ABSTRACT

With the coming of the brand competition period, Traditional Chinese Medicine (TCM) brand building and management has become a problem which must be faced and considered in the TCM industry. The paper analyzes the existing problems of TCM brand building and management, then establishes the model of TCM brand building and management combined with knowledge of brand strategic management and discusses four factors in the process of establishing the model, so that to guide the TCM enterprise to develop its own unique TCM brand successfully, to manage the brand properly, and finally to promote the progress of the whole enterprise.

INTRODUCTION

During today's brand competition period, brand equity as the intangible assets plays an important part in the enterprise, and the enterprises which possess a TCM brand can take huge advantage inevitably [1]. TCM resources have a long history in our country, so it has found the general public acceptance and credibility. In addition, our country allows Chinese enterprises to own independent intellectual property rights. The benefit mentioned above provides TCM enterprises a fine market environment and creates plenty of opportunities; therefore, a large number of TCM enterprises can successfully gain a foothold with the fierce competition in the medicine market. As a matter of fact, much smaller TCM enterprises, like "Sanjiu Medical", "Huqingyutang", "Yunnan Baiyao", are recognized as famous brands. More than 3000 TCM enterprises have not owned its brand and more importantly had no strength to support the brand.[2] Therefore, TCM brand building and management successfully has a very important guiding and practical significance on the enterprise itself and the Chinese herbal medicine industry as well.

THE MAIN PROBLEMS DURING THE BUILDING AND DEVELOPMENT OF TCM BRAND

TCM products with a famous brand can be ensured to still remain competitive even under weight of a recession. However, TCM brand management in our county is at a standstill while brand in other industry has been mature long ago. What the problems are in the process of building and managing TCM brand in our country on earth?

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2.1 Lack of Brand Strategy Awareness

Foreign medicine enterprises have already established brands goals, high quality and famous brand. Korea ginseng, a Korean brand of a hundred years, came into the Chinese market by means of Jewel In The Palace. The price of ginseng produced in china is a tenth of that in Korea, while both of them have the same effect. Obviously, TCM enterprises are lack of brand tactic awareness in face of competition, and there is a negative perception that the TCM industry as an old industry is not supposed to modernize its development, which is unfavorable for the enterprises.[3]

Ambiguous Brand Positioning

A large number of TCM enterprises exit in our country and the TCM products with the same efficiency have so many names, logos and even manufacture factories. For example, LiuWei Di HuangWan as the classical TCM with a thousand years history has more than 700 manufacturing factories. As we can see, high homogenization of TCM brand cannot manifest the uniqueness of TCM product. TCM enterprises have ambiguous brand positioning and they cannot convey product efficiency properly.

Weak Brand Marketing Concept

TCM enterprises prefer to produce and sale in accordance with market demands and they are lack of brand marketing concept of TCM, which lose so many consumer groups including young people [4]. Because TCM advertising creatives are less in number, and TCM enterprises advertise TCM product only by trademarks, advertisements and slogans. Such advertising ways that are lack of connotation make TCM products empty and cannot express profound TCM cultures.

Poor Brand Maintenance

There is a serious phenomenon of disorderly competition in the TCM market. Because TCM market management does not arrive and so on and fake medicines adulteration incidents and fraud health care products affairs are exposed continuously [5]. As a result, TCM enterprises cannot maintain the reputation of TCM brand. For example, it occurred that they sold illegal Chinese medicine at a high price by cheating foreign tourists in Tongrentang. A series of brand maintenance measures including brand image, brand culture and brand value are seriously ignored and it results in the loss of TCM corporation image and TCM brand image.

THE STRATEGIES OF TCM BRAND BUILDING AND MANAGEMENT

Recently TCM industry has put forward the development strategy that "traditional Chinese medicine modernization and Chinese medicine making for the world". This also requires TCM enterprises to attach importance to the TCM brand, carry out TCM brand strategy, enhance TCM brand value and cultivate some famous TCM brands with greater influence, strong competitiveness and powerful motive force in the world. [6]
The Model of TCM Brand Building and Management

The model of TCM brand building and management is a brand equity model aimed at TCM and established on the basis of TCM culture. The model answers two questions, what factors the TCM brand building model need to consider and how to establish a good TCM brand building model. The model contains four elements, brand awareness, brand positioning, brand marketing, brand maintenance[7]. Four elements correspond to two points respectively. The relationship of four elements in the light of the logic and time is that to establish brand awareness firstly, then locate brand positioning, run brand marketing, and finally perfect the brand maintenance.

![Diagram of TCM Brand Building and Management](image)

Figure 1. The model of TCM brand building and management.

It is crucial to make full use of TCM culture to create a unique TCM brand in the process of establishing the model. With the concept of consumption, "advocating nature, returning to nature" arriving, the holistic view and the systematic theory of TCM has increasingly been recognized and accepted. To make the history of medicine culture becomes the foundation of TCM brand building model, and shape the TCM brand successfully and inherit technology and culture of TCM as well.[8]

Brand Awareness

BRAND STRATEGY AWARENESS

The building and management of TCM brand must be based on the overall planning strategy, and this requires TCM enterprises to have brand strategy awareness, so that the
series of the actions, methods and decisions are carried out around the TCM brand. The TCM enterprises with strong brand awareness can make full use of all advantages and opportunities, or avoid disadvantages and threats to effectively manage and develop the TCM brands, as a result help complete the long-term development goals.[9]

BRAND MARKET AWARENESS

Medical market at present is still with valuable but limited medical resources, brand market awareness can guide enterprises to settle TCM marketing strategy according to the drug demand in medical market and make rapid reflection to the change in the market, so that TCM brand could gain a competitive advantage and better adapt to the pharmaceutical market in the current fierce economic environment[10]. In the era of brand economy competition, TCM brand building needs to convey the concept of TCM products to consumers relying on market.

Brand Positioning

PRECISE POSITIONING

Before build TCM brand, the most important thing is to locate precise positioning of the brand and when consumers have some kinds of drug demands, they think of the TCM brand. Through market research and data analysis, understand of consumer’s interests and buying point about TCM products and find the best connection points with them, and then extract the suitable point for TCM brand positioning, so as to perform better in providing the basis for TCM brand management. [11]

PERSONALIZED POSITIONING

TCM products are generally based on TCM culture for positioning; however, the emotional weapons easy to impress consumers must be brand personality. TCM building and management should pay more attention to personalized herbal brands and then create differences. Based on the deep mining characteristics of TCM, design elements embodying the TCM brand including design name, slogan, symbols, advertisement and packaging should be unique, which caused the attention of specific groups of customers as a result.

Brand Marketing

MODERNIZE BRAND MARKETING WAY

After the location of TCM brand positioning, TCM enterprises should make sure the brand-focused marketing system. To choose such modern methods of marketing, modern cultural marketing, creative marketing, network marketing and other means to expand sales channels. TCM brand reflects the essence of the profound cultural medicine culture can increase customer experience activities in marketing, and the use of TV, ads, WeChat, micro-blog and other modern media could widely spread TCM brand spirit and enhance the cultural tension of TCM brand.
OPTIMIZE BRAND MARKETING STRATEGY

To have a detailed analysis of TCM resources market environment and brand advantages, to find more optimal marketing strategies and to divide market areas in detail, consolidate the existing markets, plan for the future market to expand the potential market. In the choice of, marketing channels, marketing tools and marketing means, it is better to choose a way in the pursuit of sophisticated. And use emotional marketing, relationship marketing, experiential marketing and other means to achieve the effect of marketing with less costs. [12]

Brand Maintenance

BRAND EQUITY

TCM enterprise cannot ignore the brand asset management after build its own TCM brand. Brand equity includes brand image, brand culture and brand value. TCM enterprises are supposed to do well in TCM brand maintenance and when launching in new product activity, TCM enterprise ensure the core value of TCM brand conveyed is in agreement with the brand positioning. Also to maintain the unity of Chinese herbal medicine brand strategy, so as to ensure the good reputation of the TCM brand.[14]

BRAND SUSTAINABLE DEVELOPMENT

In order to form a strong bond between TCM brands and consumers, society and so on must ensure the sustainable development of TCM brand [14]. This requires TCM enterprises not only to inherit Chinese medicine tradition but also to guarantee quality of products on the premise of having a good future planning of TCM brands, then continue to strengthen the supervision on the quality, and protect of intellectual property rights of TCM, which helps to achieve sustainable development of TCM brand.[15]

CONCLUSION

With the development of the times and the improvement of the economic consumption, TCM brand have had great development prospects. In the fierce international competition, TCM enterprises need to recognize the importance of brand building and management which could help perfect TCM product and promote the evolution of enterprises. TCM enterprises should actively raise brand awareness and market awareness, locate precise and personalized brand positioning, take a modern and more optimized brand marketing strategy, and establish long-term brand maintenance to maintain sustainable development of TCM brand. Ultimately, TCM enterprises could establish a strong TCM brand. TCM brand will be able to become stronger and bigger, and be promoted to the world in the future!

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