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CRAWFORD HEALTH & WELLNESS



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MARKETING PLAN INTRODUCTION

The purpose of this report is to assist Jennifer Crawford in opening her own Massage Therapy Clinic. She recently received a Registered Massage Therapy Certificate and wants start her own business. The report will focus on the following aspects:

🍁 What products will be offered:

Massage therapist provides quality care and improves the health of their clients. Main objectives of massage therapist include assisting in rehabilitation, promoting recovery, and helping reduce stress. Registered Massage Therapy Association of Ontario regulates the profession and ensures that quality and standards are followed by all massage therapists. Variety of services provided by Registered Massage Therapist depends on his/her professional qualifications, skills, and experience.

🍁 Who will be the target customers:

Target customers include men and women of all ages, expecting mothers, and children. All those segments have various reasons for using Jennifer's services ranging from injuries to relaxation purposes. Variety of services offered will attract specific target markets based their wants and needs.

🍁 How will the products reach those customers:

Those customers will be reached through the convenient clinic location. The clinic will be located at a place where there is a demand but not enough supply of services that Jennifer will provide.

🍁 What price should be charged for the services offered:

The prices charged by Jennifer must be competitive with other RMT Clinics. Jennifer should not overcharge or set low prices. However, promotional blend will be offered to specific segments. For example, Tuesdays and Wednesdays discount of 15% for seniors.

Also, discounted prices for the first two months of opening should be set in order to give potential customers the opportunity to explore Jennifer's newly opened clinic.

🍁 How will customers be introduced to the products:

Advertising through different channels of media combining with special promotions will draw customers in and create recognition of Jennifer's clinic in the surrounding neighborhoods.

REGISTERED MASSAGE THERAPY OVERVIEW

Massage Therapists are primarily self-employed health professionals, working in a variety of settings:

- Massage Therapy Clinics
- Chiropractic Offices
- Private Practices
- Rehabilitation Centers
- Health Spas
- Fitness Clubs
- Long-term Care Facilities
- Community Health Clinics
- Hospitals

Massage therapist provides variety of services that include, orthopedic and neurological testing, soft tissue manipulation through Swedish and other massage techniques, hydrotherapy, remedial exercise, and client education programs.

Massage Therapists not only assess and treat a variety of musculoskeletal injuries and chronic conditions, but also contribute to maintaining the optimal health and wellness of their clients.

EXTERNAL MARKET - PEST ANALYSIS

Political and Legal Environments

In Canada only three provinces regulate massage therapy: British Columbia, Ontario, Newfoundland and Labrador. The Canadian Massage Therapists Alliance (CMTA) has set a level of 2200 practice hours in both Ontario and Newfoundland and Labrador, and 3000 hours in British Columbia, which has the highest education standard in North America. Quebec has a voluntary registration under the Quebec Federation of massage therapists (FMQ) but is not regulated by law.

Registered Massage Therapists in Ontario were first organized as "Associated Masseurs" in 1936. After that, the name was changed few times. Finally, on May 31, 2010 the Association's name was amended to the Registered Massage Therapists' Association of Ontario to incorporate a new brand that embodied the entire profession, including the leadership organizations (the association, regulatory college and associations representing the schools of massage therapy).

Massage Therapists have been practicing under the Drugless Practitioner's Act of Ontario since 1925 and are now regulated under the Regulated Health Professions Act (RHPA) enacted December 21, 1993. RMTs are registered by the College of Massage Therapists of Ontario.

Registered Massage Therapists' Association of Ontario is continuously upgrading the educational requirements for Massage Therapists in Ontario to the current standards, which is considered as one of the highest in the world.

Economic environment

The services of an RMT are not covered under the Ontario Health Insurance Plan (OHIP). However, many extended health benefits plans will cover all or part of the services provided by an RMT.

Social and cultural environment

The RMTAO undertakes a large number of activities to increase the awareness of Registered Massage Therapists as regulated health professionals and to ensure fair access to the services of an RMT by all Ontarians. Any Ontarian may visit a Registered Massage Therapist of his/her own choice. A referral or prescription is not required to visit.

All Ontarians can easily locate a Registered Massage Therapist at any city. There are many websites that provide names of RMTs such as the RMTAO's website or the College of Massage Therapists of Ontario website. (www.rmtfind.com)

Technological environment

Massage therapist main tools include special tables, chairs, lotions, and his/her own hands. However, technological advances offer extra options both to make the job more efficient and assist the therapist.

New gadgets are coming to the market and will have some effect on the profession as a whole. One such item is a Micro-current glove. Massage therapist wears it while performing the massage. Inventors claim it to have increased benefits and faster results as well as relief on the therapist hands. It is working by releasing low-level electrical stimulation, which goes deeper into the tissue than hand alone are able to.

Also, existing technologies are creatively adjusted to serve different purposes. Microsoft's Kinect gaming accessory, which can now be used as an important tool for massage therapists, is an example for such trend. Jason Stephens from New York University's Interactive Technology Department developed the Kinect hack using a video projector, a Kinect, and the OpenKinect Libraries programming tools.

The projector is used to relay the Kinect's output onto the client's body, and used as a colorful guide for the therapist. The Kinect camera's depth perception allows it to focus without a green-screening. This technology can also judge the distance and movement of the body rather than relying on bright spots or colors.

While the therapist massages and moves parts of the body, the Kinect and computer translate the movements into a "flow field." In turn, the flow field is projected back onto the client's body, and therapist can then see the lines where he/she has already been as these tracks are shown in red.

The knowhow is still a work in progress and only the future will show its success or failure.

Conclusions:

Registered massage therapist work is done with his/her hands. Technological advances will slightly affect the actual work that involves performing a massage. However, any gadget or software created will make the work more efficient. It is important to be certified and get sufficient degree of training and expertise. This way a massage therapist will perform the service effectively and satisfy the needs and wants of a client while following the standards and rules of the profession.

CUSTOMER ANALYSIS

Market segmentation is a vital process for the success of a business. It must be carefully followed to develop the overall marketing mix and right strategy for the company.

Customer behavior is usually very complex and includes many characteristics. Therefore, all needs and wants of the customers must be considered in order to divide the customers to specific segments. Based on each segment needs and wants, the company must develop a marketing mix, which includes the type of services to be offered, the place/location of purchase, the price to be charged, and the promotional plan created in order to appeal to this specific target market.

Jennifer's success depend on how well she will be able to match the whole marketing mix to her current and prospective segment markets. The following are possible segmenting dimensions that Jennifer's customers should have:

Qualifying dimensions:

- Behavioral and psychological: Benefits a customer is looking to satisfy through services offered by Jennifer's clinic. Example: Have a Thai massage in order to improve elasticity.
- Demographic characteristics: Ages of 3 months to 18, 18 to 65, 65 and over. Also, different family sizes, occupation, social status, and religion characteristic are important.
- Geographic: size of city. For instance, if the city is very small and there are many competitive clinics, then customers are less likely to come to the clinic, simply because they will be allocated among the rivals.

Those dimensions are relevant to include a customer type in a product market. So people with those characteristics are potential clients. Now, it is important to appeal to that audience.

Determining dimensions:

- Behavioral and psychological: Customer need for psychological relaxation or physical healing.
- Demographic characteristics: income sufficient to cover the service or an extended health benefits plan from employer.
- Geographic: Customer must live in or near the city where the clinic will be located.

Those dimensions are affecting customer's purchase. So customers with those characteristics should be targeted.

Identification of target markets

Massage therapy is a service that treats specific needs of different clients. Aside from each client's personal needs and wants, there are specific demographic dimensions related to age, income level, location, etc. Massage therapist must be separately certified to work with children and pregnant women. Therefore, there is a need to develop segments and then tailor the marketing mixes accordingly. The possible segments are children, expecting mothers, Seniors/people with disabilities, men/women. (See Appendix A for detailed table)

Nature of relationships with customers must be based on trust and respect. Ethical attitude and behavior is crucial in a service industry. Customers expect to receive a great service along with the actual procedure, especially when the service is so private and individual. Also, satisfied customers will refer Jennifer's clinic to their friends and family. Jennifer must follow industry

standards and ethical behavior. Also, having small talks and getting to know customers closely will create personal relationships and loyalty. Ultimately, this will lead to positive reputation, which is one of the most important success factors in any type of business.

COMPETITOR ANALYSIS

Nature of current/likely competition

Competition in massage therapy is moderate. There are RMT clinics in every city, but there is no direct competition overall. The most important competitive advantage that Jennifer can focus on is the nature of relationships with clients. The location of the clinic is also an important aspect since the survey concluded that most people use RMT services near their neighborhood. (Appendix B).

Day spas also present some degree of competition. There are hundreds of Day Spas in GTA, but all they focus on is relaxation massages, so it may take away customers who simply want to relax. This segment overlaps with Jennifer's, which could be any adult over 18 years who wants to have relaxation service. Even though RMT clinics offer the same type of relaxation massages, Day Spas create advertising and promotions that appeal to the that type of segment.

Current and prospective competitors (rivals)

Major competitors include Massage Therapy Clinics and day spas. Other amenities such as Long-term Care Facilities and Hospitals do not present competition to Jennifer. Client chooses

Long-term Care Facilities or Hospitals, but they do not choose their massage therapist as he/she is assigned to the patient by the Doctors or Nurse Practitioners in charge.

Current strategies and likely responses to plan

All RMT Clinics offer similar type of services, which can present a competitive barrier. Therefore, it is important to create and focus on competitive advantage. Jennifer will focus on the quality service and exercise extremely friendly and welcoming tactics. For example, offering coffee and cookies, giving pens with Jennifer's Logo (Appendix C), adding client to Clinic's Facebook profile, etc. Jennifer's strategy is to build strong relationships and customer loyalty by focusing on customer service.

Michael Porter's Five Forces

It is a framework for industry analysis and business strategy development formed by Michael E. Porter of Harvard Business School in 1979. This framework helps to analyze the competitive intensity and the overall attractiveness of the market.

1. Threat of new competition: any one can open such clinic, but he/she must be a Registered Massage Therapist.
2. Threat of substitute services: Day Spa services present some degree of substitute, but only for 25% of the services offered by RMTs.
3. Bargaining power of customers: Customer does not negotiate or bargain as the prices are similar among the competitors.
4. Bargaining power of suppliers: this is a service business. Therefore, the core business does not depend on suppliers. Except some supplies needed for the procedures.
5. Intensity of competitive rivalry: competition is not aggressive as not much spend on advertising in order to differentiate one RMT clinic from another. Advertising is done to inform the customers about services offered and location of the clinic.

COMPANY ANALYSIS

Objectives and goals:

Short-term:

- Develop first year marketing plan, which will include services to be offered, place to establish the clinic, promotion to be used, and prices to be charged.
- Organize and arrange the clinic to open doors to the public in May 2013.
- Target specific markets, which include men and women, pregnant women, and children.
- Establish a positive image for the clinic by providing premium services, exceptional customer service, and pleasant clinic environment while building friendly and warm relationships with the clients.
- Generate sufficient volume of sales and gain adequate market share.
- Reach positive cash flows or at least break even at the first year of operations.

Long-term:

- Foster an outstanding reputation for quality services.
- Maintain superior customer service.
- Continue attracting new customers and retain current customers' loyalty.
- Generate enough volume sales to cover the costs, maintain profitable, and ensure growth in the future.
- Gain sufficient market share
- Introduce at least 10 new services in the first 3 years.
- Remain competitive with other RMT clinics on the market.
- Expend to include more rooms, services, new technology in the next 7 years.

Company resources:

Human resources:

Most important resource Jennifer Crawford possesses is her own human resource. Her knowledge, skills, and experience are the most important intangible asset she has, which is vital to this kind of business. She has over 15 years of experience both in Canada and internationally. Jennifer completed a Diploma from Goldman College of Massage therapy in 1996 and had the opportunity to work in one of the most fascinating spots in the world, the Dead Sea. This phenomenal sea has high concentration of salt (340 grams per liter of water), which allows people to benefit from its healing properties. She worked there from 1997 providing massage therapy services until 2002 when she moved to Toronto.

Jennifer also acquired additional certifications while working in Toronto:

- ✳ Advanced Skin Care Certificate
- ✳ Certified Reflexology Certification
- ✳ Registered Massage Therapy License
- ✳ Pediatric Massage Certification (CPMT)
- ✳ Massage Therapy for Pregnancy course

Financial Resources:

Jennifer financial resources include \$55,000 in cash and \$25,000 operating line of credit. The cash was saved for the purpose of opening a clinic and is currently available for use. The additional funds are available from the line of credit for operational purposes.

If more funds will be required in the future, Jennifer can negotiate a bank loan or accept finances from an investor who is currently willing to invest \$20,000 of her own money in return for dividends.

S.W.O.T Analysis:

Strengths

- Jennifer has over 15 years of experience in massage therapy and has an outstanding reputation for quality services.
- Jennifer possesses various certifications, which allow her to provide different type of massages. She has a Massage therapy Diploma, Advanced Skin Care Certificate, Certified Reflexology Accreditation, Registered Massage Therapy License, Pediatric Massage Certification (CPMT), and Massage Therapy for Pregnancy Certificate.
- The target markets are extremely large. Jennifer can work with children, pregnant women, and man and women of all ages.
- Sufficient resources in form of funds, skills, and expertise.

Weaknesses

- The clinic is newly established and has no history.
- There is a need to create informative promotion blend, which is usually more expensive and take more time to reach and convince the customers.
- Sales subject to poison distribution and cannot be predicted precisely.

Opportunities

- Choosing the right location where not many RMT clinics exist and direct competition is not an issue may lead to success in sales and great market exposure.
- The market is potentially large and rapidly growing.
- Technological advances enhance the massage therapy service and allow for new and improved procedures.
- Positive feedback and satisfied customers will bring more clients as they will recommend Jennifer's clinic to their family and friends.

Threats

- There are many competitors within the target markets all around Greater Toronto Area, which include RMT Clinics and Day Spas.
- Some competitors have bigger facilities and offer larger variety of services.
- Product prices are an important factor when
- Potential new entrants to the massage therapy market
- Existence of various Day Spas draw in customers who is seeking relaxation massage since Spas perceived to be the better place.

Conclusions:

Jennifer has sufficient skills, knowledge, and experience in order to perform the services in a superior manner. She has interpersonal skills that will contribute to the success of the clinic. The most significant weakness is that the clinic will be newly established. Therefore, she must inform potential customers by advertising her clinic and create appropriate promotional program. Creating customer satisfaction will lead to good reputation and loyalty. So Jennifer must be customer oriented. Also, it is important to offer variety of services and continuously add more services so the competitors, such as Day Spas, will not present a threat.

PRODUCT: TYPES OF SERVICES AND PRODUCTS OFFERED

Relaxation Massages:

1. Swedish Massage Therapy

This is the most common type of relaxation massage therapy. Massage therapists use five basic strokes are effleurage (sliding or gliding), petrissage (kneading), tapotement (rhythmic tapping),

friction (cross fiber) and vibration/shaking. The stroke movements on layers of muscle are smoothed by using massage lotion or oil.

Swedish massage can be utilized with other forms of therapy or used singularly to create an overall relaxation. Generally considered to be soothing, it can also be used with deeper pressure based on the person's needs or likes. Treatment effects include increased local or full body blood and lymphatic circulation, relaxation of the "fight or flight" response, increased immune system function, and decreased pain.

2. Aromatherapy Massage

Aromatherapy massage is massage therapy with the addition of one or more scented plant oils called essential oils to address specific needs. The massage therapist can select oils that are relaxing, energizing, stress-reducing, balancing, etc. One of the most common essential oils used in aromatherapy massage is lavender. Aromatherapy massage is particularly suited to stress-related conditions or conditions with an emotional component.

Therapeutic Massages:

1. Deep Tissue Massage

Deep tissue massage targets the deeper layers of muscle and connective tissue. The massage therapist uses slower strokes or friction techniques across the grain of the muscle. Deep tissue massage is used for chronically tight or painful muscles, repetitive strain, postural problems, or recovery from injury. People often feel sore for one to two days after deep tissue massage.

2. Trigger Point Therapy

Trigger Point Therapy involves deactivating trigger points (what most people call knots) that may cause local pain or refer pain and other sensations, such as headaches, in other parts of the body. Manual pressure, vibration, or other treatment is applied to these points to relieve myofascial pain. Often it can be uncomfortable, but once a trigger point has been treated it will disappear or cease to bother the patient, although at times this may require more than one treatment to accomplish.

3. Sports Massage

Sports massage is specifically designed for people who are involved in physical activity. The focus isn't on relaxation but on preventing and treating injury and enhancing athletic performance. A combination of techniques is used. The strokes and Facilitated stretching are common techniques that help to loosen muscles and increase flexibility.

4. Pediatric Massage

Benefits of pediatric massage therapy are similar to the benefits of adult massage, which include reduction in anxiety symptoms, reduction in muscle tension, better sleep, better body awareness, and stress reduction, and relief from chronic conditions such as asthma, nausea, constipation, and muscle aches. Also, for young patients with autism the therapy decreases their aversion to touch, while their ability to focus increases.

5. Pregnancy (Prenatal) Massage

Massage therapists know the proper way to position and support the woman's body during the massage, and how to modify techniques. The goals are to relax tense muscles, relieve aches and pains, improve circulation and mobility, decrease swelling, reduce stress, and just make a woman feel good.

6. Hot Stone Massage

Heated, smooth stones are placed on certain points on the body to warm and loosen tight muscles and balance energy centers in the body. The massage therapist may also hold stones and apply gentle pressure with them. The warmth is comforting. Hot stone massage is good for people who have muscle tension but prefer lighter massage.

7. Myofascial Release Therapy

Myofascial release refers to the manual technique of using gentle pressure application in order to stretch the fascia and release bonds between fascia, integument (skin) and muscles. Often fascial adhesions create areas of constant tension and restriction. Techniques usually involve shear compression, skin rolling or tension applied in different directions.

The goal is to decrease restrictions caused by adhesions in the fascial layers of the body that might be found in back pain, fibromyalgia, restricted motion, spasm and much more. Treatment effects include treating trauma, eliminating pain, and increasing range of motion.

8. Craniosacral Therapy

Craniosacral therapy focuses on the craniosacral system of the body, a semi-closed hydraulic system that contains the brain and spinal cord. Using the Dura Mater (a water proof membrane that is continuous between the brain and spinal cord) and the bony housing of the nervous system (cranial bones/skull and sacrum) as access points or guides, the system is assessed with gentle pressure. Once the rhythmical movement of these structures has been assessed, using gentle pressure and a series of techniques, any restrictions or breakdowns in the normal movement of the structures is slowly corrected over a series of treatments.

- Good for long standing issues from previous injuries and surgeries
- Early stages of healing
- Pain and issues that have been unresolved with other forms of therapy
- Migraines and headaches

Alternative Medicine Massages:

1. Acupuncture

Needles are placed into the skin along specific meridians and into Acupuncture points of the body. This technique focuses on the “Qi” or energy flow of the body within the twelve main meridian pathways.

The improved energy and biochemical balance produced by acupuncture results in stimulating the body’s natural healing abilities, and in promoting physical and emotional well-being.

This type of Traditional Chinese Medicine (TCM) is said to have many benefits, such as promotion of health and well-being, prevention of illness, and treatment of various medical conditions.

2. Reflexology

Reflexology involves applying pressure to certain points on the foot that correspond to organs and systems in the body. Reflexology is very relaxing, especially for people who stand on their feet all day or just have tired, achy feet.

3. Shiatsu

Shiatsu is a form of Japanese bodywork that uses localized finger pressure in a rhythmic sequence on acupuncture meridians. Each point is held for two to eight seconds to improve the flow of energy and help the body regain balance.

People are normally pleasantly surprised when they try shiatsu for the first time. It is relaxing yet the pressure is firm, and there is usually no soreness afterwards.

Other Massages:

1. Thai Massage

Like shiatsu, Thai massage aligns the energies of the body using gentle pressure on specific points. Thai massage also includes compressions and stretches.

The therapist moves and stretches the client into a sequence of postures. It's like yoga without doing any work. Thai massage is more energizing than other forms of massage. It also reduces stress and improves flexibility and range of motion.

2. Hawaiian Lomi Lomi Massage

This means “rub rub” in Hawaiian. This modality uses a type of cross-fiber friction across soft tissue and muscle. Lomi Lomi uses long continuous strokes and a relaxing touch. The moves are similar to Swedish massage using broad, fluid strokes with both hands, forearm and elbows for pressure.

Lomi Lomi takes into account the healing “entire” self. Physically, emotionally, mental and spiritual. The therapist will normally use prayer during a session and utilizes the intuitive to find and restore harmony, energy flow and balance to the entire being.

REVENUE DISTRICT

Products Offered:

- Skincare products
- Body and facial oils, body butters, lotions
- Essential oils
- Bass body care products, Epsom salt, salt and sugar body scrubs

Brands Jennifer should offer:



NICKEL

serious skin care for men



PLACE: LOCATION AND FACILITIES

Objective is to increase market exposure and avoid direct competition. The location should be chosen somewhere in GTA area as Jennifer Crawford lives in North York and would like to conveniently travel to the clinic. Here are the potential locations for the clinic:



Name	Total area (km ²)	Population	Density
Province of Ontario	1,076,395 km ²	12,851,821	14.1 / km ²
City of Toronto	630 km ²	2,615,060	4,149.5/ km ²
Regional Municipality of Durham	2,523.15 km ²	608,124	241.0/ km ²
Regional Municipality of Peel	1,241.99 km ²	1,296,814	1,040.0/ km ²
Regional Municipality of York	1,761.84 km ²	1,032,524	585.9/ km ²

Regional Municipality of Halton	967.17 km ²	501,669	520.4/ km ²
Greater Toronto Area	7124.15 km ²	6,054,191	850.0/ km ²

Recommendations:

Based on the above information, it is recommended to focus on three areas: City of Toronto, Regional Municipality of Peel, and Regional Municipality of York. Those locations are closer to Jennifer's place of residence and those regions are most populated. Therefore, there is a need to focus on competition and existing RMT clinics in each area as well as compare the prices for the premises required.

According to Registered Massage Therapists' Association of Ontario search website number of certified massage therapists in each city around GTA is as follows: (www.rmtfind.com)

City	Number of Registered Massage therapists (RMTs) Clinics	City	Number of Registered Massage therapists (RMTs) Clinics
Toronto	99	King	28
Scarborough	48	Mississauga	92
North York	69	Brampton	47
Woodbridge	21	Oakville	53
Vaughan	4	Burlington	61
Richmond hill	54	Milton	77
Thornhill	23	Pickering	21
Markham	64	Ajax	19
Aurora	16	Whitby	36
New Market	29	Oshawa	21

In order to avoid direct competition it is necessary to discover new locations and establish the clinic where there are less RMT clinics available. The most attractive cities from this point of view are Woodbridge and Vaughan, which have 21 and 4 clinics respectively. Now, it is vital to research the potential premises and prices/lease costs.

It is necessary to conduct a survey in those areas. Questions asked will include: the attitude towards RMT and massage in general, willingness to use the service, type of services preferred, etc. Also, there is a need to investigate the demographics of those cities including income and age. It is important to research customers' needs, wants, and preferences regarding RMT clinic in those two cities, which are discovered by conducting a survey. (Appendix B)

The Clinic

The clinic interior design must include all necessary tools and be equipped appropriately. Also, the design must be pleasant and appealing. The following aspects should be considered:

Feature	Recommendations
Number of rooms	Two rooms for massage, small storage room, reception and waiting area
Space Requirements for massage rooms	Generally 120-140 sq. ft., room variations include: 9'x12', 19'x12', 10'x14', 12'x12'. Therapist requires a minimum 3' work-space around the massage table.
Total space required for Jennifer's clinic	Two massage rooms: 240 sq. ft. Storage room: 60 sq. ft. Reception, lavatory, and waiting area: <u>260 sq. ft.</u> Total minimum required 560 sq. ft. Therefore, Jennifer should look for 600-800 sq. ft. facilities.
Design Considerations	Massage rooms should have a small sink and linen cabinet. Rooms need to be sound insulated. Have lever-type hardware for door knobs (therapists have oil on their hands)
Equipment	72"x30" massage tables. Tables should have built-in shelves and an adjustable face cradle attached to the end of table, which adds another 12" to the end of table. Massage table upholstery should be made from Naugahyde with a smooth surface with medium firm padding.
Supplies required	Each room must have towels, massage gels, essential oils, sea salt or body scrubs. Also, rooms should include skin care products such as oils, body butters, and lotions.
Room Set-Up	Sink and cabinet should be in corner at an angle in 9'x12' rooms. Massage room should have access to laundry and storage.
Interior design	Create an atmosphere of health and relaxation by having tender walls and furniture colors, lovely nature pictures, informative magazines, mirrors, real

	plants.
Lighting	Indirect lighting or pot lights with dimmer control. Windows covered with blinds or curtains so to be easily closed.
Electrical	Have wall outlets. One beside the table and another for essential oil diffuser.
Sound System	One centrally located sound system, with speakers in each room that have an individual volume control knob.
Storage	Smaller room can have tables with built-in storage space or shelves for all supplies.

PROMOTION: METHODS TO BE USED

Defining promotion needs is vital to firm's overall success. Promotional objectives must be clearly defined by right promotion blend in order for a firm to accomplish its goals. The three basic promotion objectives are informing, persuading, and reminding target customers about the company and its marketing mix.

RMT practice is a known concept to potential customers. However, Jennifer's practice will be newly established. So informing the potential customers will be the first objective. The second will be to persuade customers as Jennifer's RMT service is at the beginning of the service cycle, which is the growth stage.

In order to inform the target market Jennifer must create a marketing mix that will reach as many potential clients as possible within her target market while staying within her budget. (Target markets for Jennifer are explained in Appendix A). Here are the possible promotion blend components:

Advertising: Promotion Blend

Newspapers and Magazines

Jennifer should look for local paper for promoting her practice as people prefer not to travel far for this kind of service, as per the survey results (Appendix B). Therefore, a search for local papers should start from Metro Land Media (<http://www.metroland.com/page/Advertise#ad-rates>), which is Ontario's largest community newspaper publisher providing local news and advertising media/info. They currently publish 113 community newspapers with a total of 154 editions that are concentrated in southern Ontario and located around Toronto.

Also, Jennifer should advertise in major newspaper such as Toronto Sun. Here are the rates for placing an ad in the classified sections:

			<u>Per Month</u>
Toronto Sun	Monday – Friday	\$6	\$156
	Sunday	\$9	\$47
Vaughan Citizen (Local paper)	1 Insertion + 30 days online	\$32	\$128
Tonic Toronto magazine (Health, Wellness and Green living)	11 issues/year	\$50	\$50
Total			<u>\$381</u>

Signs and fliers

Other promotional methods include Fliers, billboards, distribution of business cards, which are inexpensive and very efficient. Here are some costs:

Business cards	1,000 units	\$68
Fliers	5,000 units	\$350
Brochures	1,000 units	\$180
Total		<u>\$598</u>

Source: Flier Advertising Company, <http://www.flyeradvertising.com/>

Internet

1. RMTfind website:

Obtain membership with RMTAO (Registered Massage Therapists' Association of Ontario). This is an RMT search website available to the public. Any potential customer looking for a RMT will have access to this website, and will be directed to Jennifer Crawford through city of interest. Cost of membership \$88.25 (plus HST).

Also, insurance and software are available.

<http://www.rmtao.com/about/membership>

2. 411.ca directory:
http://411.ca/ov/campaign/FRGOOG_LGIM1
3. Yellow pages directory: (Free of charge)
http://360.yellowpages.ca/en/advertising-solutions/lead-generation-marketing?camp_id=ppc&gclid=CNeHp4-l_LACFWQDQAod8WnKEA
4. GTA Global Business Directory
<http://www.gtabusinessfinder.com/>
5. Social media such as Facebook can be used. It was created for a purpose of socializing, but evolved into a massive information channel, where all members share info and experienced. This social media is free to use and can be used to distribute information and advertise personal small business. This very popular site moved from personal use only to a mix of personal and e-commerce purposes.
www.facebook.com
6. Kijiji and Craigslist websites are free of charge (for basic ad) and are very popular among Canadians. Those web sites were created for people to sell and buy products and serviced from each other. So an ad for a personal RMT practice may create some additional demand and draw in potential customers.
<http://toronto.kijiji.ca/>
<http://toronto.craigslist.ca/>

Sales Promotion

In order to get immediate response and bring customers in there is a need to create sales promotion for the first month. This could be in a form of 20% discount on services. Also, there is a need to make potential customers aware of the special promotion by putting big informative

posters on the windows and putting a sign in front of the store. Another good idea is to advertise in the local newspaper the details of the promotion.

Next, in order to keep customers coming back Jennifer can send Calendars or birthday cards to existing customers to remind them and create a personal contact. Make customers feel appreciated is a very important aspect in a service industry especially where competitors offer same type of services.

Conclusions:

Jennifer must create a message theme for desired positioning. As discussed previously, the premises should convey that theme through colors and decoration objects that will be created by interior design. Therefore, the promotion should continue on that notion and project the same theme.

In advertising Jennifer should choose health and wellness related words, colors, and images. This will include beautiful and healthy looking people for ads. The words used can relate to healing, relaxation, and beauty.

Jennifer should advertise in as much channels as her budget permits since there is a need to introduce the clinic to the target market. This will inform the potential clients that the clinic exists in their city. Then, Jennifer will persuade those customers to try her services through sales promotion. This will create some degree of response from those customers. She can start by offering special promotions and discounts for the first two months of the clinic opening.

PRICE: COST FOR CUSTOMERS

As discussed previously prices should be competitive and not exceed local competition. Therefore, prices charged in the surrounding clinics should be reviewed. The findings are as followed:

Service	Average price charged by competitors / per hour
Swedish Massage Therapy	\$80
Aromatherapy Massage	\$90
Deep Tissue Massage	\$85
Trigger Point Therapy	\$85
Sports Massage	\$85
Pediatric Massage	\$70
Hot Stone Massage	\$90
Myofascial Release Therapy	\$80
Craniosacral Therapy	\$80

Reflexology	\$100
Shiatsu	\$91
Thai Massage	\$120
Pregnancy (Prenatal) Massage	\$90
Hawaiian Lomi Lomi Massage	\$85
Acupuncture	\$80

BUGDET AND RECOMMENDATIONS

A service business does not require a warehouse, wholesaler agents, or other parts of channel that required for a goods related business. Therefore, there is no need to purchase inventory, pay for warehouse rent, and owe suppliers. Although Jennifer plans to sell some health care products as extra income for the business, it does not require much storage space or funds, but a few shelves and miscellaneous amount of dollars. Therefore, the main cost will be associated with salaries and rent of premises.

Jennifer should keep her own salary at a minimum until she gets clientele and stabilizes her business. Also, she has to pay salary to the receptionist who will be responsible for taking calls, making appointments, and greeting clients.

Jennifer will allow another Registered Massage Therapist to use the second room for percentage sales he/she receives. This RMT will pay commissions to Jennifer from each client he/she sell his/her services. This way Jennifer will have additional type of income as the RMT will bring his/her clientele.

Another major expense is rent/lease. Jennifer is looking to lease a clinic with two massage rooms, small storage, reception, and waiting area.

Space required for lease

Currently there are two basic types of leases, which are known as gross (or Full Service Lease) and Net Lease. The differences in those two leases are in the way that the services provided in the building are computed and paid. Usually, the rental rates are quoted as per square foot per year.

In a Gross (Full Service lease) rental rate for 3,000 square feet will be quoted as \$19.00 per square foot per year or \$57,000 per year (a \$4,750.00 per month installment). The installments will include all maintenance related expenses.

In a Net Lease the basic rent is quoted on per square foot per year basis with the additional costs billed separately. Those bills will include: air conditioning, light, water, restrooms, elevator service, janitorial services, security and access through the common areas.

Therefore, it is recommended to look for lease which will be quoted on a Gross rate basis. This way Jennifer will be able to calculate and plan her budget more accurately. The following are the Gross Lease locations available in York Region:

Lease prices in Vaughan:

Address	Price /sq. ft.	Lease cost per month	Property tax/ sq. ft.	Comments
8551 Weston Rd.	\$9.00	(800 sq. ft. x \$9.00)/12 = \$600 + Utilities	N/A	Net Lease Size: not specified (assuming 800 sq. ft. cost)
10019 Keele St.	\$30.00	(800 sq. ft. x \$30.00)/12 = \$2,000 Gross Lease	\$9.50	Size: not specified (assuming 800 sq. ft. cost)
27 Roytec Rd.	\$6.95	(800 sq. ft. x \$6.95)/12 = \$463 + Utilities	\$6.50	Net Lease 2 offices + reception (Approximately 800 sq. ft.)
8750 Jane St.	\$16.00	(800 sq. ft. x \$9.00)/12 = \$600 + Utilities	\$7.00	Net Lease New commercial building, size

				to be confirmed. (assuming 800 sq. ft. cost)
260 Spinnaker Way	\$7.50	$(800 \text{ sq. ft.} \times \$7.50)/12$ = \$500 + Utilities	\$3.90	Net Lease 5 rooms + 3 baths + reception. (assuming 800 sq. ft. cost)
9421 Jane St.		\$1,950 Net Lease + \$699 for maintenance & water = \$2,649 Gross Lease	N/A	Size: 20.00 x 46.00 = 920 sq. ft.
5308 Highway 7	\$16.00	$(775 \text{ sq. ft.} \times \$9.00)/12$ = \$581 + Utilities	N/A	Net Lease Size: 775 sq. ft.
8611 Weston Rd.	\$8.75	$(800 \text{ sq. ft.} \times \$8.75)/12$ = \$583 + Utilities	\$5.50	Net Lease 3 rooms + kitchen + storage space. (assuming 800 sq. ft. cost)
3175 Rutherford Rd.	\$16.00	$(800 \text{ sq. ft.} \times \$9.00)/12$ = \$600 + Utilities	\$13.00	Net Lease Size: not specified (assuming 800 sq. ft. cost)
3175 Rutherford Rd. Unit #46	\$17.00	$(800 \text{ sq. ft.} \times \$9.00)/12$ = \$600 + Utilities	N/A	Net Lease Size: 1,222 sq. ft.

Lease prices in Woodbridge:

Address	Price per square foot	Lease cost per month	Property tax per square foot	Comments
4555 Highway 7		\$1,100 Gross Lease!!!	N/A	2 rooms + reception area
8611 Weston Rd.		\$1,000 + use of Hydro Therapy room and Pedicure Station	N/A	Net Lease 2 massage rooms, reception, pedicure chairs. Renovated for massage therapy. (assuming 800 sq. ft. cost)
2 Tall Grass Tr.		\$850 Gross Lease!!!	N/A	3 offices + reception + small kitchen, all located in a fully renovated basement.

7500 Martin Grove Rd.		\$990 Net Lease + \$450 for gas, hydro, a/c, and security system = \$1,440 Gross Lease	N/A	Size: 800 sq. ft. office + 600 sq. ft. storage
51 Jevlan Dr.	\$11.00	(800 sq. ft. x \$11.00)/12 = \$733 + Utilities	\$4.50	Net Lease Size: not specified (assuming 800 sq. ft. cost)

Recommendations:

Jennifer should look through all available locations and physically inspect the premises. The prices below \$1,000 could be unfinished and require some work to be done. Therefore, renovate and upgrade the office will incur additional expenses.

It is recommended to lease an office near Vaughan Mills Mall around Weston Rd. and Rutherford Rd., which is the busiest shopping area in Vaughan/Woodbridge borderline between the two cities. Also, it is close to Highway 400 and will allow easy access to all customers from surrounding cities and neighborhoods.

CONTINGENCY PLAN

Second room use

The second room may not bring enough income and not cover the rent expenses if RMT will not have enough clients. It is highly recommended to transform that room to be used for different purposes. For example, instead of providing massage therapy, Jennifer can have a person who will provide laser services. Those services may include:

- 🍁 Laser hair removal
- 🍁 Laser skin tightening and wrinkle reduction
- 🍁 Laser age/sun spots removal
- 🍁 Laser leg and veins removal

Other laser procedures may be included. This way Jennifer's client may be interested in Laser procedures, Jennifer will get the commissions from a person who provides the service. It will work the other way as well since clients who come for laser treatment may be willing to use Jennifer's services as well. In other words, a person who will use the second room will not be providing services similar to Jennifer's.

Lease vs. buy

Leasing the premises involves many advantages. If a business owner signs a lease contract based on Gross Lease agreement, the lessor will provide some additional services such as maintenance, plumbing, or any other property related matters. The advantage in the agreement protects the lessee, Jennifer. However, how soon the land lord responds to the requests and how well they are resolved depends absolutely on the Lessor attitude, ability, and decency. Therefore, extra money an entrepreneur pays may turn out to be a waste. That is when the disadvantage of leasing shows.

In case Jennifer will face such issues there are few options. The more passive option involves doing nothing but continuously reminding the landlord about his responsibilities. Another option is to wait till the lease ends and look for another building around the area discussed in this Marketing Plan.

There is also an option to purchase an office space and pay mortgage instead of lease. This way Jennifer will be responsible for hiring a maintenance personnel and pay for some extra amenities, but she will be the owner of the building. In case Jennifer decides to expend and move to larger facilities, she can become a lessor herself and lease this building.

Appendix A: customer analysis

Qualifying Dimensions:

Segment #	1	2	3	4
Name	Children	Expecting Mothers	Seniors/ People with disabilities	Men/Women
Who?	Children aged from 3 to 18 years old.	Pregnant women at any stage of pregnancy.	Elderly with health issues and people with disabilities of any kind.	Men and women of all ages, nationality, or status.
What?	Massage designed specifically for children.	Massage tailored individually to each and every expecting mother.	Rehabilitating massages such as therapeutic, alternative, and other massages.	Relaxation, sports, alternative, and other type of massages.
When?	When issue with physical and emotional state occurred.	When a woman is pregnant.	When health issues exist and need to be healed or relieved from pain and stress.	When need to relieve pain or stress, or simply willing to relax.
Where?	In the clinic.	In the clinic.	In the clinic.	In the clinic.
Why?	For physical and mental health.	For relieving pain and easing the overall painful pregnancy experience.	For treating a medical condition in order to heal or relieve pain.	For physical and mental health. For relaxation, relieve of pain, or healing.
How?	Cash, credit card, cheques, health benefit plan covered by parent's employer.	Cash, credit card, cheques, health benefit plan covered by employer.	Cash, credit card, cheques, some insurance coverage.	Cash, credit card, cheques, health benefit plan covered by employer.
Segment size	10%	20%	15%	50%
Trends	Growth	Growth	Growth	Stable

Determining Dimensions:

Segment #	1	2	3	4
Name	Children	Expecting Mothers	Seniors/ People with disabilities	Men/Women
Benefits sought	Fun, educational, and entertaining	Fun, entertaining, something to do with the family	Fun, entertaining, stimulate their mind, keep busy	Fun, Entertaining way to be active a little
Usage rate	Controlled by parents	Depends on number of children in a family.	Depends on the severity and stage of health issue.	Variability based on income and extent of health benefits. As well as personal wants for relaxation, an degree of need to relieve pain.

Appendix B: Survey Template and Results

Registered Massage Therapist (RMT) Clinic				
Survey:				
1)	Did you ever visit RMT clinic?	YES	NO	
2)	What was your impression?			
	Disappointed	Indifferent	Somewhat pleased	Delighted Ecstatic
3)	Do you plan to go again?	YES	NO	
4)	Was the place located close to your...	Home	Work	
5)	Do you prefer the clinic to be located near your residence?	YES	NO	
6)	Will discounts and promotions encourage you to visit RMT Clinic?	YES	NO	
7)	Did you know that RMTs can provide Relaxation, Therapeutic, Alternative Medicine and other types of massages?	YES	NO	
8)	Which of the following services did you receive from RMT? (Check all that apply)			
	<input type="checkbox"/> Hawaiian Lomi Lomi Massage			
	<input type="checkbox"/> Thai Massage			
	<input type="checkbox"/> Shiatsu			
	<input type="checkbox"/> Hot Stone Massage			
	<input type="checkbox"/> Aromatherapy Massage			

☐ Swedish Massage Therapy

- 9) Did you know that some RMT clinics work with insurance companies and your service can be covered through the Extended health benefits provided by your employer?

YES

NO

- 10) Which of the following are the most important factors in choosing RMT clinic? (You can circle more than one)

Location & Access	Overall Prices	Service Variety	Customer Service	Cosiness of premises	RMT's experience	Discounts & promotions
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- 11) What are the three digits of your postal code?

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- 12) Which age category applies to you?

a. below 18

b. 19 – 40

c. 41 – 64

d. 65 and up

- 13) What income level range applies to you?

a. below \$20,000

b. \$21,000 - \$44,000

c. \$45,000 - \$79,000

d. \$80 and up

14) Would you like to receive more information about a new RMT clinic in Vaughan area? If yes, please provide your contact information so we can send you special promotions and discounts!

Name: _____

Email:

Comments/Suggestions/Requests:

Survey Results:

	YES	NO
Did you ever visit RMT clinic?	82%	18%
Do you plan to go again?	61%	39%
Do you prefer the clinic to be located near your residence?	86%	14%
Will discounts and promotions encourage you to visit RMT Clinic?	91%	9%
Did you know that RMTs can provide Relaxation, Therapeutic, Alternative Medicine and other types of massages?	98%	2%
Which of the following services did you receive from RMT?		
Hawaiian Lomi Lomi Massage	12%	
Thai Massage	21%	
Shiatsu	8%	
Hot Stone Massage	46%	
Aromatherapy Massage	24%	
Swedish Massage Therapy	67%	
Did you know that some RMT clinics work with insurance companies and your service can be covered through the Extended health benefits provided by your employer?	76%	24%

Which of the following are the most important factors in choosing RMT clinic?

Location & Access	Over all	Service Variety	Customer Service	Cosiness of	RMT's experience	Discounts &
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	Price s			premises		promotion s
86%	45%	67%	100%	95%	100%	55%

What was your impression?

Disappointed	Indifferent	Somewhat pleased	Delighted	Ecstati c
2%	6%	41%	39%	12%

Was the place located close to your ...

Home	Work
64%	36%

What are the three digits of your postal code? Vaughan (postal code starting L6A) 37%
Combination of different areas 63%

Which age category applies to you?

a. below 18	1%
b. 19 – 40	26%
c. 41 – 64	57%
d. 65 and up	16%

What income level range applies to you?

a. below \$20,000	6%
b. \$21,000 - \$44,000	33%
c. \$45,000 - \$79,000	49%
d. \$80 and up	12%

Appendix C: Crawford Health & Wellness Clinic Logo



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