, livestock, fruits, vegetables) and natural products (fish, lumber, crude petroleum, iron ore). Manufactured materials and parts consist of component materials (iron, yarn, cement, wires) and component parts (small motors, tires, castings). Most manufactured materials and parts are sold directly to industrial users. Price and service are the major marketing factors; branding and advertising tend to be less important.
- (2) Capital items are industrial products that aid in the buyer's production or operations, including installations and accessory equipment. Installations consist of major purchase such as building (factories, offices) and fixed equipment (generators, drill presses, large computer systems, elevators). Accessory equipment includes portable factory equipment and tools (hand tools, lift trucks) and office equipment (fax machines, desks). They have a shorter life than installations and simply aid in the production process.
- (3) The final group of business products is supplies and services. Supplies include operating supplies (lubricants, coal, paper, pencils) and repair and maintenance items (paint, nails, brooms). Supplies are the convenience products of the industrial field because they are usually purchased with a minimum of effort or comparison. Business services include maintenance and repair services (window cleaning, computer repair) and business advisory services (legal, management consulting, advertising). Such services are usually supplied under contract.

Services Marketing**Nature and Characteristics of a Service**

Activities such as renting a hotel room, depositing money in a bank, traveling on an airplane, getting a haircut, having a car repaired, watching a professional sport, seeing a movie, and getting advice from a lawyer all involve buying a service. A company must consider four special service characteristics when designing marketing programs: *intangibility*, *inseparability*, *variability*, and *perishability*. These characteristics are summarized in Figure 2.2.

- (1) Service intangibility means that service cannot be seen, tasted, felt, heard, or smelled before they are bought. To reduce uncertainty, buyers look for “signals” of service quality. They draw conclusions about quality from the place, people, price, equipment, and communications that they can see. Therefore, the service provider’s task is to make the service tangible in one or more ways. Whereas product marketers try to add intangibles to their tangible offers, service marketers try to add tangible to their intangible offers.
- (2) Physical goods are produced, then stored, later sold, and still later consumed. In contrast, services are first sold, then produced and consumed at the same time. Service inseparability means that services cannot be separated from their providers, whether the providers are people or machines. If a service employee provides the service, then the employee is a part of the service. Because the customer is also present as the service is produced, provider-customer interaction is a special feature of service marketing. Both the provider and the customer affect the service outcome.

- (3) Service variability means that the quality of services depends on who provides them as well as when, where, and how they are provided.
- (4) Service perishability means that services cannot be stored for later sale or use. The perishability of services is not a problem when demand is steady. However, when demand fluctuates, service firms often have difficult problems. Thus service firm often design strategies for producing a better match between demand and supply.

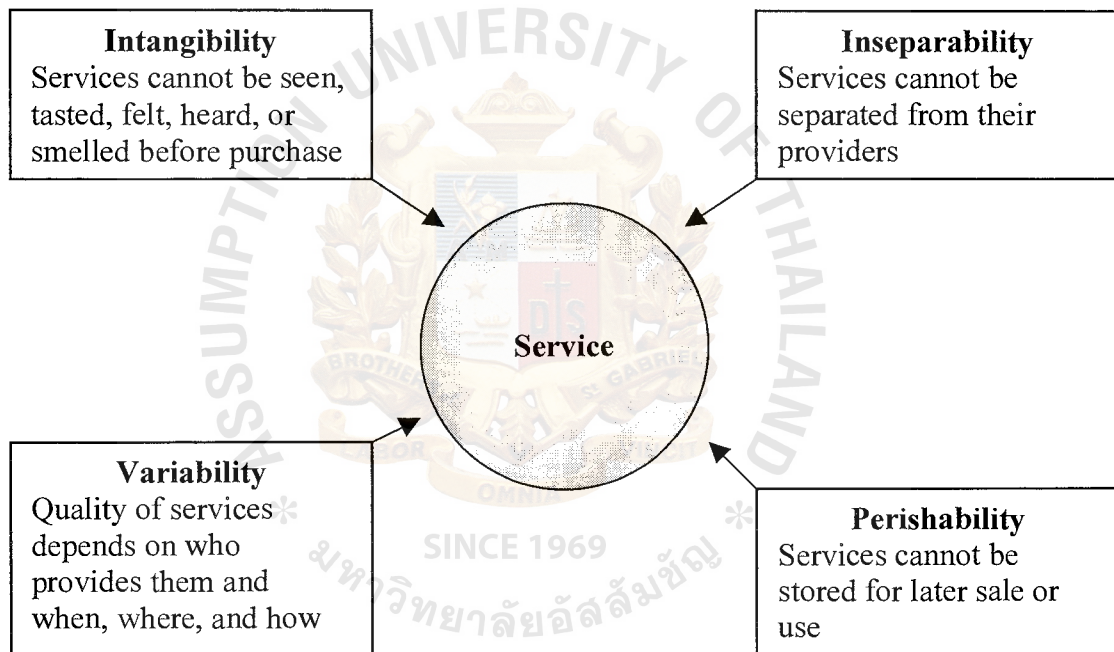


Figure 2.2. Four Service Characteristics.

Marketing Strategies for Service Firms

Just like manufacturing businesses, goods service firms use marketing to position themselves strongly in chosen target markets. Many service firms establish their positions through traditional marketing mix activities. However, because services differ from tangible products, they often require additional marketing approaches. In a product

business, products are fairly standardized and can sit on shelves waiting for customers. But in a service business, the customer and front-line service employee interact to create the service. Thus, service provider must interact effectively with customers to create superior value during service encounters. Effective interaction, in turn, depends on the skills of front-line service employees, and on the service production and support processes backing these employees.

The Service-Profit Chain

Successful service companies focus their attention on both their customers and their employees. They understand the *service-profit chain*, which links service firm profits with employee and customer satisfaction. This chain consists of five links:

- (1) International service quality: superior employee selection and training, a quality work environment, and strong support for those dealing with customers.
- (2) Satisfied and productive service employees: more satisfied, loyal, and hard-working employees.
- (3) Greater service value: more effective and efficient customer value creation and service delivery.
- (4) Satisfied and loyal customers: satisfied customers who remain loyal, repeat purchase, and refer other customers.
- (5) Healthy service profits and growth: superior service firm performance.

Therefore, reaching service profits and growth goals begins with taking care of those who take care of customers. All of this suggests that service marketing requires more than just traditional external marketing using the four Ps. Figure 2.3 shows that service marketing also requires *internal marketing* and *interactive marketing*.

- (1) Internal marketing means that the service firm must effectively train and motivate its customer-contact employees and all the supporting service people to work as a team to provide customer satisfaction. For the firm to deliver consistently high service quality, marketers must get everyone in the organization to practice a customer orientation. In fact, internal marketing must precede external marketing.
- (2) Interactive marketing means that service quality depends heavily on the quality of the buyer-seller interaction during the service encounter. In product marketing, product quality often depends little on how the product is obtained. But in services marketing, service quality depends on both the service deliverer and the quality of the delivery. Thus, service marketers cannot assume that they will satisfy the customer simply by providing good technical service. They have to master interactive marketing skills as well.
- (Kotler and Armstrong 1999)

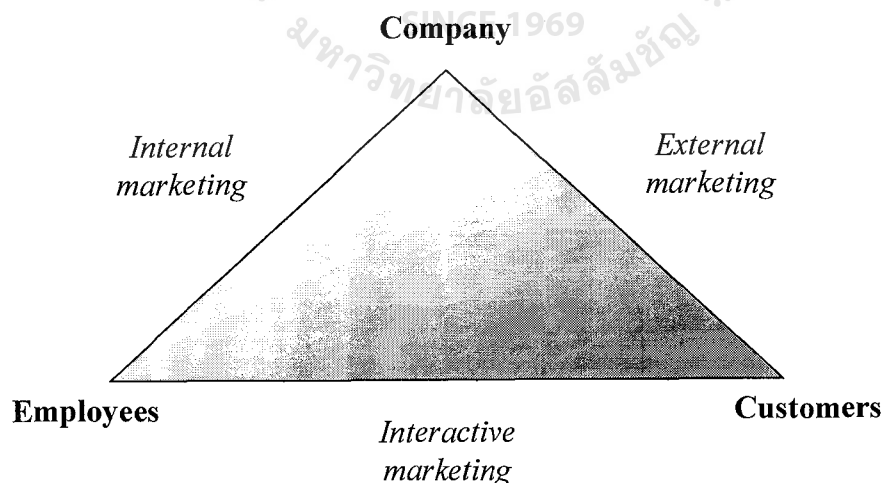


Figure 2.3. Three Types of Marketing in Service Industries.

Pricing Strategies

Price: The amount of money charged for a product or service, or the sum of the values that consumers exchange for the benefits of having or using the product or service.

✓ Factors to Consider When Setting Prices

A company's pricing decisions are affected both by internal company factors and external environmental factors. See Figure 2.4 below.



Figure 2.4. Factors Affecting Price Decisions.

Internal Factors Affecting Pricing Decisions

Internal factors affecting pricing include the company's marketing objectives, marketing-mix strategy, costs, and organizational considerations.

Marketing Objectives

Before setting price, the company must decide on its strategy for the product. If the company has selected its target market and positioning carefully, then its marketing mix strategy, including price, will be fairly straightforward. Pricing strategy is largely determined by decisions on market positioning. At the same time, the company may seek additional objectives. The clearer a firm is about its objectives, the easier it is to set price. Examples of common objectives are *survival*, *current profit maximization*, *market share leadership*, and *product quality leadership*.

- (1) Companies set survival as their major objective if they are troubled by too much capacity, heavy competition, or changing consumer wants. To keep a plant going, a company may set a low price, hoping to increase demand. In this case, profits are less important than survival. As long as their prices cover variable costs and some fixed costs, they can stay in business. However, survival is only a short-term objective. In the long run, the firm must learn how to add value or face extinction.
- (2) Many companies use current profit maximization as their pricing goal. They estimate what demand and costs will be at different prices and choose the price that will produce the maximum current profit, cash flow, or return on investment. In all cases, the company wants current financial results rather than long-run performance.
- (3) Other companies want to obtain market share leadership. They believe that the company with the largest market share will enjoy the lowest costs and highest long-run profit. To become the market share leader, these firms set prices as low as possible.
- (4) A company might decide that it wants to achieve product quality leadership. This normally calls for charging a high price to cover higher performance quality and the high cost of R&D.

A company also might use price to attain other more specific objectives. It can set prices low to prevent competition from entering the market or set prices at competitors' levels to stabilize the market. Prices can be set to keep the loyalty and support of resellers or to avoid government intervention. Prices can be reduced temporarily to create excitement for a product or to draw more customers into a retail store. One product may be priced to help the sales of other products in the company's line. Thus,

pricing may play an important role in helping to accomplish the company's objectives at many levels.

Marketing Mix Strategy

Price is only one of the marketing mix tools that a company uses to achieve its marketing objectives. Price decisions must be coordinated with product design, distribution, and promotion decisions to form a consistent and effective marketing program. Decisions made for other marketing mix variables may effect pricing decisions.

(Companies often position their products on price and then base other marketing mix decisions on the prices they want to charge. Here, price is a crucial product-positioning factor that defines the product's market, competition, and design.) Many firms support such price-positioning strategies with a technique called *target costing*, a potent strategic weapon. Target costing reverses the usual process of first designing a new product, determining its cost, and then asking "Can we sell it for that?" Instead, it starts with an ideal selling price, then targets costs that will ensure that the price is met.

Other companies deemphasize price and use other marketing mix tools to create *nonprice* positions. Often, the best strategy is not to charge the lowest price, but rather differentiate the marketing offer to make it worth a higher price.

Thus, the marketer must consider the total marketing mix when setting prices. If the product is positioned on nonprice factors, then decisions about quality, promotion, and distribution will strongly affect price. If price is a crucial positioning factor, then price will strongly affect decisions made about the other marketing mix elements. However, even when featuring price, marketers needs to remember that customers rarely buy on price alone. Instead, they seek products that give them the best value in terms of benefits received for the price paid. Thus, in most cases, the company will

consider price along with all the other marketing mix elements when developing the marketing program.

Costs

Costs set the floor for the price that the company can charge for its product. The company wants to charge a price that both cover all its costs for producing, distributing, and selling the product, and delivers a fair rate of return for its effort and risk. A company's cost may be an important element in its pricing strategy. Many companies work to become the "low-cost producers" in their industries. Companies with lower costs can set lower price that result in greater sales and profits.

Types of Costs:

- (1) Fixed costs (Overhead): Costs that do not vary with production or sales level.
- (2) Variable costs: Costs that vary directly with the level of production.
- (3) Total costs: The sum of the fixed and variable costs for any given level of production.

Organizational Considerations

Management must decide who within the organization should set prices. Companies handle pricing in a variety of ways. In small companies, prices are often set by top management rather than the marketing or sales departments. In large companies, pricing is typically handled by divisional or product line managers. In industrial markets, salespeople may be allowed to negotiate with customers within certain price ranges. Even so, top management sets the pricing objectives and policies, and it often approves the prices proposed by lower-level management or salespeople. In industries in which pricing is a key factor, companies often have a pricing department to set the best prices or help others in setting them. This department reports to the marketing

department or top management. Others who have an influence on pricing include sales managers, production managers, finance managers, and accountants.

External Factors Affecting Pricing Decisions

External factors that affect pricing decisions include the nature of the market and demand, competition, and other environmental element.

The Market and Demand

Whereas costs set the lower limit of prices, the market and demand set the upper limit. Both consumer and industrial buyers balance the price of a product or service against the benefits of owning it. Thus, before setting prices, the marketer must understand the relationship between price and demand for its product.

Pricing In Different Types of Markets:

- (1) Pure competition: A market in which many buyers and sellers trade in a uniform commodity – no single buyer or seller has much effect on the going market price.
- (2) Monopolistic competition: A market in which many buyer and sellers trade over a range of prices rather than a single market price.
- (3) Oligopolistic competition: A market in which there are a few sellers all of whom are highly sensitive to each other's pricing and marketing strategies.
- (4) Pure monopoly: A market in which there is a single seller – it may be a government monopoly, a private regulated monopoly, or a private nonregulated monopoly.

Competitors' Costs, Prices, and Offers

Another external factor affecting the company's pricing decisions is competitors' costs and prices and possible competitor reactions to the company's own pricing moves.

In addition, the company's pricing strategy may affect the nature of the competition it faces.

Other External Factors

When setting prices, the company also must consider other factors in its external environment.

- (1) Economic conditions can have a strong impact on the firm's pricing strategies. Economic factors such as boom or recession, inflation, and interest rates affecting pricing decisions because they affect both the costs of producing a product and consumer perceptions of the product's price and value.
- (2) The company must also consider what impact its prices will have on other parties in its environment. How will resellers react to various prices? The company should set prices that give resellers a fair point, encourage their support, and help them to sell the product effectively.
- (3) The government is another important external influence on pricing decisions.
- (4) Finally, social concerns may have to be taken into account. In setting prices, a company's short-term sales, market share, and profit goal may have to be tempered by broader societal considerations.

General Pricing Approaches

The price the company charges will be somewhere between one that is too low to produce a profit and one that is too high to produce any demand. Figure 2.5 summarizes the major considerations in setting price. Product costs set a floor to the price; consumer perceptions of the product's value set the ceiling. The company must consider competitors' prices and other external and internal factors to find the best price between these two extremes.

Low price				High price
No possible profit at this price	Product or Service costs	Competitors' prices and other external and internal factors	Consumer perceptions of value	No possible demand at this price

Figure 2.5. Major Considerations in Setting Price.

Companies set prices by selecting a general pricing approach that includes one or more of these three sets of factors. Consider the following approaches:

- (1) The cost-based approach (cost-plus pricing, breakeven analysis, and target profit pricing)
- (2) The buyer-based approach (value-based pricing)
- (3) The competition-based approach (going-rate and sealed-bid pricing)

Cost-Based Pricing

Cost-plus pricing: Adding a standard markup to the cost of the product.

$$\text{Unit Cost} = \text{Variable Cost} + \frac{\text{Fixed Costs}}{\text{Unit Sales}}$$

$$\text{Markup Price} = \frac{\text{Unit Cost}}{(1 - \text{Desired Return on Sales})}$$

Breakeven pricing (target profit pricing): Setting price to break even on the costs of making and marketing a product; or setting price to make a target profit.

$$\text{Breakeven Volume} = \frac{\text{Fixed Cost}}{\text{Price} - \text{Variable Cost}}$$

Value-Based Pricing

Value-based pricing: Setting price based on buyers' perceptions of value rather than on the seller's cost.

Value pricing: Offering just the right combination of quality and good service at a fair price.

Figure 2.6 compares cost-based pricing with value-based pricing. Cost-based pricing is product driven. Value-based pricing reverses this process.

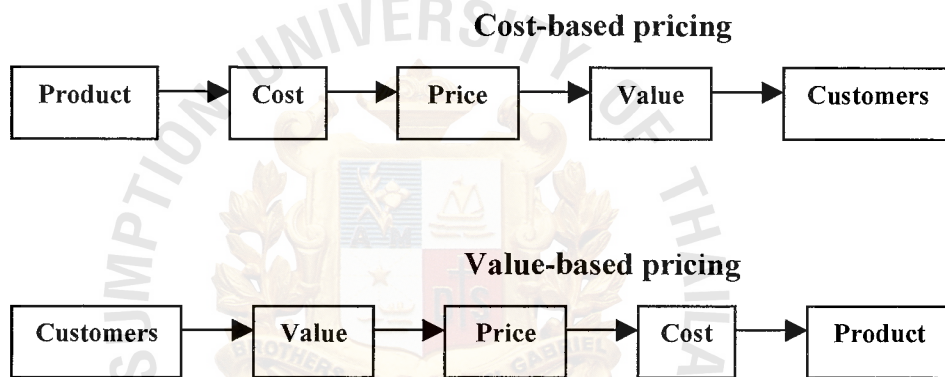


Figure 2.6. Cost-based versus Value-based Pricing.

Competition-Based Pricing

Going-rate pricing: Setting price based largely on following competitors' prices rather than on company costs or demand.

Sealed-bid pricing: Setting price based on how the firm thinks competitors will price rather than on its own costs or demand-used when a company bids for jobs.

Price-Adjustment Strategies

Table 2.1. Price-Adjustment Strategies.

Strategy	Description
Discount and allowance pricing	Reducing prices to reward customer responses such as paying early or promoting the product
Segmented pricing	Adjusting prices to allow for differences in customers, products, or locations
Psychological pricing	Adjusting prices for psychological effect
Promotional pricing	Temporarily reducing prices to increase short-run sales
Geographical pricing	Adjusting prices to account for the geographical location of customers
International pricing	Adjusting prices for international markets

Discount and Allowance Pricing

- (1) Cash discount: A price reduction to buyers who pay their bills promptly.
- (2) Quantity discount: A price reduction to buyers who buy large volumes.
- (3) Functional discount (trade discount): A price reduction offered by the seller to trade channel members who perform certain functions such as selling, storing, and recordkeeping.
- (4) Seasonal discount: A price reduction to buyers who purchase merchandise or services out of season.
- (5) Allowance: Promotional money paid by manufacturers to retailers in return for an agreement to feature the manufacturer's products in some way. For example, *trade-in allowances* are price reductions given for turning in an old item when buying a new one. *Promotional allowances* are payments or

price reductions to reward dealers for participating in advertising and sales-support programs.

Segmented Pricing

Selling a product or service at two or more prices, where the difference in prices is not based on differences in costs.

- (1) Customer-segment pricing: Different customers pay different prices for the same product or service.
- (2) Product-form pricing: Different versions of the product are priced differently, but not according to differences in their costs.
- (3) Location pricing: A company charges different prices for different locations, even though the cost of offering each location is the same.
- (4) Time pricing: A firm varies its price by the season, the month, the day, and even the hour.

Psychological Pricing

A pricing approach that considers the psychology of prices and not simply the economics; the price is used to say something about the product.

Reference prices: Prices that buyers carry in their minds and refer to when they look at a given product.

Promotional Pricing

Temporarily pricing products below the list price, and sometimes even below cost, to increase short-run sales. For example:

- (1) Supermarkets and department stores will price a few products as loss leaders to attract customers to the store in the hope that they will buy other items at normal markups.

- (2) Sellers will also use special-event pricing in certain seasons to draw more customers.
- (3) Manufacturers will sometimes offer cash rebates to consumers who buy the product from dealers with a specified time.
- (4) Some manufacturers offer low-interest financing, longer warranties, or free maintenance to reduce the customer's "price".

Geographical Pricing

- (1) FOB-origin pricing: A geographical pricing strategy in which goods are placed free on board a carrier; the customer pays the actual freight from the factory to the destination.
- (2) Uniform-delivered pricing: A geographical pricing strategy in which the company charges the same price plus freight to all customers, regardless of their location.
- (3) Zone pricing: A geographical pricing strategy in which the company sets up two or more zones. All customers within a zone pay the same total price; the more distant the zone, the higher the price.
- (4) Basing-point pricing: A geographical pricing strategy in which the seller designates some city as a basing point and charges all customers the freight cost from that city to the customer location, regardless of the city from which the goods are actually shipped.
- (5) Freight-absorption pricing: A geographical pricing strategy in which the company absorbs all or part of the actual freight charges in order to get the business.

International Pricing

In some cases, a company can set a uniform worldwide price. However, most companies adjust their prices to reflect local market conditions and cost considerations. The price that a company should charge in a specific country depends on many factors, including economic conditions, competitive situation, laws and regulations, and development of the wholesaling and retailing system. Consumer perceptions and preferences also may vary from country to country, calling for different prices. Or the company may have different marketing objectives in various world markets, which require changes in pricing strategy.

In some cases, such *price escalation* may result from differences in selling strategies or market conditions. However, it is simply a result of the higher cost of selling in foreign markets – the additional costs of modifying the product, higher shipping and insurance costs, import tariffs and taxes, costs associated with exchange-rate fluctuations and higher channel and physical distribution costs. (Kotler and Armstrong 1999)

Distribution Channels (Places) Strategies

The Nature of Distribution Channels

Distributional Channel Functions

A distributional channel moves goods and services from producers to consumers. It overcomes the major time, place, and possession gaps that separate goods and services from those who would use them. Members of the marketing channel perform many key functions. Some help to complete transactions:

- (1) Information: gathering and distributing marketing research and intelligence information about factors and forces in the marketing environment needed for planning and aiding exchange.

- (2) Promotion: developing and spreading persuasive communications about an offer.
- (3) Contact: finding and communicating with prospective buyers.
- (4) Matching: shaping and fitting the offer to the buyer's needs, including activities such as manufacturing, grading, assembling, and packaging.
- (5) Negotiation: reaching an agreement on price and other terms of the offer so that ownership or possession can be transferred.

Others help to fulfill the completed transactions:

- (1) Physical distribution: transporting and storing goods.
- (2) Financing: acquiring and using funds to cover the costs of the channel work.
- (3) Risk taking: assuming the risks of carrying out the channel work.

Number of Channel Levels

Distributional channels can be described by the number of channel levels involved. We use the number of intermediary levels to indicate the length of a channel.

- (1) Channel level: A layer of intermediaries that performs some work in bringing the product and its ownership closer to the final buyer.
- (2) Direct marketing channel: A marketing channel that has no intermediary levels.
- (3) Indirect marketing channel: Channel containing one or more intermediary levels.

Personal Selling

Salesperson: An individual acting for a company by performing one or more of the following activities: prospecting, communicating, servicing, and information gathering.

Steps in the Selling Process

Selling process: The steps that the salesperson follows when selling, which include prospecting and qualifying, preapproach, approach, presentation and demonstration, handling objections, closing, and follow-up.

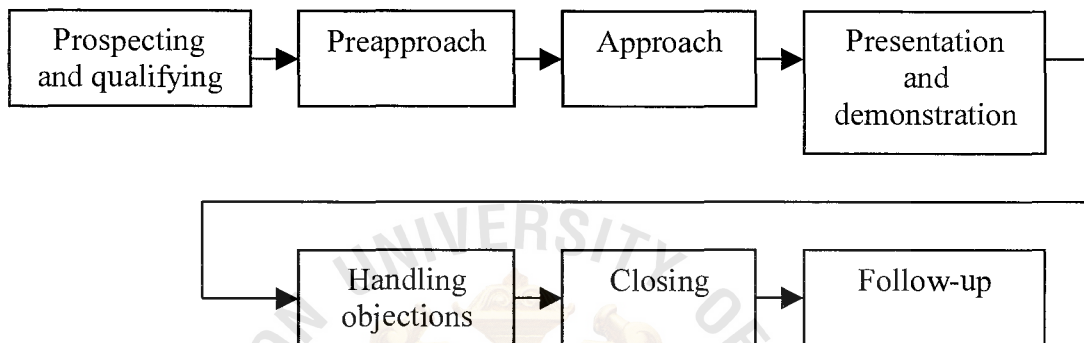


Figure 2.7. Major Steps in Effective Selling.

- (1) Prospecting: The step in the selling process in which the salesperson identifies qualified potential customers
- (2) Preapproach: The step in the selling process in which the salesperson learns as much as possible about a prospective customer before making a sales call
- (3) Approach: The step in the selling process in which the salesperson meets and greets the buyer to get the relationship off to a good start
- (4) Presentation: The step in the selling process in which the salesperson tells the product “story” to the buyer, showing how the product will make or save money for the buyer
- (5) Handling objections: The step in the selling process in which the salesperson seeks out, clarifies, and overcomes customer objections to buying

- (6) Closing: The step in the selling process in which the salesperson asks the customer for an order
- (7) Follow-up: The last step in the selling process in which the salesperson follows up after the sale to ensure customer satisfaction and repeat business

Relationship Marketing

The process of creating, maintaining, and enhancing strong, value-laden relationships with customers and other stakeholders

Managing the Sales Force

We define *sales force management* as the analysis, planning, implementation, and control of sales force activities. It includes designing sales force strategy and structure, and recruiting, selecting, training, compensating, supervising, and evaluating the firm's salespeople. These major sales force management decisions are shown in Figure 2.8.



Figure 2.8. Major Steps in Sales Force Management.

Sales Force Strategy and Structure

Sales Force Structure

- (1) Territorial sales force structure: A sales force organization that assigns each salesperson to an exclusive geographic territory in which that salesperson sells the company's full line.
- (2) Product sales force structure: A sales force organization under which salespeople specialize in selling only a portion of the company's products or lines.
- (3) Customer sales force structure: A sales force organization under which salespeople specialize in selling only to certain customers or industries.

Sales Force Size

Workload approach: An approach to setting sales force size in which the company groups accounts into different size classes and then determines how many salespeople are needed to call on them the desired number of times.

Other Sales Force Strategy and Structure Issues

- (1) Outside sales force (or field sales force): Outside salespeople who travel to call on customers.
- (2) Inside sales force: Inside salespeople who conduct business from their offices via telephone or visits from prospective buyers.
- (3) Telemarketing: Using the telephone to sell directly to customers.

Direct Marketing

Direct marketing is a direct communications with carefully targeted individual consumers to obtain an immediate response. (Kotler and Armstrong 1999)

Promotion Strategies

The Marketing Communications Mix

- (1) Marketing communications mix (promotion mix): The specific mix of advertising, personal selling, sales promotion, and public relations a company uses to pursue its advertising and marketing objectives.
- (2) Advertising: Any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor.
- (3) Personal selling: Personal presentation by the firm's sales force for the purpose of making sales and building customer relationships.
- (4) Sales promotion: Short-term incentives to encourage the purchase or sale of a product or service.
- (5) Public relations: Building good relations with the company's various publics by obtaining favorable publicity, building up a good "corporate image," and handling or heading off unfavorable rumors, stories, and events.
- (6) Direct marketing: Direct communications with carefully targeted individual consumers to obtain an immediate response.

Choosing Media

The communicator now must select channels of communication. There are two broad types of communication channels.

Personal Communication Channels

Channel through which two or more people communicate directly with each other, including face to face, person to audience, over the telephone, or through the mail.

Word-of-mouth influence: Personal communication about a product between target buyers and neighbors, friends, family members, and associates.

Nonpersonal Communication Channels

Media that carry messages without personal contact or feedback, including major media, atmospheres, and events.

Setting the Total Promotion Budget

- (1) Affordable method: Setting the promotion budget at the level management thinks the company can afford.
- (2) Percentage-of-sales method: Setting the promotion budget at a certain percentage of current or forecasted sales or as a percentage of the unit sales price.
- (3) Competitive-parity method: Setting the promotion budget to match competitors' outlays.
- (4) Objective-and-task method: Developing the promotion budget by:
 - (a) Defining specific objective.
 - (b) Determining the tasks that must be performed to achieve these objectives.
 - (c) Estimating the costs of performing these tasks.

The sum of these costs is the proposed promotion budget.

Setting the Promotion Mix

Promotion Tool

- (1) Advertising
- (2) Personal selling
- (3) Sales promotion
- (4) Public relations
- (5) Directing marketing

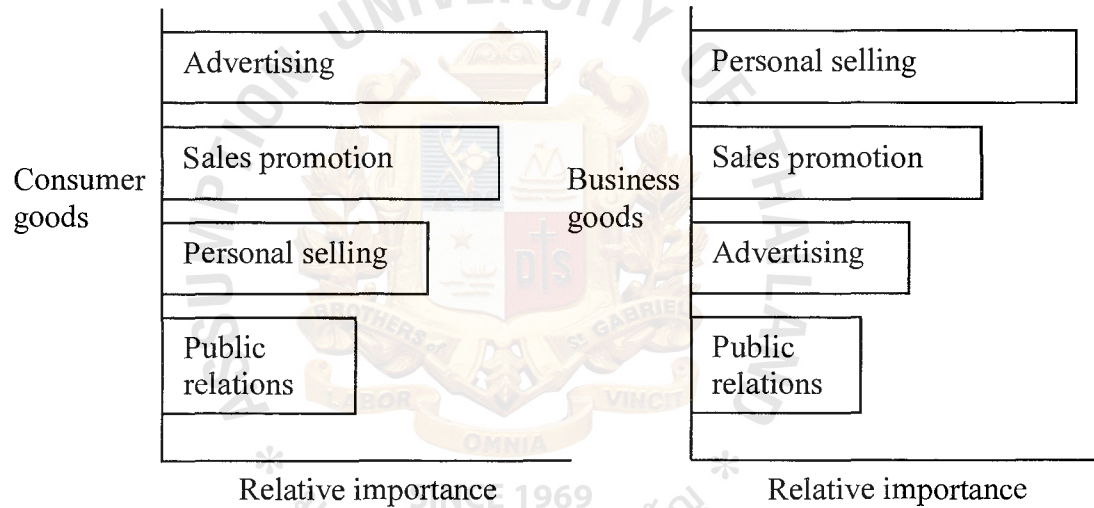


Figure 2.9. Relative Importance of Promotion Tools in Consumer versus Business Markets.

Promotion Mix Strategies

- (1) Push strategy: A promotion strategy that calls for using the sales force and trade promotion to push the product through channels.
- (2) Pull strategy: A promotion strategy that calls for spending a lot on advertising and consumer promotion to build up consumer demand. If the strategy is successful, consumer demand will pull the product through the channel.

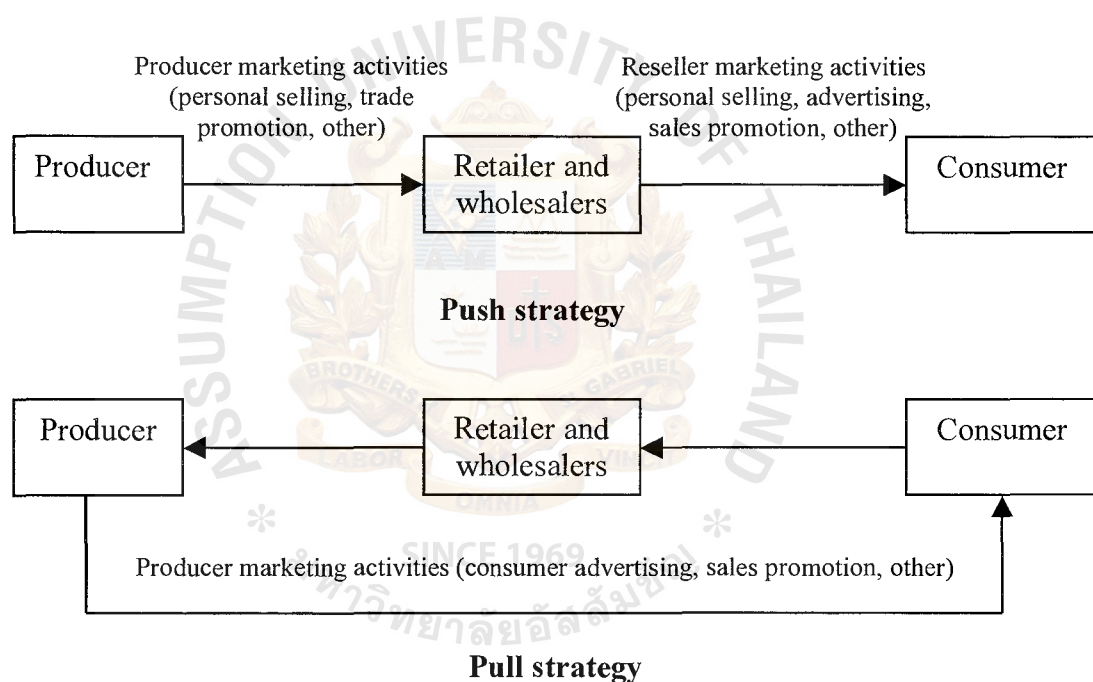


Figure 2.10. Push versus Pull Promotion Strategy.

Major Decisions in Advertising

Marketing management must make five important decisions when developing an advertising program. (See Figure 2.11)

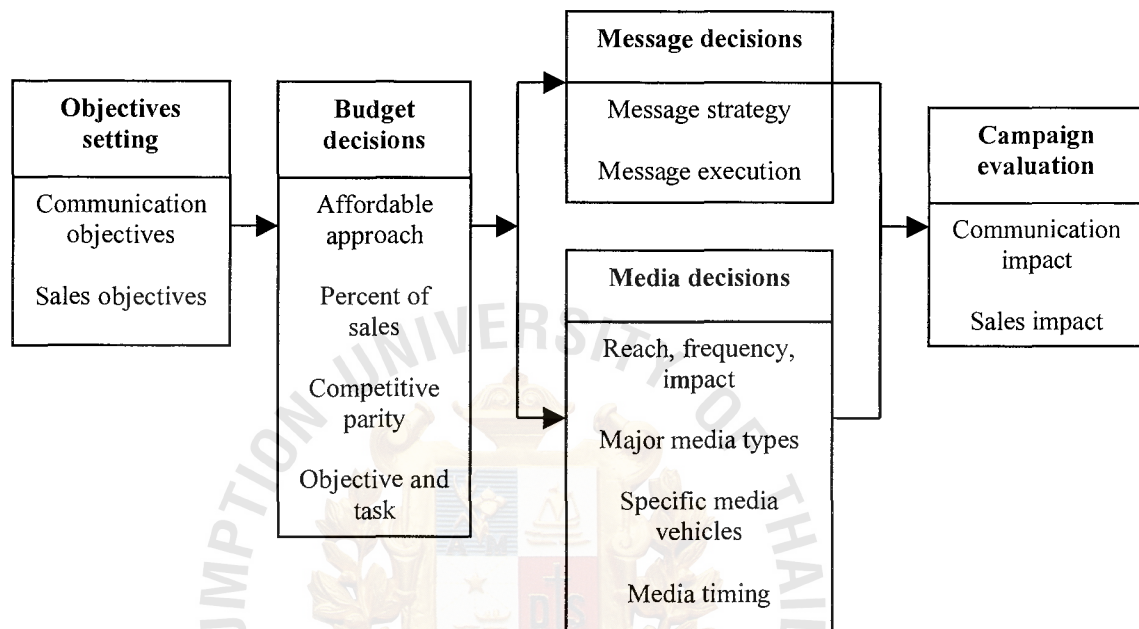


Figure 2.11. Major Advertising Decisions.

Setting Objectives

The first step in developing an advertising program is to set advertising objectives. These objectives should be based on past decisions about the target market, positioning, and marketing mix, which define the job that advertising must do in the total marketing program.

An *advertising objective* is a specific communication task to be accomplished with a specific target audience during a specific period of time. Advertising objectives can be classified by primary purpose – whether the aim is to *inform*, *persuade*, or *remind*. Table 2.2 lists examples of each of these objectives.

- (1) Informative advertising: Advertising used to inform consumers about a new product or feature and to build primary demand.
- (2) Persuasive advertising: Advertising used to build selective demand for a brand by persuading consumers that it offers the best quality for their money.
- (3) Comparison advertising: (part of persuasive advertising) Advertising that compares one brand directly or indirectly to one or more other brands.
- (4) Reminder advertising: Advertising used to keep consumers thinking about a product.

Table 2.2. Possible Advertising Objectives.

To Inform	
Telling the market about a new product	Describing available services
Suggesting new uses for a product	Correcting false impressions
Informing the market of a price change	Reducing buyers' fears
Explaining how the product works	Building a company image
To Persuade	
Building brand preference	Persuading customers to purchase now
Encouraging switching to your brand	Persuading customers to receive a sales call
Changing customer perceptions of product attributes	
To Remind	
Reminding customers that the product may be needed in the near future	
Reminding customers where to buy the product	
Keeping the product in customers' minds during off seasons	
Maintaining top-of-mind product awareness	

Advertising Strategy

Selecting Advertising Media

The major steps in media selection are (1) deciding on reach, frequency, and impact; (2) choosing among major media types; (3) selecting specific media vehicles and (4) deciding on media timing. (Kotler and Armstrong 1999)

Media vehicle: Specific media within each general media type, such as specific magazine, television shows, or radio programs.

Table 2.3. Profiles of Major Media Types.

Medium	Advantages	Limitations
Newspapers	Flexibility; timeliness; good local market coverage; broad acceptability; high believability	Short life; poor reproduction quality; small pass-along audience
Television	Good mass-market coverage; low cost per exposure; combines sight, sound, and motion; appealing to the senses	High absolute costs; high clutter; fleeting exposure; less audience selectivity
Direct mail	High audience selectivity; flexibility; no ad competition within the same medium; allows personalization	Relatively high cost per exposure; "junk mail" image
Radio	Good local acceptance; high geographic and demographic selectivity; low cost	Audio only; fleeting exposure; low attention ("the half-heard" medium); fragmented audiences
Magazine	High geographic and demographic selectivity; credibility and prestige; high-quality reproduction; long life and good pass-along readership	Long ad purchase lead time; high cost; no guarantee of position
Outdoor	Flexibility; high repeat exposure; low cost; low message competition; good positional selectivity	Little audience selectivity; creative limitations
Online	High selectivity; low cost; immediacy; interactive capabilities	Small, demographically skewed audience; relatively low impact; audience controls exposure

2.3 SWOT Philosophies

SWOT is an acronym used to describe the particular Strengths, Weaknesses, Opportunities and Threats that are strategic factors for a specific company. Whereas Strengths and Weaknesses are internal factors; Opportunities and Threats are external factor. (Wheelen and Hunger 2000)

Why Use SWOT

SWOT Analysis is a very effective way of identifying the company Strengths and Weaknesses, and of examining the Opportunities and Threats the company face. Carrying out an analysis using the SWOT framework helps the company to focus their activities into areas where they are strong and where the greatest opportunities lie.

How to Use SWOT

To carry out a SWOT Analysis, it has to answer the following questions where appropriate:

Strengths:

- (1) What are your advantages?
- (2) What do you do well?
- (3) What relevant resources do you have?
- (4) What do other people see as your strengths?

Consider this from the company point of view and from the point of view of the people dealing with. Don't be modest - be realistic. If the company has any difficulty with this, try to list the company's characteristics. Some of these will be strengths! In looking at the company strengths, think about them in relation to the competitors - for example, if all competitors provide high quality products, then a high quality production process is not strength in the market, it is a necessity.

Weaknesses:

- (1) What could you improve?
- (2) What do you do badly?
- (3) What should you avoid?

Again, consider this from an internal and external basis - do other people seem to perceive weaknesses that the company does not see? Are the competitors doing any better than the company? It is best to be realistic now, and face any unpleasant truths as soon as possible.

Opportunities:

- (1) Where are the good opportunities facing you?
- (2) What are the interesting trends you are aware of?

Useful opportunities can come from such things as:

- (1) Changes in technology and markets on both a broad and narrow scale.
- (2) Changes in government policy related to your field.
- (3) Changes in social patterns, population profiles, lifestyle changes, etc.
- (4) Local Events.

A useful approach to looking at opportunities is to look at the company strengths and think whether these open up any opportunities. Alternatively, look at the company weaknesses and think whether the company could open up opportunities by eliminating them.

Threats:

- (1) What obstacles do you face?
- (2) What is your competition doing?
- (3) Are the required specifications for your job, products or services changing?
- (4) Is changing technology threatening your position?
- (5) Do you have bad debt or cash-flow problems?
- (6) Could any of your weaknesses seriously threaten your business?

Carrying out this analysis will often be illuminating - both in terms of pointing out what needs to be done, and in putting problems into perspective.

The company can also apply SWOT analysis to their competitors - this may produce some interesting insights.

SWOT Example

A start-up small consultancy business might carry out the following SWOT analysis:

Strengths:

- (1) We are able to respond very quickly as we have no red tape, no need for higher management approval, etc.
- (2) We are able to give really good customer care, as the current small amount of work means we have plenty of time to devote to customers.
- (3) Our lead consultant has a strong reputation within the market.
- (4) We can change direction quickly if we find that our marketing is not working.
- (5) We have small overheads, so can offer good value to customers.

Weaknesses:

- (1) Our company has no market presence or reputation.
- (2) We have a small staff with a shallow skills base in many areas.

- (3) We are vulnerable to vital staff being sick, leaving, etc.
- (4) Our cash flow will be unreliable in the early stages.

Opportunities:

- (1) Our business sector is expanding, with many future opportunities for success.
- (2) Our local council wants to encourage local businesses with work where possible.
- (3) Our competitors may be slow to adopt new technologies.

Threats:

- (1) Will developments in technology change this market beyond our ability to adapt?
- (2) A small change in focus of a large competitor might wipe out any market position we achieve.

The consultancy might therefore decide to specialize in rapid response, good value services to local businesses. Marketing would be in selected local publications, to get the greatest possible market presence for a set advertising budget. The consultancy should keep up-to-date with changes in technology where possible.

Key Points

SWOT analysis is a framework for analyzing the company strengths and weaknesses, and the opportunities and threats they face. This will help to focus on the company strengths, minimize weaknesses, and take the greatest possible advantage of opportunities available.

SWOT Analysis is just one of many good techniques that can help you build a strong competitive position for your organization. (Wheelen and Hunger 2000)

Simple Rules for Successful SWOT Analysis

- (1) Be realistic about the strengths and weaknesses of the organization.
- (2) Analysis should distinguish between where the organization is today, and where it could be in the futures.
- (3) Be specific. Avoid grey areas.
- (4) Always analyze in context to the competition i.e. better than or worse than the company's competition.
- (5) Keep the company SWOT short and simple. Avoid complexity and over analysis.
- (6) SWOT is subjective.

2.4 Competitor Analysis Philosophies

Competitive Marketing Strategies

Today, understanding customer is crucial, but it's not enough. Under the marketing concept, companies gain competitive advantage by satisfying target consumer needs better than competitors do. Thus, marketing strategies must consider not only the needs of target consumer, but also the strategies of competitors. The first step is *competitor analysis*, the process of identifying, assessing, and selecting key competitors. The second step is developing *competitive marketing strategies* that strongly position the company against competitors and give it the greatest possible competitive advantage.

- (1) Competitor analysis: The process of identifying key competitor; assessing their objectives, strategies, strengths and weakness, and reaction pattern; and selecting which competitors to attack or avoid.

- (2) Competitive marketing strategies: Strategies that strongly position the company against competitors and that give the company the strongest possible strategic advantage. (Kotler and Armstrong 1999)

Competitor Analysis

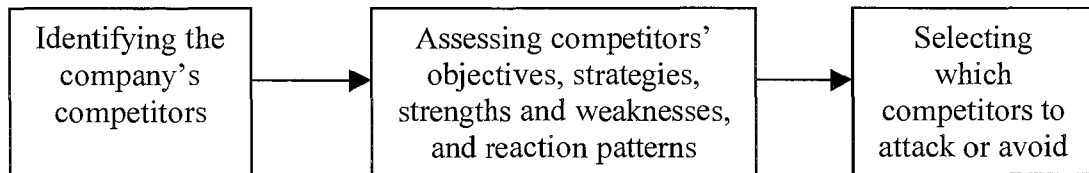


Figure 2.12. Steps in Analyzing Competitors.

Competitive Strategies

Basic Competitive Strategies: The three winning strategies include:

- (1) Overall cost leadership: Here the company works hard to achieve the lowest costs of production and distribution so that it can price lower than its competitors and win a large market share.
- (2) Differentiation: Here the company concentrates on creating a highly differentiated product line and marketing program so that it comes across as the class leader in the industry. Most customers would prefer to own this brand if its price is not too high.
- (3) Focus: Here the company focuses its effort on serving a few market segments well rather than going after the whole market.

Companies can pursue any of three strategies called *value disciplines* for delivering superior customer value. These are:

- (1) Operational excellence: The company provides superior value by leading its industry in price and convenience. It works to reduce costs and to create a lean and efficient value-delivery system. It serves customers who want reliable, good-quality products or services, but who want them cheaply and easily.
- (2) Customer intimacy: The company provides superior value by precisely segmenting its markets and then tailoring its products or services to match exactly the needs of targeted customers. It specializes in satisfying unique customer needs through a close relationship with and intimate knowledge of the customer. It builds details customer databases for segmenting and targeting, and empowers its marketing people to respond quickly to customer needs. It serves customers who are willing to pay a premium to get precisely what they want, and it will do almost anything to build long-term customer loyalty and to capture customer lifetime value.
- (3) Product leadership: The company provides superior value by offering a continual stream of leading-edge products or services that make their own and competing products obsolete. It is open to new ideas, relentlessly pursues new solutions, and works to reduce cycle times so that it can get new products to market quickly. It serves customers who want state-of-the-art products and services, regardless of the costs in terms of price or inconvenience. (Kotler and Armstrong 1999)

Competitive Positions

- (1) Market leader: The firm in an industry with the largest market share; it usually leads other firms in price changes, new product introductions, distribution coverage, and promotion spending.

- (2) Market challenger: A runner-up firm in an industry that is fighting hard to increase its market share.
- (3) Market follower: A runner-up firm in an industry that wants to hold its share without rocking the boat.
- (4) Market nicher: A firm in an industry that serves small segments that other firms overlook or ignore. (Kotler and Armstrong 1999)

Table 2.4. Strategies for Market Leaders, Challengers, Followers, and Nichers.

Market Leader Strategies	Market Challenger Strategies	Market Follower Strategies	Market Nicher Strategies
Expand total market	Full frontal attack	Follow closely	By customer, market, quality-price, service
Protect market share	Indirect attack	Follow at a distance	Multiple niching
Expand market share			

Balancing Customer and Competitor Orientations *

- (1) Competitor-centered company: A company whose moves are mainly based on competitors' actions and reactions; it spends most of its time tracking competitors' moves and market shares and trying to find strategies to counter them.
- (2) Customer-centered company: A company that focuses on customer developments in designing its marketing strategies and on delivering superior value to its target customers.
- (3) Market-centered company: A company that pays balanced attention to both customers and competitors on designing its marketing strategies.

III. SITUATION ANALYSIS

3.1 SWOT Analysis

Internal Environment

Strength Analysis

Carenet has good technical support from employees, well-known company image in the perspective of supplier. Meanwhile they still maintain good relationships with suppliers and operators. Carenet has qualified engineers in the supplier's perspective, knowledgeable engineers available, experienced top management team, good in marketing information, good in business know-how. Carenet always improves the telecommunication knowledge background for engineers by educating the essentially training courses. At the same time, Carenet is ranking in the first-three Market leader for supplier, Nokia, in the home country and has a good positioning subcontractor for some particular suppliers. More competitive advantage, Carenet has more reference projects done in local market that can be recognized by supplier and still maintains low cost investment due to outsourcing concept. Satisfied service-mind is acceptable by suppliers as well as reasonable price for high quality services is offered. The last is skillfully attractive engineers causing the bidding price more competitive advantage.

Weakness Analysis

Lack of promotion and public relation in other market segment areas and of know-how in terms of law and international trade obligation knowledge, local content requirement, and management team in foreign country are the weaker factors for Carenet. Carenet still has to improve good team-oriented management to manipulate marketing, accounting, financing, and monitor the rivals in foreign country, and foreign strategic business. Anyhow, Carenet needs additional high experience staffs to cover all

activities in the oversea area. Limited capital and asset restrict the investment in some service areas and high salary rate for temporary engineers are the critical factors for Carenet to penetrate to another market.

External Environment

Opportunity Analysis

Carenet realizes the chances still open to the business. The reason that support this statement are few restrictions on international trade policy, culture, ethic, law, and obligation create the high prospect to capture the new market in Asia Pacific region, high possibility to enter into the new market due to no such high experience subcontractor in foreign countries, no existing subcontractors in some foreign country, and high basic telecommunication services demand desirable.

Threat Analysis

At one way, the opportunities are available from the point of view. Another way round, threats are easily observed as well. The pricing strategies can be duplicated by other subcontractors due to unsecured bidding information submitted to supplier meanwhile law and regulation of some foreign government policy can impact the overall business. Furthermore, uncertain behavior of the suppliers can influence the predetermined decision making. Carenet has to be aware of cost affect from foreign exchange rate due to uncertainty of economic situation and has direct competitors from both suppliers in some market area (suppliers offer services directly to operator) and subcontractors. Uncontrollable expense due to delayed project still beat the profit expectation.

3.2 Competitor Analysis

In the telecom business of subcontractors, at this moment, the market situation is in the maturity stage. Every competitor in the market needs to be sustainable in the business. They try to deploy various strategies to survive and concurrently to challenge the leader in the market.

Carenet has several rivals emerging from both the local part (Thai firms) and foreign (International firms). The competitors in the existing market that Carenet has taken into consideration can be depicted as follows:

- (1) Soonpoh (International firm)
- (2) MyCom (International firm)
- (3) WestCom (Thai firm)
- (4) NDC (International firm)

All of the contenders in the subcontractor segment market are presently endeavoring to use the specific attack strategy. Carenet has analyzed all the rivals in the market and assimilate all strategies hereafter.

Challenger Strategies

(1) Encounter Concept

Some companies, such as Soonpooh, has a good investment capital as well as stable financial status support. They operate the *encounter strategies* by using the price discount and service cost reduction to challenge Carenet. Moreover they still strive to catch up the resources as high expertise engineers by offering the excellent salary rate. The rationale that they can use this strategy is explained below:

- (a) High investment and operating capital support available
- (b) The intimate image is comparable with Carenet
- (c) High confidence with the quality of service
- (d) More powerful than Carenet in some factors such as good financial support

(2) Enrichment Concept

The firm that has implemented this concept in the perspective of Carenet is NDC and MyCom. They try to assault the Carenet in numerous ways such as price discount, intensive price promotion, and service proliferations simultaneously. By this way, it is very problematical for Carenet to defend and be aware of every attack at the same time. The qualifications and characteristics of the competitors who are capable to exercise this concept are:

- (a) High investment and operating capital support available
- (b) Attempt to attack the leadership in the market in several ways
- (c) Set up the market plan and apply in broader areas

(3) Guerrilla Concept

WestCom precisely organized this concept to violate Carenet as a norm. WestCom believe that the real situation for them is really close to be the leadership in the international market. They try to use the underground method such as cut price, destroy the reputation of the competitor, and find out the new market segment and increase the distribution channel for services. All of the characteristics can be summarized as below:

- (a) Use the underground method to defeat the rivals
- (b) Cost reduction as the main concept to magnetize the customer because the leadership in the market use the high mark up price
- (c) More quality of service when equal price comparable
- (d) Invent additional services for customer from time to time

IV. ANALYZE EXISTING MARKETING STRATEGIES

4.1 Product

Carenet doesn't produce any products; instead, they provide services as a subcontractor. So this project will mention Carenet services as products. The main telecommunication engineering service is a *service with accompanying minor goods* which consists of a major service along with supporting goods. The service may require a capital-intensive good for operating such as PCs, cables, mobile phone, SIM cards, etc., but the primary offer are services.

Carenet provides the engineering services to communications providers with service requirements in the areas of BTS (Base Transceiver Station), BSC (Base Station Controller), NMS (Network Management System), MSC (Mobile Switching Center), Transmission Services in the following items: Implementation, Network Operation & Maintenance, Network Optimization, Project Management, Training, Installation Material Provision, and Logistic which already mentioned in “2.1 Detail of Services”.

Engineering Team *

If a service employee provides the service, then the employee is a part of the service. So this project will mention about engineering team which is a part of the service. Carenet engineering team is an important part of their business in helping the company run technical telecommunication services in providing Implementation, Network Operation & Maintenance, Network Optimization, and Installation Material Provision. Carenet will recruit competent engineers who have experiences in the telecommunication engineering field. Then Carenet will develop them by various trainings, both internal and external training. For internal training, Carenet provides both theoretical and practical. Carenet set up the training course periodically in the

Training Center that they have. And Carenet have senior engineers who are able to train junior engineers on site training. Carenet also is equipped with the all compulsory equipment and material used to gain essentially technical knowledge for the engineers. The expert engineers will engage to perform the technical practice in their own laboratory from time to time when convenient. This would upgrade their resources' know-how to be compatible with up-to-date world technology.

Carenet have a management plan for engineering teams which has the engineer name list showing their Status, Experienced, Trained Course, Network Service, and Network Function.

- (1) Status: shows their employment status whether they are permanent employees or temporary employees and also show which type of work they are performing right now.
- (2) Experience: shows how many years of experience that they got and telling the name of supplier, operator or subcontractor that they have worked before.
- (3) Trained Course: shows the training course name that they trained from which institute, located where, and when they did train.
- (4) Network Service: shows the network service that they specialize such as implementation (included: installation, commissioning, and integration), network operation and maintenance, network optimization, and also shows whether they can be project management or trainer or not.
- (5) Network Function: shows the network function that they specialize such as BSS (Base Station Subsystem), NSS (Network Switching Subsystem), NMS (Network Management Subsystem), and RNP (Radio Network Planning).

Project Management

Carenet has project managers who are the key men with experience more than 7 years. Project managers can plan, control, and run the client projects in both sub-projects and whole turn-key projects. Carenet's project managers are able to work under the flexible environment with the best profit and loss control.

Project managers are working as a factory which produces telecommunication engineering services. They plan the schedule of services for each engineer and run many duties in each project. They also help the company in setting the price of each project.

Training Center

Carenet delivers high quality, high level training on complex telecommunication. The training courses are widely regarded as the best within the telecommunication field and their customers include the biggest names in global telecoms. They did not provide only training course but also competent development plan for the customer.

Carenet training center provides training both for internal and external training. At present, Carenet has several training courses as shown in the table below.

Table 4.1. Carenet Training Courses.

Mobile			Transmission	IP
GSM	Mobile Application	UMTS		
GSM Introduction Non technical GSM Introduction Network Optimization Mobile Network Planning Concept Cellular Network Planning SS7 BSS NSS OMC	GPRS Introduction GPRS Service & Billing MMS Introduction IN Network	3G Introduction Non Technical UMTS UMTS Introduction UMTS Air Interface	SDH Introduction SDH Capacity Planning Fiber Optical Microwave DWDM Network Synchronize DCN	TCP/IP Fundamental-I TCP/IP Fundamental-II UNIX Introduction UNIX Shell Programming F/R X.25 Data Networking ATM Principle Technology of ATM Advance TCP/IP

Each training course has its course outline which included Course Code, Product Name, Audience Type, Objectives, Duration, Prerequisites, Maximum number of participants.

- (1) Course Code: is the code to use for internal company and for clients to order.
- (2) Product Name: is the name of the subject.
- (3) Audience Type: tells the type of audience who are suitable for the course and who mostly graduated in the telecommunication field.
- (4) Objectives: clarify the purpose of training course and the expected results after training.
- (5) Duration: is the period needed for each training course which is mostly not over a week to complete.
- (6) Prerequisites: tell the requirement before training that course.
- (7) Maximum numbers of participants: help setting the appropriate number of trainees to suit each course which is mostly not over 30 participants

Logistic

There are many types of businesses that need logistic services. And telecommunication businesses also need this. That's why Carenet also provided this non-technical service.

Carenet provides more value-added services of logistics management to meet the customer needs. With the globalization services, a variety of services include logistic management, registration service, licensing, custom clearance, warehousing and overland freight forwarding. Furthermore, Carenet specializes in logistics system of telecommunication equipment comprising of Business License, Type Approval License, Import and Export License, Registration (Stickering process), Custom Clearance, Transportation and Hardware Services.

4.2 Price

Carenet Uses Organizational Considerations in Setting Prices

The costs that Carenet takes into consideration are engineers' salary and daily allowance, training costs for each engineer, management fee, expenses that occurs while providing services to clients, etc.

Carenet set the price varied by cost based pricing with margin and provide discount according to the circumstance such as customer demand and company expenditures. The new set up price will be sent to clients in the preliminary quotation. After negotiation at its conclusion then the price will be revised and sent to clients in a quotation, which is the final approval for both parties.

Management will decide who within the organization should set prices. Carenet handles pricing in a variety of ways. In small companies, prices are often set by top management rather than the marketing or sales departments. In large companies, pricing is typically handled by divisional or product line managers. In industrial markets, salespeople may be allowed to negotiate with customers within certain price ranges. Even so, top management of Carenet sets the pricing objectives and policies, and it often approves the prices proposed by management team.

In industries in which pricing is a key factor, companies often have a pricing department to set the best prices or help others in setting them. This department reports to the marketing department or top management. Others who have an influence on pricing include sales managers, production managers, finance managers, and accountants. But for Carenet, persons who have an influence on pricing are Managing Director, General Manager, Account Manager, Project Manager, and Marketing Team.

Service perishability means that services cannot be stored for later sale or use. For example, some doctors charge patients for missed appointments because the service value existed only at that point and disappeared when the patient did not show up. The perishability of services is not a problem when demand is steady. However, when demand fluctuates, service firms like Carenet often have difficult problems. Thus Carenet has to design strategies for producing a better match between demand and supply.

At present, Carenet has a delay penalty in case the clients let them prepare for their specified services but doesn't give the actual date to start working on the project, which increases the company's salary expenses when holding highly skilled engineers. This delay penalty is only for special cases which already made an agreement by both parties. For any fault that occurs because the clients data is not updated and Carenet engineer have to go to the work sites without any implementation in upcountry areas is subject to be charged by Carenet also. But clients try to solve this fault by having to inform updated data to Carenet 1 week before starting the work.

4.3 Place

Figure below will show the flow of telecommunication services that is of several ways and this will be different from flow of telecommunication products provider.

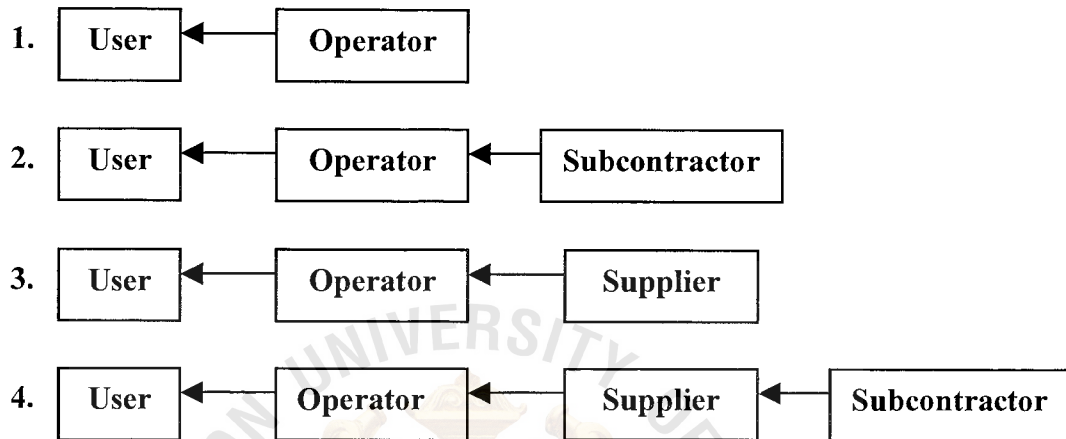


Figure 4.1. Different Flow of Telecommunication Services.

Carenet Uses Personal Selling or Direct Sale as Distribution Channel

Carenet uses direct marketing channel, a marketing channel that has no intermediary levels for distribution. Their direct marketing is direct communications with carefully targeted individual consumers to obtain an immediate response.

Carenet has marketing team members for the marketing channel to perform many key functions and help to complete transactions. Carenet marketing members are individuals acting for a company who perform one or more of the following activities: prospecting, communicating, servicing, and information gathering.

The information is an important tool for telecommunication services business. To gather information, Carenet has to distribute marketing team to perform marketing research and get intelligence information about factors and forces in the marketing

environment needed for planning and aiding, exchange the requirement of clients while providing the information of services that Carenet has.

Relationship Marketing

Carenet uses an important marketing strategy which is relationship marketing. It is the process of creating, maintaining, and enhancing strong, value-laden relationships with clients and other stakeholders. This will always be done before, during, and after selling process together with Personal Selling or Direct Sale of marketing members.

Internet

The Internet is another important distribution method for Carenet to receive clients' requirement through e-mail and clients can check the company's available services through website. And because of its benefit the clients can send e-mail to Carenet at their convenient time from any countries; this is a global distribution.

4.4 Promotion

Carenet set the promotion budget by an affordable method which is setting the promotion budget at the level management thinks the company can afford. Carenet's promotion can be separated into two functions which are internal and external.

Internal Promotion

The most important thing in this business is how to keep competent engineers working with the company as long as the company has a project to do. So company internal promotion is an important way to keep a good relationship with the engineering team. A monthly party is one of the good internal promotions of Carenet. And yearly bonus for employees may be another option for internal promotion.

Carenet also has a Carenet T-shirt and organizer book for all employees. This can be a promotion for both internal and external of the organization.

External Promotion

Even now there is no major advertising of Carenet through the public media but the company still has some external promotions for clients such as discount price for special request from clients and entertainment for important clients. This is good way to build relationship with important clients. The discount and entertainment budget will be considered by the management team, while marketing team members will operate the discounted price to clients or provide a suitable entertainment type for clients. The examples of entertainment provided are food and beverage at restaurants, various kinds of sports such as golf, and bowling, etc. The company also has gifts for special events given to an important clients such as year plan organizer book and T-shirt which has Carenet logo in the front, to remind customer everyday when they use them. Sometime Carenet give a Thai handicraft gifts which is produced from different Thai local regions to foreign clients also.

After each project is finished, the references will be updated into the company's profile, company website, and curriculum vitae (CV) of engineers who perform the operation. This record is a good promotion that can be used as reference for presentation to other new clients.

Carenet's current minor advertising is attaching the company's logo at the doors of each Carenet's truck to promote the company name when driving along the road.

Website

Carenet website is another promotion available through the internet at <http://www.carenet-apac.com>. So the clients will be able to know what type of telecommunication services that Carenet provided. And because of its benefit the clients can visit website of Carenet at their convenient time with a great promotion through global countries.

V. DEVELOP NEW MARKETING STRATEGIES FOR SHORT-TERM

Carenet short-term marketing strategies and business development plan is designed for 1 year implementation.

5.1 Product

There are three main suggested methods for Carenet in developing services program for short-term plan which are developing Engineering Team, developing Training Center and setting up Recruitment Center.

Develop Engineering Team

As mentioned before that the company engineering team is a very important resource of Carenet. So Carenet needs to keep developing their skills and abilities. One way to develop them is training. There are many courses of training internally but that still is not enough. Carenet has to send their engineering team to train outside also. The first training center that they would consider would be Nokia Training Center but the company should prepare the engineers' competence for other suppliers by sending some engineers for training at other suppliers instead of Nokia, because the technical telecommunication knowledge to serve each supplier is different, and the other suppliers may be other target markets that Carenet is going to provide services. So when Carenet's engineers become specialized, the distribution channel of services would be larger.

Develop Training Center

Even now there is a Carenet Training Center but the available training spaces are still not enough to provide a large amount of participants. Carenet can set the maximum number of participants of not more than 30 persons. So to solve this, they should rent an outsource space in case there is a large number of participants such as training room

from hotel. This outsource space is better than having permanent space because it would not effect the rental cost everyday without training courses.

Now there is an outline of training certificate, but no action performed yet. The certificate is an important document that shows the experiences of the holder. So Carenet may set a test after training to get certificate and gain more profit from this test or certificate, only that point is not enough. Carenet has to know how to make Carenet's certificate popular in demand by the training participants. They should write down the list of topics for each training course behind the certificate to shows details trained. The materials used to make certificate must be unique. In front, the certificate has to shown the company logo, authorized trainer signature, management member signature, and approved stamp to make certificate more reliable. The first period of issuing certificate may be provided for free until this becomes more popular.

Set up Recruitment Center

Telecommunication Engineering Recruitment Center is a good idea for internal and external benefits. For internal benefit, Carenet will always have competent telecommunication engineers in hand as they can choose the best from a large amount of applications they have. Carenet can hire part-time employees to serve clients during peak period and cut out permanent employees to reduce the cost especially in low seasons. For external benefit, Carenet can send telecommunication engineers to clients or other subcontractors as required, whereas Carenet will get some information about the existing telecommunication project in the country.

Recruiting Procedure

- (1) Consultation: Receive incoming call from candidates or clients, and do client visitation for the potential clients. Provide service with a welcome

attitude. Then discuss the requirement/recruiting plan for clients and career path for candidates.

- (2) Acceptance of Order: Clients fill out the “Recruiting Sheet” as well as “Client’s Company Profile” with accurate information. And Carenet may ask for client’s company profile sheet or homepage address to get better understanding of client’s business and requiring conditions.
- (3) Recommendation: Arrange suitable candidates throughout Carenet database according to client’s requirement and conduct face to face interviews for a screening record or additional testing. Then send the candidates’ resumes with “Interview Schedule Sheet” to clients.
- (4) Co-ordination: Arrange the interviews schedule between clients and candidates. Make confirmed interviews complete and inform the interview result to the candidates. Find more or new candidates according to client’s requirements.
- (5) Contract Agreement: Prepare “Letter of Appointment for both client and candidate when the offer is confirmed. Then Carenet and client sign on the “Letter of Appointment” based on the Terms and Conditions.
- (6) Following Up: Call-up or meet-up with clients to make sure whether the candidates are doing well or not during 90 days guarantee term with the impression of customer-oriented business attitude.
- (7) Payment Confirmation: Must make sure whether the clients paid “Search Fee” to Carenet according to the Terms and Conditions or not. If not, Carenet have to chase the “Late Payment” with resolute attitude.

- (8) Miscellaneous: Carenet must complete this basic recruiting procedures with maximum sales-mind and operation-speed to make their clients and candidates satisfied.

5.2 Price

To Use Marketing Mix Strategy

Price is only one of the marketing mix tools that any company uses to achieve its marketing objectives. Price decisions must be coordinated with product or service design, distribution, and promotion decisions to form a consistent and effective marketing program. Decisions made for other marketing mix variables may effect pricing decisions also.

Many companies often position their products or services on price and then base other marketing mix decisions on the prices they want to charge. Here, price is a crucial product-positioning factor that defines the product's market, competition, and design. Many companies support such price-positioning strategies with a technique called *target costing*, a potent strategic weapon. Target costing reverses the usual process of first designing a new product or service, determining its cost, and then asking "Can we sell it for that?" Instead, it starts with an ideal selling price, and then targets costs that will ensure that the price is met.

Other companies deemphasize price and use other marketing mix tools to create *nonprice* positions. Often, the best strategy is not to charge the lowest price, but rather differentiate the marketing offer to make it worth a higher price.

Thus, Carenet must consider the total marketing mix strategy when setting prices. If the service is positioned on nonprice factors, then decisions about quality, promotion, and distribution will strongly affect price. If price is a crucial positioning factor, then price will strongly affect decisions made about the other marketing mix elements.

However, even when featuring price, Carenet needs to remember that customers rarely buy on price alone. Instead, they seek products or services that give them the best value in terms of benefits received for the price paid. Thus, in most cases, Carenet should consider price along with all the other marketing mix elements when developing the marketing program.

The costs that Carenet takes into consideration nowadays are engineers' salary and daily allowance, training costs for each engineer, management fee, expenses that occurs while providing services to clients, etc. This already included products and services cost, place or distribution cost for transportation expenses pricing by organization consideration, but they should consider more on promotion cost such for future advertising, because, Carenet never adds the promotion cost with the price.

If Carenet has Recruitment Center, then this new service should set pricing based on Marketing Mix elements, for sending temporary or permanent engineers to clients, because promotion cost is a very important factor to consider for recruitment business. And this price setting will be a consideration by management team also.

5.3 Place

There are two main suggested methods for Carenet in developing distribution program for short-term plan which are using Steps in the Selling Process and using More Intermediary Levels.

Use Steps in the Selling Process

The steps that Carenet marketing members should follow when selling included prospecting, pre approach, approach, presentation, handling objections, negotiation, closing, and follow-up.

- (1) Prospecting: The step in the selling process in which the marketing members identify qualified potential clients. This person has to be the authorized person who can make decisions on which subcontractor to give the job.
- (2) Pre approach: The step in the selling process in which the marketing members learn as much as possible about a prospective client before making a sales call or a call for presentation.
- (3) Approach: The step in the selling process in which the marketing members make a greeting call before meeting the clients to get a good relationship at start. Then ask for their available time for the presentation.
- (4) Presentation: The step in the selling process in which the marketing members meet clients and tell the service descriptions that the company provides, showing how the services will make or save money for the clients using direct sale strategy.
- (5) Handling objections: The step in the selling process in which the marketing members seek out, clarify, and overcome client objections to buy or deny the proposed quotation. If the marketing members made a good start at presentation then it would be easier to achieve the preliminary quotation when clients are reliable in Carenet's image, believe in competent services of telecommunication engineering and potential experiences that Carenet has.
- (6) Negotiation: the marketing members have to propose the preliminary quotation for the first time. And send the final quotation after receiving finalized satisfied prices. This step may be performed on meeting or by sending e-mail with some calls.
- (7) Closing: The step in the selling process in which the marketing members ask the clients for a purchase order (PO).

- (8) Follow-up: The last step in the selling process in which the marketing members follow-up after the sale to ensure customer satisfaction and repeat business.

Use More Intermediary Levels

Carenet should look for a more indirect marketing channel which is a channel containing one or more intermediary levels. An example of this can be made by providing an individual engineer to other subcontractors. This can be achieved easier when Carenet has Recruitment Center so Carenet will have enough resources to provide for clients. The company has two choices for clients which are temporary engineers and permanent engineers. After they got our engineers, this is our indirect marketing channel provided for suppliers or operators.

Carenet has decided to provide services in a foreign country but they must determine the best mode of entry. There are three market entry strategies for their choices which are *Exporting*, *Joint Venture*, and *Direct Investment*, along with the options each one offers. Each succeeding strategy involves more commitment and risk, but also more control and potential profits.

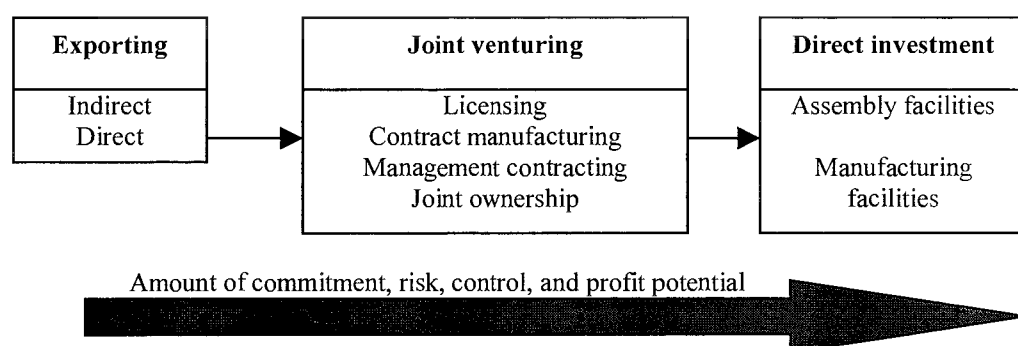


Figure 5.1. Market Entry Strategies.

Here is a short-term development; Carenet should start with the lowest commitment and risk which is Exporting. Then Joint Venture and Direct Investment would be a long-term plan for Carenet.

Exporting

The simplest way to enter a foreign market is through exporting. Exporting is entering a foreign market by sending products or services and selling them through international marketing intermediaries (indirect exporting) or through the company's own department, branch, or sales representatives or agents (direct exporting).

Carenet may typically start with *indirect exporting*, working through independent international marketing intermediaries. Indirect exporting involves less investment because the firm does not require an overseas sales force or set of contacts. It also involves less risk. International marketing intermediaries are domestic-based export merchants or agents, cooperative organizations, and export-management companies. They bring know-how and services to the relationship such as work permit and international taxations, so Carenet will have fewer mistakes and responsibilities.

Carenet may eventually move into *direct exporting*, whereby they handle their own exports. The investment and risk are somewhat greater in this strategy, but so is the potential return. Carenet can conduct direct exporting in several ways. First choice is setting up a domestic export department that carries out export activities. Second choice is setting up an overseas sales branch that handles sales, distribution, and perhaps promotion as representative office. The sales branch gives the seller more presence and program control in the foreign market and often serves as a display center and customer service center. Last choice is sending home-based salespeople abroad at certain times in order to find business. Finally, Carenet can do exporting either through foreign-based

distributors who can hire and own engineering team or through foreign-based agents who sell the goods or services on behalf of the company.

5.4 Promotion

If the training certificate was approved to issue to the trained participants, it can be a good promotion document that will stick with the holder when they apply for a job and for their own use when they see it. This can be internal promotion for the company's engineering team who took internal training and can be external promotion for participants outside the organization. The company should promote this training center to the fresh graduate telecommunication engineering students and those who are interested, to get more participants to train because the trainers must be paid anyway when there is a training course or not.

Develop customer relationship management through marketing members and all employees. When everyone in the organization realizes the benefit of customer relationship management to themselves and the company, this will be a very good promotion technique to maintain clients.

At present, checking clients' feedback or follow-up step is made randomly. But this last step in the selling process is also an important thing to consider doing every time when finishing each project. So the company follow-up step should be developed by checking feedback every time after the work is finished and may use a newly created standard format for filling out.

Caret Calendar, maybe another gift to be used for promotion together with a year plan organizer (diary) given to special clients before New Year event.

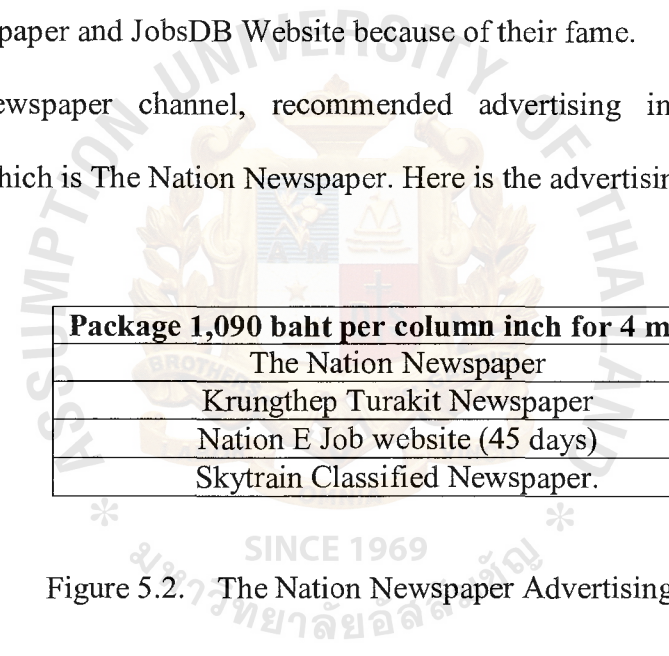
Advertising

Advertising is an interesting promotion tool which is any paid form of nonpersonal presentation and promotion of ideas, goods, or services by an identified sponsor. Carenet have to consider the advertising objective and benefits of each advertising media carefully for selecting advertising media for each different service.

Carenet may separate their advertisement into two different media, one for Recruitment Center and another for Telecommunication Engineering Services.

The recommended advertising media for *Carenet Recruitment Center* are The Nation Newspaper and JobsDB Website because of their fame.

For newspaper channel, recommended advertising in an English written newspaper which is The Nation Newspaper. Here is the advertising cost:



Package 1,090 baht per column inch for 4 media
The Nation Newspaper
Krungthep Turakit Newspaper
Nation E Job website (45 days)
Skytrain Classified Newspaper.

Figure 5.2. The Nation Newspaper Advertising Cost.

For Internet channel, recommended advertising on JobsDB, <http://www.jobdb.com>. Here is the JobsDB advertising cost:

Table 5.1. JobsDB Advertising Cost.

Plan Period	Quota of Job Ad	No. of Resume	Regular Price	Special Price
12 Months	80	800	60,000 baht	42,000 baht
6 Months	80	800	45,000 baht	36,500 baht

For the main *Telecommunication Engineering Service*, the recommended advertising media is a Thai newspaper named Telecom Journal, a telecommunication business newspaper. This is a specific newspaper that has advantage in pointing to right target group, but the disadvantage is that it provides only Thai language edition. Telecom Journal Newspaper printed 120,000 copies weekly for Thailand nationwide. Here is the advertising cost:

Full page size: 12 columns x 20 inches
Color 150,000 Baht; Black-White 120,000 Baht
Half page size: 12 columns x 10 inches or 6 column x 20 inches
Color 90,000 Baht; Black-White 60,000 Baht
Junior Size: 8 columns x 15 inches
Color 90,000 Baht; Black-White 60,000 Baht
Quarter Size: 6 columns x 10 inches
Color 60,000 Baht; Black-White 30,000 Baht

Figure 5.3. Telecom Journal Newspaper Advertising Cost.

VI. DEVELOP NEW MARKETING STRATEGIES FOR LONG-TERM

Carenet long-term marketing strategies and business development plan is designed for 2-5 year implementation.

6.1 Product

There are 4 Services Improvement suggested for Carenet in developing services program for long-term plan and then consider the International Products and Services Marketing.

Services Improvement

Today, as competition and costs increase, and as productivity and quality decrease, more service marketing sophistication is needed. Service companies like Carenet needed four major marketing tasks for their improvement which are *service differentiation, service quality, service productivity, and service-profit chain.*

Managing Service Differentiation

In these days of intense price competition, service marketers often complain about the difficulty of differentiating their services from those of competitors. To the extent that customers view the services of different providers as similar, they care less about the provider than the price. The solution to price competition is to develop a differentiated *offer, delivery, and image.*

- (1) The offer can include innovative features that set one company's offer apart from competitors' offers.
- (2) Carenet can differentiate their service delivery by having more able and reliable customer-contact people, be developing a superior physical environment in which the service or product is delivered, or by designing a superior delivery process.

- (3) Finally, Carenet also can work on differentiating their images through symbols and branding.

Managing Service Quality

One of the major service firms can differentiate itself is by delivering consistently higher quality than the competitors do. Like manufacturers, many service industries have now joined the total quality movement. Customer retention is perhaps the best measure of quality – a service firm's ability to hang onto its customers depends on how consistently it delivers value to them. Like product marketers, service providers need to identify the expectations of target customers concerning service quality. Unfortunately, service quality is harder to define and judge than is product quality. Moreover although greater service quality results in greater customer satisfaction, it also results in higher costs. Still, investments in service usually pay off through increased customer retention and sales. Many service companies have invested heavily to develop streamlined and efficient service delivery systems. They want to ensure that customers will receive consistently high-quality service in every service encounter. However, unlike product manufacturers who can adjust their machinery and inputs until everything is perfect, service quality will always vary, depending on the interactions between employees and customers. Problem will inevitably occur. As hard as they try, even the best companies will have an occasional problem.

However, although Carenet may not always prevent services problem, Carenet can learn to recover from the services problem. Good *service recovery* can turn angry customers into loyal ones. In fact, good recovery can win more customer purchasing and loyalty than if things had gone well in the first time. Therefore, Carenet should take steps not only to provide good services every time, but also to recover from service mistakes when they do occur.

The first step is to *empower* front-line service employees – to give them the authority, responsibility, and incentives they need to recognize, care about, and tend to customer need.

Studies of well-managed service companies show that they share a number of common virtues regarding service quality. Top service companies are customer obsessed and set *high service quality standards*. They do not settle merely for good service, they aim for 100 percent defect-free service.

Top service firms also *watch service performance closely* – both their own and that of competitors. They use methods such as comparison shopping, customer surveys, and suggestion and complaint forms. Good service companies also communicate their concerns about service quality to employees and provide performance feedback.

Managing Service Productivity

With the costs rising rapidly, service firms are under great pressure to increase service productivity. They can do so in several ways. The service providers like Carenet can train current employees better or hire new ones who will work harder or more skillfully. Or the Carenet can increase the quantity of their service by giving up some quality. Finally, the Carenet can harness the power of technology. Although people often think of technology's power to save time and costs in manufacturing companies, it also has great potential to make service workers more productive. However, Carenet must avoid pushing productivity so hard that by doing so it reduces quality. Attempts to industrialize a service or to cut costs can make a service company more efficient in the short run but reduce its longer-run ability to innovate, maintain service quality, or respond to consumer needs and desires. In some cases, Carenet may accept reduced productivity in order to create more service differentiation or quality.

Managing Service-Profit Chain

Successful service companies focus their attention on both their customers and their employees. They understand the *service-profit chain*, which links service firm profits with employee and customer satisfaction. This chain consists of five links:

- (1) International service quality: superior employee selection and training, a quality work environment, and strong support for those dealing with customers.
- (2) Satisfied and productive service employees: more satisfied, loyal, and hard-working employees.
- (3) Greater service value: more effective and efficient customer value creation and service delivery.
- (4) Satisfied and loyal customers: satisfied customers who remain loyal, repeat purchase, and refer to other customers.
- (5) Healthy service profits and growth: superior service firm performance.

International Products and Services Marketing

International product and service marketers face special challenges. First, Carenet must figure out what products and services to introduce and in which countries. Then, they must decide how much to standardize or adapt their products or services for world markets. On the one hand, Carenet would like to standardize their offerings. Standardization helps them to develop a consistent worldwide image. It also lowers managing costs and eliminates duplication of research and development, advertising, and service design efforts. On the other hand, consumers around the world differ in their cultures, attitude, and buying behaviors. Markets too vary in their economic conditions, competition, legal requirements, and physical environments. Carenet must respond to these differences by adapting their product or service offerings. Setting a standard

service packages also presents new challenges for international marketers. These service packages may also have to be adaptable to meet the physical characteristics of consumers in various countries. Thus, although service package standardization can produce benefits, Carenet must usually adapt their offerings to the unique needs of specific international markets.

Whereas product marketers try to add intangibles to their tangible offers, service marketers should try to add tangible to their intangible offers also. Carenet should find some corporate manufacturing that can provide us some material or equipment that supports our existing services. Even this is not easy, but we have to keep on looking for a chance, this will help Carenet to face a special challenge.

6.2 Price

Setting Standard Price

At present, Carenet is trying to set standard prices, but according to the client negotiation, it still difficult for them to make it. This negotiation always occurs because Carenet didn't set the standard price since the beginning. That's because of the dynamic in terms of condition and the competitors may take Carenet standard price for their advantage, because competitors may take this standard price and make a discount for the same clients. But there is still a solution, because nothing is all the same in every subcontractor. Carenet has to find out: What is their uniqueness? What can make them different from the other? That's the important factor that can make Carenet's standard price different from the others. Carenet may find some value added into their service, may be tangible or intangible. This should probably set their unique standard price different from the others competitors.

But this standard price should be furnished by setting a special package that attracts international demand. This special package may bundle some different services

together. Carenet have to know in their mind that comparing their competence and price of their telecommunication engineering services with the other telecommunication engineering services in other countries, they already provided cheaper services in the higher rank than many subcontractors in other countries. One of Carenet advantages may be their lower support cost with more engineering knowledge than the others.

6.3 Place

There are two main suggested considerations for Carenet in developing distribution program for long-term plan which are considering Joint Venture and Direct Investment. Then consider about International Countries and Business in Singapore.

Considering Joint Venture and Direct Investment

Here is a long-term development, which will consider *Joint Venture* and *Direct Investment*. Because now Carenet gets more experience from short-term development for Exporting mentioned in “5.3 Place” so it would be easier to go to this step.

Joint Venture

Another method of entering foreign market is joint venture, which Carenet may join with reliable foreign companies as business partner or product partner to join products, services or other benefits together. There are four types of joint ventures which are licensing, contract manufacturing, management contracting, and joint ownership.

(1) Licensing is a simple way for Carenet to enter international marketing.

Carenet can enter into an agreement with a licensee in the foreign market.

For a fee or royalty, the licensee buys the right to use the company's servicing process, trade mark, patent, trade secret, or other items of value.

Carenet thus gain entry into the market at little risk; the license gains production expertise or a well-known product, service or name without

having to start from scratch. However, licensing has potential disadvantage. Carenet may have less control over the licensee than it would over its own production facilities. Furthermore, if the licensee is very successful, Carenet has given up these profits, and when the contract ends, it may find it has created a competitor.

- (2) Another option is Contract manufacturing, Carenet contracts with manufacturers in the foreign market to produce its product or provide its service. The drawbacks of contract manufacturing are the decreased control over the manufacturing process and loss of potential profits on manufacturing. The benefits are the chance to start faster, with less risk, and the later opportunity either to form a partnership with or to buy out the local manufacturer.
- (3) Under Management contracting, the domestic firm supplies management know-how to a foreign company that supplies the capital. The domestic firm exports management services rather than products. Management contracting is a low-risk method of getting into a foreign market, and it yields income from the beginning. The arrangement is even more attractive if the contracting firm has an option to buy some share in the managed company later on. The arrangement is not sensible, however, if Carenet can put its scarce management talent to better uses or if it can make greater profits by undertaking the whole venture. Management contracting also prevents Carenet from setting up its own operations for a period of time.
- (4) Joint ownership ventures consist of one company joining forces with foreign investors to create a local business in which they share joint ownership and control. Carenet may buy an interest in a local firm, or the two parties may

form a new business venture. Joint ownership may be needed for economic or political reasons. The firm may lack the financial, physical, or managerial resources to undertake the venture alone. Finally, a foreign government may require joint ownership as a condition for entry. Joint ownership has certain drawbacks. The partner may disagree over investment, marketing, or other policies.

Direct Investment

The biggest involvement in a foreign market comes through direct investment, the development of foreign-based assembly or manufacturing facilities. If Carenet has gained experience in exporting and if the foreign market is large enough, foreign production facilities offer many advantages. Carenet may have lower costs in the form of cheaper labor or using local engineers, foreign government investment incentives, and freight savings (reduce traveling expenses). Carenet may improve their image in the host country because it creates jobs. Generally, if Carenet develops a deeper relationship with government, customers, local suppliers, distributors will allow it to better adapt its products or services to the local market. Finally, Carenet keeps full control over the investment and therefore can develop manufacturing and marketing policies that serve its long-term international objectives. The main disadvantage of direct investment is that Carenet faces many risks, such as restricted or devalued currencies, falling markets, or government changes. In some cases, Carenet has no choice but to accept these risks if they want to operate in the host country.

Considering International Countries

Carenet's targeting countries in Southeast Asia then extend to Asia Pacific Region then other global areas. Southeast Asian country likes Singapore and Philippines would be the expectation to expand business for the first period. If Carenet could approach

their business to any international country for one time, then the challenging telecommunication business country like USA would be easier to approach.

Carenet business services industry is expected to provide services globally by trying to have an international growth followed by the globalization of manufacturing companies that they serve, especially our main client like Nokia. Then expand to other international suppliers and operators. Figure 6.1 will show six major decisions in international marketing.



Figure 6.1. Major Decisions in International Marketing.

Carenet have to study economic environment and political / legal environment of each country before setting up a company. Two economic factors reflect the country's attractiveness as a market that is the country's *industrial structure* and its *income distribution*. Each nation differs greatly in their political and legal environments. There are at least four political and legal factors that Carenet should consider in deciding whether to do business in a given country, which are *attitude toward international buying*, *government bureaucracy*, *political stability*, and *monetary regulations*.

The possibility in global markets should be ranked on several factors, including market size, market growth, cost of doing business, competitive advantage, and risk level. The goal is to determine the potential of each market, using indicators such as those shown in Table 6.1 below that will generate some ideas in decisions. Then Carenet must decide which markets offer the greatest long-run return on investment.

Table 6.1. Indicators of Market Potential.

1. Demographic Characteristics	4. Technological Factors
Size of population	Level of technological skill
Rate of population growth	Existing production technology
Degree of urbanization	Existing consumption technology
Population density	Education levels
Age structure and composition of the population	
2. Geographic Characteristics	5. Sociocultural Factors
Physical size of a country	Dominant values
Topological characteristics	Lifestyle patterns
Climate conditions	Ethnic groups
	Linguistic fragmentation
3. Economic Factors	6. National Goals and Plans
GNP per capita	Industry priorities
Income distribution	Infrastructure investment plans
Rate of growth of GNP	
Ratio of investment to GNP	

Considering Business in Singapore

The first overseas countries that Carenet consider would be Singapore because of many reasons that included the Nokia headquarter, the main Carenet's client, now located in Singapore.

About Singapore

Singapore is today a reputable financial centre, a key regional trading centre, the world's busiest port and a top location for investments in Asia Pacific. Factors such as strategic location, a competitive workforce, pro-business environment and forward looking economic policies have enabled Singapore to be the world's gateway to Asia. Despite the inherent disadvantages of a small domestic economy and lack of natural resources, Singapore has established itself as one of the top trading nations in the world, and is consistently voted one of the best business destinations. It is recognized one of the most competitive economies in the world, supported by an increasingly globally-competitive workforce.

Singapore is a small island city-state in Southeast Asia. It has an area of about 648 km². Singaporeans enjoy one of the highest quality of life, with a per capita GDP of US\$24,000 (S\$44,000). Singapore's trade is about 2.7 times the size of its GDP in 1999. In 1999, the Republic was ranked by the World Trade Organization (WTO) as the 16th largest trading nation in terms of both merchandise and services trade. Since 1979, its total trade has grown approximately 7 times, reaching a total of S\$470 billion in 2000. Its major trading partners are Malaysia, the United States, China, the European Union and Hong Kong.

Singapore is a free trader, implementing practically no barriers to the free flow of goods in and out of Singapore, and a vocal champion of global free trade. The primary objective of our trade policy is to guard our trading interests by ensuring a free and open

international trading environment. "This is why Singapore places the highest priority on the multilateral trading system embodied by the World Trade Organization (WTO). The WTO provides the stable framework for developing sound multilateral rules that ensure that goods and services can flow freely with minimum impediment. People also strongly believe that trade efforts undertaken in regional for such as APEC, ASEM and ASEAN, as well as under bilateral Free Trade Agreements (FTAs) can accelerate the momentum of trade liberalization and strengthen the multilateral trading system. As legally binding arrangements between willing member countries, FTAs enhances trade and investment flows by providing lower tariffs for exports of goods, hassle-free custom procedures, improved market access for various commercial and professional services, easier entry for the businessmen into other countries, better terms for investment in foreign countries etc. It sets a framework for their businesses to grow and expand globally, which in turn will generate more employment opportunities for Singaporeans. To date, Singapore has signed FTAs with New Zealand (ANZSCEP), Japan (JSEPA) and Australia (SAFTA).

Factors Contributing to Singapore's Success

(1) Strategic Location:

Singapore's strategic location has made it one of the most attractive business locations in Asia. It is situated within ASEAN, which represents a combined market of more than 500 million people. Singapore can also access a market catchments size of 2.8 billion people within 7 hours' flight time.

(2) Excellent Infrastructure:

More than 140,000 vessels from more than 400 lines called at Singapore's seaport in 1999, generating 15.9 million TEUs. In terms of world container port traffic, Singapore Port handled more container traffic

than busy ports like Rotterdam (Netherlands), Long Beach (US) and Hamburg (Germany).

Besides having outstanding seaport facilities, Singapore's Changi Airport is also renowned worldwide for its efficiency. It bagged a total of 16 best airport awards from major international publications and organizations in 1999. This was a record win for the airport, which handled 12.3 million passengers in 1999.

(3) Good Telecommunications Network:

Singapore is one of the most competitive telecommunications hubs in the Asia Pacific. This is further enhanced by its recent liberalization of the telecommunication industry in early 2000.

(4) Financial System:

Singapore is also well-plugged into the international financial system. It is the 4th largest foreign exchange trading centre in the world, the 5th largest trader in derivatives and the 9th largest offshore lending centre. It is behind only London, New York and Tokyo in foreign exchange trading. The Singapore Exchange (SGX) is recognized as a leading stock market in Asia and one of the world's leading derivatives exchanges.

(5) Others:

Singapore's success is also the result of a combination of many other factors, such as a clean and efficient government, emphasis on education and science and technology, excellent labor/employer relations, and a competitive and flexible labor force.

6.4 Promotion

There are two suggested considerations for Carenet in developing promotion program for long-term plan which are; knowing How Differences to Promote and knowing Which Differences to Promote.

How Differences to Promote

Many marketers think that companies should aggressively promote only one benefit to the target market. Buyers tend to remember “number one” better, especially in an over communicated society. What are some of the number one positions to promote? The major ones are “best quality”, “best service”, “lowest price”, “best value” and “most advanced technology”. Some company that hammers away at one of these positions and consistently delivers on it probably will become best known and remembered for it. Other marketers think that companies should position themselves on more than one differentiating factor. This may be necessary if two or more firms are claiming to be best on the same attribute.

Today, in a time when the mass market is fragmenting into many small segments, companies are trying to broaden their positioning strategies to appeal to more segments. Clearly, many buyers want more benefits, and the challenge was to convince them that one company can deliver all benefits. However, as companies increase the number of claims for their products or services, they risk disbelief and a loss of clear positioning.

In general, Carenet needs to avoid three major positioning errors. The first is *under positioning* which is failing to ever really position the company at all. Some companies discover that buyers have only a vague idea of the company or that they do not really know anything special about it. The second error is *over positioning* which is giving buyers too narrow a picture of the company. Finally, Carenet must avoid *confused positioning* which is leaving buyers with a confused image of a company.

Which Differences to Promote

Carenet has to find differences to promote. Not all products or services differences are meaningful or worthwhile. Not every difference makes a good differentiator. Each difference has the potential to create company costs as well as customer benefits. Therefore, Carenet must carefully select the ways in which it will distinguish itself from competitors. A difference is worth establishing to the extent that it satisfies the following criteria:

- (1) Important: The difference delivers a highly valued benefit to target buyers.
- (2) Distinctive: Competitors do not offer the difference, or Carenet can offer them in a more distinctive way.
- (3) Superior: The difference is superior to other ways that customers might obtain the same benefit.
- (4) Communicable: The difference is communicable and visible to buyers.
- (5) Preemptive: Competitors cannot easily copy the difference.
- (6) Affordable: Buyer can afford to pay for the difference.
- (7) Profitable: Carenet can introduce the difference profitably.

VII. EVALUATION OF MARKETING STRATEGIES

Services

Management team has to choose the right internal course training and external course training for each engineer. When *developing Engineering Team*, Carenet have to monitor the advancement of each engineer by setting up an individual test after each training to know whether they understand or need more support information or not. The total score should be more than 80% of the test. And to avoid confusion of the scope of work, Carenet may separate engineering team for different supplier or operators.

In *developing Training Center*, after the plan is completed, marketing team has to broadcast the Carenet Training Center to the market, especially to the Universities. Then check the feedback monthly whether the amount of participants increases or not. If not, Carenet have to make decisions for choosing an advertising media to get more trainees. The amount of participants should be more than 30 persons per each training course.

After *setting up Recruitment Center*, Carenet needs to advertise in the suggested media both newspapers and websites as well as using direct approach for the prospective clients. Then check feedback monthly for the amount of candidates' application forms and amount of clients who are interested to use telecommunication recruitment service. The amount of applications should be more than 50 per month and the amount of candidates required should be more than 5 persons per month. Try to get the right person for the clients' requirement to get clients' loyalty.

In *Services Improvement*, Carenet should improve service differentiation, service quality, service productivity and service-profit chain. Then consider *International Products and Services Marketing* to figure out what products and services to introduce and in which countries. Then, decide how much to standardize or adapt their products or

services for world markets. After the each development, the amount of order should be increase in an appropriate proportion.

Pricing

In *short-term*, management team of Carenet must consider the total marketing mix strategy when setting prices which coordinated with product or service, place or distribution, and promotion decisions to form a consistent and effective marketing program. This price must be used together with target costing to be more potential. When this plan is performed, Carenet will have some margin enough for each marketing mix element especially for promotion. And they may check the gain after each project.

In *long-term*, management team of Carenet has to find out the uniqueness or value-added and provide something different from the other. So Carenet will be able to set standard price for global services. That's the important factor that can make Carenet standard price different from the others. This standard price should be a special package that attracts international demand, by bundling some services together. Then see the return in investment and expenditure for the year.

Distribution Channel

Steps in the Selling Process suggested will help Carenet plan and perform each step right to the objectives which will be more effective than unplanned selling process. The customer satisfaction would be an evaluation tool of this selling process.

Using More Intermediary Levels which are Exporting, Joint Venture and Direct Investment; will make Carenet to expand telecommunication service world wide. Carenet have to consider the prospective countries that can ensure the benefits for the long-run and continue the customer satisfaction in profitable markets. Then see the profitability received for each project.

Promotion

Both internal and external promotion must perform together but the feedback of each promotion must be evaluated separately by the person who conducted the follow-up step. The feedbacks have to be performed in a suitable time with punctuality. If the feedback from clients is good, Carenet can continue that promotion. But if not, then it must be cut out from that promotion and find something better by knowing How and Which Differences to Promote.

The advertising program should evaluate both the communication effects and the sales effects of advertising regularly. To measure the *communication effects* of an ad, copy testing can tell whether the ad is communicating well. Copy testing can be done before or after an ad is printed or broadcast. Before the ad is placed, the advertiser can show it to consumers, ask how they like it, and measure recall or attitude changes resulting from it. After the ad is run, the advertiser can measure how the ad affected consumer recall or product awareness, knowledge, and preference. But the *sales effects* of advertising are often harder to measure than the communication effects. Sales are affected by many factors besides advertising such as product features, price, and availability. One way to measure the sales effect of advertising is to compare past sales with past advertising expenditures. Another way is through experiments.

VIII. CONCLUSIONS AND RECOMMENDATIONS

8.1 Conclusions

The objectives of the project are Analyzing Current Situation by SWOT and Competitor Analysis, Analyzing Existing Marketing Strategies and Developing New Marketing Strategies for Long-term and Short-term for Carenet Co., Ltd. Scope of project is Marketing Plans for Telecommunication Engineering Services Company in Thailand to extend to international countries.

About Carenet

Carenet Co., Ltd. is an engineering service company that offers a comprehensive range of technical services for suppliers and operators of telecommunication systems. The support services cover Implementation, Network Operation & Maintenance, Network Optimization, Project Management, Training, Installation Material Provision, and Logistic.

The Goal of Carenet is to provide professional services that best meet the needs of customers: Always develop their competence engineers, Maintain high quality of services, Retain their customer satisfaction, Bring more value-added to their customers, and to become more Worldwide International Company.

The Resources of Carenet is a team of experienced field service staff and technicians that are dispatched for the provisions of services they offer to the customers. Carenet provide a useful competence development to their staff and believe this is the most important key to success. Carenet believe the successful management from starting to the end is directly related to the quality of their resources. The in-depth knowledge, quality and high performance & experience of their engineers along with their competitive prices are what set them apart from the competitors.

Carenet has several competitors; both Thai local firms and foreign. The competitors in the existing market are as follows: Soonpoh, MyCom, WestCom, and NDC.

Carenet Services

Carenet provides engineering services as a subcontractor to communications providers in Implementation, Network Operation & Maintenance, Network Optimization, Project Management, Training, Installation Material Provision, and Logistic.

Carenet has an engineering team to run technical telecommunication services in providing Implementation, Network Operation & Maintenance, Network Optimization, and Installation Material Provision. Carenet will recruit competent engineers then develop them by various training, both internal and external training. Carenet has a management plan for engineering team also.

Carenet has project managers as the key men who can plan, control, and run the client projects in both sub-projects and the whole turn-key projects.

The training courses of Carenet are widely regarded as the best within the telecommunication field and their customers include the biggest names in global telecoms. Carenet also provide competent development plan for the customer. Carenet training center provides training both for internal and external training. There are several training courses and each training course has its course outline.

Carenet provides services of logistics including logistic management, registration service, licensing, custom clearance, warehousing and overland freight forwarding. Carenet specializes in logistics system of telecommunication equipment.

Carenet Pricing

Carenet uses organizational considerations in setting prices. Carenet set the price that varies by cost based pricing with margin and provide discount according to the circumstance such as customer demand and company expenditures. Management will decide who within the organization should set prices. Carenet handles pricing in a variety of ways. Top management of Carenet sets the pricing objectives and policies, and it often approves the prices proposed by management team. Persons who have an influence on pricing are Managing Director, General Manager, Account Manager, Project Manager, and Marketing Team.

Carenet Distribution Channel

Carenet uses Personal Selling or Direct Sale as distribution channel. Their direct marketing is a direct communications with carefully targeted individual consumers to obtain an immediate response. Carenet has marketing team members for the marketing channel to perform many key functions and help to complete transactions. To gather information, Carenet has to distribute marketing team to perform marketing research and get intelligence information about factors and forces in the marketing environment that is needed for planning and aiding exchange for the requirement of clients by providing the information services that Carenet has. Carenet uses important marketing strategy which is relationship marketing. The Internet is another important distribution method for Carenet.

Carenet Promotion

Carenet sets the promotion budget by affordable methods. Carenet's promotion can be separated into two functions which are internal and external. The most important thing of this business is how to keep the competent engineers working with the company as long as the company is having a project. So company internal promotion is

an important way to keep a good relationship with the engineering team. Carenet has some external promotions for clients such as discount price for special requests from clients and entertainment for important clients. The company also has gifts for special events given to an important client.

After each project is finished the references will be updated into the company profile, company website, and curriculum vitae (CV) of engineers who perform the operation. This record is a good promotion that can be used as reference for presentation to other new clients.

Carenet website is another promotion available by the internet through global countries. So clients in the international marketing will be able to know what type of telecommunication services Carenet provided.

Short-term Development

Carenet short-term marketing strategies and business development plan is designed for 1 year implementation.

Carenet Services

There are three main suggested methods for Carenet in developing services program for short-term plan which are developing Engineering Team, developing Training Center and setting up Recruitment Center.

Carenet Pricing

Price decisions must be coordinated with product or service design, distribution, and promotion decisions to form a consistent and effective marketing program. Carenet must consider the total marketing mix strategy when setting prices together with target costing, the reverse process of determining the cost.

Carenet Distribution Channel

There are two main suggested methods for Carenet in developing distribution programs for short-term plan which are Steps in the Selling Process and More Intermediary Levels (emphasized on Exporting).

Carenet Promotion

The training certificate can be a good promotion document for internal promotion and external promotion. The company should promote this training center to fresh graduate telecommunication engineering students and those who are interested, to get more participants to train.

Carenet has to consider development in customer relationship management through marketing members and all employees and checking clients' feedback, follow-up steps are another short-term development plan.

Carenet has to consider the advertising objective and benefits of each advertising media carefully before selecting advertising media for each different service.

Long-term Development

Carenet long-term marketing strategies and business development plan is designed for 2-5 year implementation.

Carenet Services

There are 4 Services Improvement suggested for Carenet in developing services program for long-term plan and then consider the International Products and Services Marketing.

Carenet Pricing

Carenet has to find out: What is their uniqueness? What can make them different from the others? That's the important factor that can make Carenet standard price different from the others. Carenet may find some value added into their service, may be tangible or intangible. This should probably set their unique standard price different from the other competitors. But this standard price should be furnished by setting a special package or bundling some services together that will attract international demand.

Carenet Distribution Channel

There are two main suggested considerations for Carenet in developing distribution program for long-term plan which are considering Joint Venture and Direct Investment. Then consider about International Countries and Business in Singapore.

Carenet Promotion

There are two suggested considerations for Carenet in developing promotion program for a long-term plan which are; knowing How Differences to Promote and knowing Which Differences to Promote.

8.2 Recommendations

At present, the main target market of Carenet is Nokia and mostly their engineering team has a lot of experiences in Nokia technical knowledge. Carenet has to consider the downturn possibility of Nokia also. Carenet needs additional training from other supplier training centers before going to the next step in approaching other suppliers. Then try to expand this telecommunication engineering services to as many suppliers as possible. The first two suppliers that Carenet should approach are Siemens and Ericsson. Carenet Training Center has to develop as well as setting up Recruitment Center to support the main important resource which is an engineering team. Carenet has to differentiate their services accompanied by some products. And Carenet has to try to differentiate the firm from the competitors along the lines of product and services differentiation, people differentiation, and image differentiation.

Carenet should use the competitive advantage which is an advantage over competitors gained by offering consumers greater value, either through lower prices or by providing more benefits that justify higher prices. Carenet should consider marketing mix in short-term pricing and consider standard price in long-term pricing. And be consistent; even the first proposed quotation does not satisfy clients, the next little bit lower price quotation may attract clients in different periods of time.

Carenet should find some reliable company located in Thailand or any other country to join the benefits together or find more intermediary levels. Singapore is the first recommended countries to expand the business because of many advantages, especially the Nokia Head Office now moved to Singapore. At first start, Carenet may begin with Exporting engineering team or Project Joint Venture with other Singapore local company. And Direct Investment would be the next long-term consideration. Then Carenet's telecommunication services will be more powerful to achieve many aims

including obtaining technology and/or manufacturing capabilities, obtain access to specific markets, reduce financial risk, reduce political risk, achieve or ensure competitive advantage.

Carenet has to consider the development in short-term promotion and long-term promotion as well. When Carenet provides international services, they need a good advertising strategy. Marketing management must choose which advertising tool is suitable for the promotion and make five important decisions when developing advertising programs which are objectives setting, budget decisions, message decisions, media decisions, and campaign evaluation.



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