**4.** **Market research and analysis**

 In the beginning The Innovation center of biological - individual medicine and biotechnology closed corporation is planning to provide its clients with medical VIP-services , including biological-individual (personalized) treatment, prevention of diseases and age-specific changes. The basic outlet of the Center servicers is the Russian Federation. Sverdlovsk region is one of the developed subject of the RF, and has great potential of growth. Market of services, which are provided by the Center, is only emerging. We predict its sheer growth in the near future.

Primary customers of the Center will be the following groups of population:

* sick people and invalids, regardlessof their age with level of income from 50 mn.$ per year, with the aim of healing;
* healthy people, of all ages, for the purpose of sampling and storage their biomaterial for its further use in health improvement;
* People over the age 40-50 for the purpose of age-specific changes prevention

Our Center plans, first of all, to concentrate on world market development, where marketing efforts will be directed to. The main consumers of the servicers will be clients with high level of income, over the age 50 (VIP-clients).

 One of the main advantages of the Center is its situation in a picturesque place and the most ecologically clean area in Sverdlovsk region, where are no hazardous industry.

 Clients, come from another regions, will be rendered by services just-in-time, length of stay at the Center of patients will be minimal, procedures will be planned according to the schedule, to make treatment convenient, without negative emotions.

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 **5.** **Competition and competitive advantage**

 For appraisal of competitive advantages, designed Center, let’s conduct SWOT- analysis: strengths and weaknesses, opportunities and threats analysis, development of countervailing measures, analysis of

strategic and tactical measures. Results are listed below in the Table 4:

 **Table 4 - appraisal of the strengths and weaknesses of the enterprise**

|  |  |
| --- | --- |
| strengths | weaknesses |
| distribution system |
| Eexperienced managersWell qualified staffAnalysis of patients’ needsOrganizing of Specialists’ Training Creating Data Base of clients  | inadequate own experience ofadvertising |
| The company’s own services |
| Possibility of service rendering in accordance with special wishes of clientPlanning of extent of the servicesAbsence of any [pollution](http://lingvopro.abbyyonline.com/ru/Search/GlossaryItemExtraInfo?text=%d0%b7%d0%b0%d0%b3%d1%80%d1%8f%d0%b7%d0%bd%d0%b5%d0%bd%d0%b8%d0%b5&translation=pollution&srcLang=ru&destLang=en)Getting high added value at the service rendering Strong equipment | Absence of a possibility to influence the suppliers |
| Own technology of the company |
| certification of devices and equipmentOwn ‘know how’Original technical decisionHigh requirements for service rooms | obligatorylicensing of the activity |
| Own financial means of the company |
| financial independence financial condition, that does not require crisis management  |  \_\_\_\_\_\_\_\_ |
| Organizing of company management |
| Mobile and quickly reacts to changesForming the most qualified groups | \_\_\_\_\_\_\_\_\_\_\_\_\_\_ |
| The company image |
| High level of effectivenessExact time of fulfilment of treaty obligations | Little popularity at the beginning |

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|  |  |
| --- | --- |
| Possipilities | Threats |
| Society |
| Development of the market of Rendering Services | Change in political situationChange in demographic situation |
| approach a market of nanotechnologies and innovations in the area of medicine  | Acceptance of new standards |
| Competitors |
| Decline of positions of medical clinic because of low results  | appearance of competitors in the area |
| Distribution |
| Growing demand for the servicesEconomic recovery, increase in demandActive growth of number of clinics, wishing to become dealers  | High corruptness of bureaucratsRisk of the know-how revelation |
| Consumers |
| Approach new market segmentsIncrease availability of service for consumer with middle level of income  | Risk in appraisal of consumer paying capacity  |
| Technology |
| High effectiveness of the servicesImprovement of using technology | Appearance more effective technologies |
| Supplying |
| possibility of forming stock of material (consumption is quite low), necessary to biotechnologies and rendering services  | failure to meet energy suppliers obligations  |

 Table 5 – corporate appraisal

 Currently, many methods are developing in the area of medicine and cellular

biotechnologies. Existing, for now, technologies, using for integral organism treatment, may be compared. Comparative analysis listed below in the Table 6.

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Table 6 - Comparative analysis of modern technologies of treatment

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Kind of technology | Personification | Using techniques | Material, using for treatment | Results, advantages |
| Stem cells | partial | cell isolation from blood and tissues | Self and non self stem cells | Questionable and very insignificant |
| embryonary (fetal)therapy | no | Aborted tissue of embryo | Non self embryonal cells or non self tissue of embryo | Questionable, Effect of rejection |
| Patient-specific embryonary stem cells | partial | Self cell nucleus join non self anuclear oocyte | Self and non self cells | Not determined |
| Therapeutic cloning | yes | cloning to stage of embryo | Autologous cells | Method is under ban, expensive, results are closed |
| Reproductive cloning | yes | cloning with using surrogate mother | Self and non self cells | Method under ban |
| parthenogenesis | yes | cloning only oocyte | oocyte | Limited by application among women; not used |
| cell hybridization | partial | Mixing cell content | Self cell and non self oocyte | Not used |
| redifferentiation of cells | partial | Mixing cell content | non self anuclear oocyte and self cell |  not used for cell, tissue and organ culture |
| Gene engineering (gene transplantation) | partial | DNA gene transplantation  | Self and non self cells | Practically not used |
| Gene therapy | no | Transplantation and intrusion of needed genes into DNA | Non self genes and self cells | Practically not used |
| Tissue engineering | partial | tissue culture in 3D volume | Self and non self cells | Local application in experiment, fragility of structures |
| immunotechnologies | no | various | Non self organisms and tissues | Effect is nonspecific |
| Chemotherapy | no | chemosynthesis | Chemicals | Temporary effect, side injury |
| BIM | yes | Unified complex technology | only autologous cells | Absolutely expected effect |
| donated blood | no | Storage and processing into components | Non self blood | temporary |
|  cell cultures | Yes and no | cell culture | May be autologous or donated cells | Not used for treatment |

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 As you can see from comparative analysis, for the present “The Innovation center of biological - individual medicine and biotechnology” close corporation has no actual competitors in the area of rendering services. And those, that exist render them partially or fragmentarily. For example, the largest of them

“Cord blood bank” and “Cryocentre”, situated in Moscow, render servicers in collecting and banking of biomaterial (cord blood, stem cells). In our country about 7 cord blood and stem cells banks and 15 clinics and medical centres work. They have license of medical activity and registration certificate, issued by Federal Service on Surveillance in Healthcare and Social Development of Russian Federation on medical technology stem cells use. Nevertheless, there are no any positive results in the area of recovery.

Table 7 – strengths and weaknesses analysis of competitors

|  |  |  |  |
| --- | --- | --- | --- |
| criterion |  « ICBIMB» c.c. | «Cord blood bank» | «Cryocentre» |
|  Service price  |  3000$ |  2800$ |  3500$ |
| Stem cells use for officially licensed treatment | Use of stem and somatic cell for banking, processing and individual treatment of entire organism, that is not used by other clinics and centres for the present.  | «Cord blood bank» based on the State Institution Russian oncological scientific centern.a. N.N. Blohin, where try to apply cells for treatment and transplantation. | Lack of such experience and possibility of futher treatment of diseases. «Cryocentre» based on the Research Center of Obstetrics and Gynecology, that doesn’t allow further using cells for treatment. |
| methods | Using method of isolation and banking both stem and somatic cells, adopted by the Ministry of Health. | Methods of isolating and processing cells, used by «Cord blood bank» was developed with specialists of the State Institution Russian oncological scientific centern.a. N.N. Blohin, adopted by the Ministry of Health; Method is patented.  | Method used by “Cryocentre” is foreign (Great Britain), and not adopted in the RF, transplantations, according to the method, were not carried out in the RF, transplantologists don’t trust the method.  |

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 Continuation of Table 7

|  |  |  |  |
| --- | --- | --- | --- |
| criterion |  «ICBIMB» c.c. | «Cord blood bank» | «Cryocentre» |
| Qualification of staff  | Well-qualified staff, having a great experience and achievements in the area of transfusiology, biology, medicine, cryopreservation of biomaterials | Well-qualified staff, having a great experience and achievements in the area of transfusiology, biology, medicine, cryopreservation of biomaterials | Staff is qualified, but mainly consists of obstetrician-gynecologist, not transfusiologists and not experts in the area of cryopreservation of biomaterials |
| Development of branch network in the RF | Absence of branchs reducestherisk of damage of material during the transport | Presence of branchs in Sankt-Petersburg, Novosibirsk, Ekaterinburg, Rostov-on-Don and Nizhny Novgorod | Presence of branch in Sankt-Petersburg |
| Technology of collectig material | collection both blood and other biomaterial in clean-room conditions  | Collection of blood in closed system, that allows to avoid the risk of contamination of samples | Collection of blood in open system with syringes, that increases the risk of contamination of samples |
| storage conditions of biomaterial | Storage of samples in the newest computer-assisted cryorepository, excluding possibility of defrost of materials.Equipped technological base. | No dependence on self-power supplys, uninterrupted supply and large reserve of cryogenic nitrogen (biomaterials are stored in) | dependence on self-power supplys, presence of largequantities of electronic systems of accounting and processing cells |
| Technological cycle | All the technological cycle: collecting, processing, storage and treatment is performed right in the Centre , various transportations are excluded | All the technological cycle: isolation, storage and attempts of transplantation and treatment united on the base of Russian oncological scientific center RAMS | technological cycle is separate, there is no base for transplantation and treatment  |

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  **6. Marketing plan**

 “The Innovation center of biological - individual medicine and biotechnology” close corporation aims to introduce the newest methods of treatment. Its marketing strategy is subdued to the aim and the base of its reputation in the Russian Federation. In spite of that the Centre will be occupied by questions health improvement, it is able to render more servicers, such as collection and storage healthy biomaterial of patients with the aim of using it in the future, delaying aging for older age persons. “The Center of biological - individual medicine ” c. c. offers its clients health and return to full life, and also hope of full health in the future. Our centre guarantees high quality of the services, their safety and absolute individuality.

Its patients may receive the help of high-qualified experts, making no doubt about success.

 Experience and enthusiasm of the company staff is translated into high quality services, values and attention, represented to its clients.

Prices for the services of the Centre are determined by use of know-how, high cost of using equipment and innovation of the project, as well as absence of competitors and parallels. For the first year since the moment, the first clients will be accepted our services will be intended for VIP-clients with high level of income.

 Demographic research into the target market of “The Innovation center of biological - individual medicine and biotechnology”c. c. shows that the most effective advertising is special publications in the press. Specialized Publications and booklets for certain set of people must become the main information source about our centre. Besides, we plan to use the Internet site we have developed as an information about our services. To improve the corporate image, trademark and style formation will be carried out. The important part of the promotion must become personal

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communication with potential clients. To this purpose Client Relations Department will be created in the Centre, and the personnel of the department will have to be psychologist.

 Marketing strategy of our Centre will be directed to access to world market, further reductions in the cost of the services, and increase of their availability for the people with middle income. These two directions must raise the company reputation.

 Planning average monthly budget of advertising is 16 000$.

 According to listed above hierarchy of goals, the priority goal is public relations. Achievement of the goal will permit to shore up our position in market, make the firm more attractive for potential clients.

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