



Research on health promotion of pharmaceutical companies: A case analysis of Amway nutriline health run

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ABSTRACT

As a mode of business, sports promotion in the West has improved consummate business's model, but in China can be said to remain in the initial phase. A new mode has been searched for to link the Chinese sports industry to international's after the Beijing Olympic Games in 2008. It is a golden business opportunity for the development of sports industry. There have been very close contact and cooperation between health products business and sporting events because they may be a common keyword "health" in targeting. The paper introduces the characteristics and function of sports promotion. Through the analysis of "Amway Nutriline Health Run", there are many problems and advantages in sports promotion. Finally, the paper gets the overall conclusion about the trends and strategy of sports promotion. Hope that through above analysis, pharmaceutical companies in China can fully play to their advantages to improve their brand.

Keywords: Sports Promotion, Pharmaceutical Companies, Brand Image

INTRODUCTION

There is often a perception that sports and social capital have basically no relationship, just the state of things in the planned economy era. Sport is also considered as national government thing, however, we think the content is pure consumption. Sports material inputs, while the output of the main is spiritual harvest. The athlete is a state-owned asset, no other commercial value. Until after the reform and opening and development, the concept with the establishment of the market economy system has changed. China successfully hosted the Olympic Games in 2008, the first gold medal standings, but according to the deeper analysis of sports, there is still a big an amazing gap among China and advanced western countries. [1]

In nearly 20 years, sports promotion is paid more and more attention with the rapid development of modern sports, and has become a kind of tool of modern marketing communication. In 1984, at the Los Angeles Olympics, Ueberroth, an American, came up with the program "Olympic global cooperation partnership", the first model to be introduced into commercial operation sporting events.

In general, sports promotion puts companies, products and athletic competitions together by the mean of competitive sports activities in this platform, the overall project of unique corporate culture formed by the sports culture and corporate brand culture, one of the strategies to enhance the brand value for the enterprise. Its main promotion goal is to be able to make more consumers recognize the meaning and connotation of the brand, achieving the expansion of the role of brand influence, by taking the role of platform of the brand's sporting athletic events.

Sports promotion has many characteristics such as long-term, systematic and cultural, as evidenced in the last 20years of sports promotion practice at home and abroad. More vitally, it is also known that public welfare,

interactive and experiential brand communications features for businesses provide a good way of marketing communications for businesses, and sports promotion becomes another marketing tool processed with unmatched spreading advantage.

First, carrying out marketing activities by means of the sports events can provide enterprises the platform to show their products and culture, achieving to boost sales and profit, while the sports concepts such as justice, fairness, friendship and cooperation also put corporate brand awareness and affinity to much higher level. Secondly, the mode of transmission of sports promotion is more common and easier to be accepted.

The popular feature, that is sports communication facilitates good communication between the enterprise and the audience, can quickly sports fans in sports affection translate sports fans in sports affection into purchasing power of enterprise products. Results of a survey in the United States prove that, in a choice of a variety of marketing methods, 64% of consumers prefer to buy products manufacturer of sports sponsorship; the payoff is triple than that by routine advertising with the same funding.[2]

China with a huge potential for the global sports market is increasingly concerned by sports promotion. Exploring Chinese market using the communications platform to win business opportunities, enhance brand value has become a major competitive strategy of multinational companies.[3] Coca-Cola, Samsung, Panasonic Kodak, VISA and many other world-class multinational companies have participated in the 2008 Beijing Olympics "partners" and other sports promotion activities.

In addition, pharmaceutical companies also carry out varies of sports promotion, and the reason is that the concepts of pharmaceutical companies and sports are consistent to some degree, which is purposed by health, accepted more easily by the public.

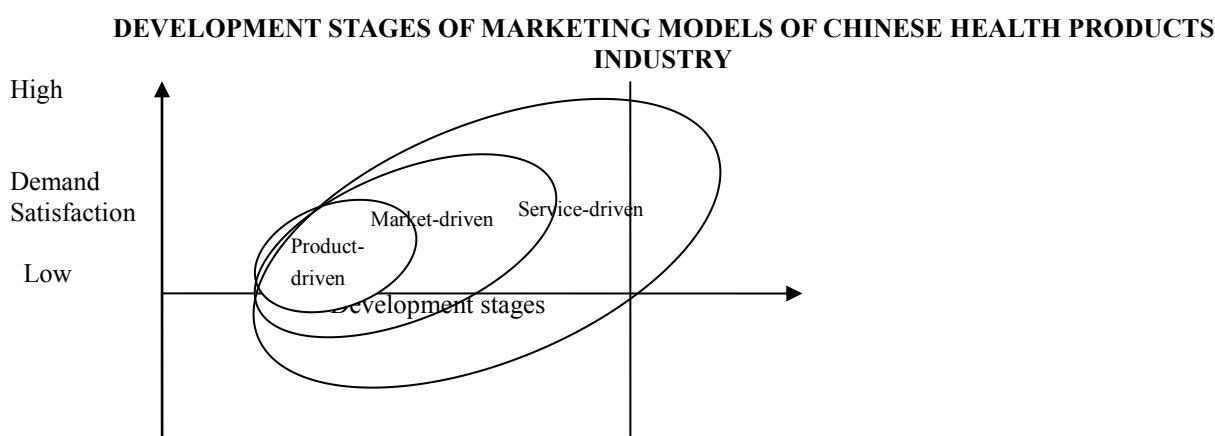


Figure 1 Phase diagram of marketing model development

Since the 1980s, Chinese health products industry has experienced development for 20 years, as the following three stages: product-driven, marketing-driven, and is currently moving into a service-driven stage. [4]

a) The initial stage of product-driven

Produced in the 1980s, the Sun God and Beijing Royal Jelly are the typical representatives, and they are cored on products, emphasize functional value processing for the public, put product-specific features as the main driver, with little advertising and a certain background and news background promoting product sale.

b) The developing stage of marketing-driven

Produced in the late 1990s, Melatonin is the typical representative, characterized on a variety of marketing tools as the core, focusing on all consumer groups, taking full advantage of information asymmetry, driving the market by a series of advertising and hyping.

c) The stepping stage of service-driven

Produced in the early 21 century, Midrib, and L.photopic are the typical representatives, characterized on customer satisfaction as the core, providing a full range of services for the health of consumers, promoting a totally new concept of health for different consumers, providing personalized service, in-depth market and customer segments, pursuing 100% customer satisfaction.

OVERVIEW OF AMWAY NUTRILITE HEALTH RUN

The “Amway Nutrilite Health Run” exclusively titled by the Amway (China) Co. Ltd. has successfully held for the seventh times successfully, since its first session on June 8, 2002, and promoted into Hangzhou, Shanghai, Guangzhou, Wuhan, Chengdu, Jinan and other 21 cities in June 2008.

Health Run is a non-athletic fitness activity that everyone can participate in, and run or walk the way to the completion of the course. Activities of the day include: launching ceremony, 5.5km non-competitive health run and fitness activities show in the end of the stadium, aiming to create a community reunion, family reunion lighthearted grand fitness festival.

According to AC Nielsen authoritative survey, the brand awareness of Nutrilite in major cities has reached to 86%; In the surveyed population in Beijing, Shanghai and Hangzhou, Amway (China)'s reputation reached 83%; related to the last quarter of 2007, Amway (China) achievements in first quarter of 2008 had a 11% growth and continued to move in a better direction. These data show that Amway's dissemination activities have achieved obvious results on the level of consumer awareness, psychology and attitude level and operational level.

Figure 2 Mutatis Mutandis Table of Amway and X Event

Enterprise	Event Name	Time	Number of Cities	population	Charge or Not	Awards
Amway	Amway Nutrilite Health Run	2002	70	2800000	Yes	Top ten marketing event in 2003, the Guinness Book of World Records in 2011, etc.
X	X Walk	2010	20	360000	No	China Effie Awards (2011) image of the Bronze category, Guinness World Records

As the most successful companies of Health Run, they have their own advantages. However, whether it is the former or the latter, these two companies received a stable and sustained brand platform by the continuing sponsor for Health Run. The data shows that the preference from consumers who know Nutrilite Health Run is 11% higher than that from who do not know, and the Amway's preference is 16% higher. The marketing effect is obvious. [5]

ANALYSEIS OF WAYS OF DISSEMINATION EFFECTS

Dissemination effects are with individual micro-social and macro-social effects of double meaning. Microscopically, it refers to the spread with a motive to convince the behavior of those who pass the psychological changes caused by the attitude and behavior of the subject; macroscopically it refers to the dissemination activities, especially the activities of the mass media and those who pass the resulting social the sum of all the impact and results. Dissemination effects based on the logical order of their occurrence can be divided into three levels: the cognitive-level effects, the mental and attitude-level effects, the action-level effects. [6]

a) The Cognitive-Level — Enhance Visibility

The cognitive dissemination effects are the increase in the amount of knowledge and the change of knowledge construction, which is caused in the role of external information on human perception and memory system. During the Olympic marketing actual combat, Nutrilite achieved cognitive dissemination effects primarily through the following channels:

In 2005, Amway (China) Co. Ltd. Donated \$ 6 million to Shanghai 2007 Special Olympics Preparations Center and rename the company's charity “Amway Nutrilite Health Run” re-named “Amway Nutrilite Health Run - for the 2007 World Special Olympics Come on”. Thanks to Special Olympics, major companies to participate in social activities with their larger newsworthy, becoming one part of the Special Olympics in the media coverage of major social events, while Nutrilite has also become the object being reported, were riding style spread.

b) The Mental and Attitude-Level — Enhance Reputation**i. Accurately Meet the Psychological Needs of Consumers**

Consumers are more interested in the information meeting their needs with the goodwill, and currently health has become a common trend psychosocial need. Nutrilite accurately capture the trend, and meet people's health needs with their nutritional function. Nutrilite expressed in the main television advertising in 2007, “Health is your future is your”, causing consumers strong psychological resonance.

ii. Spokesperson Brings Reputation

The credibility of the source is one of the factors that affect dissemination effects, which include professional authority, credibility. Liu Xiang, for example, made the 2004 Olympic 110 meters hurdles champion humbling achievement, and frequently succeed in latter events. He is undoubtedly authoritative sports professional. Liu Xiang in the ad personally demonstrated good health and created a better future, and a profound interpretation of Nutrilite

“Have a Healthy Future”. Opinion leaders play a role in the flow of information and influence flows both to increase reputation. [7]

c) The Action-Level—Increase Purchase Rate

During the period of May to June in 2004, the Beijing MeiLanDe Medical Information Consulting Co., Ltd. had a telephone sample survey for households in the country's 30 provincial capital cities or municipalities in the urban areas. Survey results showed that: Nutrilite Calcium and Nutrilite Protein Powder were ranked third and fourth overall purchase rate of health care products. [8]

CONCLUSION

Admittedly, sports promotion has become an important marketing strategy in today's pharmaceutical companies. When going on sports promotion, whether an market sales or brand image is more important cannot reach agreement. Many people know that the investment of sports promotion is huge. Compared with some small-amount investment such as terminal sales, regional advertising, and other meeting marketing, the indirect and periodic law of sports promotion are very clear. Thinking on this issue, pharmaceutical companies focus on brand image through sports promotion, sales naturally increase.

The history of Chinese enterprises involved in sports promotion is so short, and domestic enterprises are lack of experience, therefore, many problems still exist, for example, the lack of marketing goals, integrated marketing concept and sports marketing agency and related personnel and other aspects.

Therefore, in order to solve the drawbacks of Chinese pharmaceutical enterprises in sports promotion, it is required to see the essence of sports promotion, which is through culture, sports and cultural integration of the brand corporate culture of the three, causing consumers and businesses to resonate and become companies a competitive advantage in marketing. Second, to resolve the problems in sports promotion, Sports promotion objectives must be identified, identify the sporting events theme, choosing the right sports event marketing carrier, within a certain time and space to integrate multiple channels of brand communication to form a climax, accurate grasp formulate a feasible set of sports marketing strategy of sustained.

Based on the case analysis of Amway Nutrilite Health Run, it shows that sports promotion is a complex and varied system, enterprise systems need marketing ideas and unique creativity. As the sports marketing long-term, systemic and cultural, sports activities as the carrier is combined enterprise products, the formation of corporate culture and cultural integration of the two systems engineering, decided persistent sports marketing business strategy. So, what pharmaceutical companies cannot do sports marketing, sports marketing requires good leadership of the company's strategic and forward planning, innovation strategy, focusing on brand association with physical activity and adhere to the balanced integration of a wide range of marketing communication.

Acknowledgement

This paper is funded by the National Social Science Fund (11CSH039); National Natural Science Foundation of China(71372020); 51th National Postgraduate Fund (2012M510930); Research Fund for the Doctoral Program of Higher Education of China(20132304110025) ;Heilongjiang Province Top Youth Academic Support Project (1251G016); Heilongjiang Province Industry and Informationization committee Soft science Project(GXW20100190); Heilongjiang Province Soft science Project (GZ09D201); Central University Basic Research Fund (HEUCF120904、 HEUCF141601).

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