CASE ANALYSIS: CANADIAN BLOOD SERVICES

SUBJECT: MARKETING MANAGEMENT

GROUP: 4

Sec: A

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1. **INTRODUCTION:** Started in 1988, Canadian Blood Services is a national, non-profit charitable organization that manages the blood supply in all provinces and territories of Canada (except Quebec). The demand of blood products is increasing twice the rate of increase in population at Canada.

Canadian Blood Services hired Ipsos Reid, a research firm, which did a market analysis on the behaviour of the eligible donors. The main objective of the firm is to identify the target segments of donors. The case is about using the different tools to analyse the behaviour of the donors and devise a strategy to increase the units of blood donation.

2. **OBJECTIVES:**
   - Collection and preservation of the annual blood and blood components requirements
   - Enhance and organize the process of Stem cell and Marrow Network
   - Ensures transfusion medicine research and development remains at cutting edge
   - Maintain a database of donors
   - Ensure provision of safe blood
   - Ensure supply keeps up with demand
   - Recruit new donors and increase donor retention statistics
   - Reduce the waiting time for blood recipients

3. **SWOT ANALYSIS:**
   A further analysis of the CBS's operations and functions revealed the following facts:

   A. **Strength:** CBS has a vast infrastructure setup with 43 permanent collection sites and more than 20000 donor clinics. There is no shortage in terms of funds. CBS had received 4.5 million dollars in funds for marketing

   B. **Weakness:** Conventional marketing motivations are not applicable and as such CBS has been unable to convince large number of potential donors.

   C. **Opportunities:** Only 4% of eligible donors are actively donating. This leaves a scope to reach out to the other 44%. Also they can reach out to people who are ineligible due to health or bad habits like drug abuse etc.

   D. **Threats:** One of the major threats is short shelf life of blood and it products. Also there is a chance of blood contamination like with HIV virus or other infections. The shortage of blood during holiday season is also a matter of concern, as many of the donors are away from their homes and off to vacation points.

4. **REASONS BEHIND BLOOD DONATION**
   We can analyse the factors which motivate or cause a donor to donate blood using MASLOW'S HIERARCHY of Needs:
   - **Self Actualization:** A feeling of self fulfilment which a donor receives after blood donation. E.g. an inner willingness to make more donations, way of life.
   - **Esteem Needs:** Factors which cater to one's need of self esteem, like taking pride in being a donor, perceptions of donating blood being cool.
   - **Social Needs:** Social obligations, like for a relative, friend or the society as a whole
   - **Safety Needs:** Sometimes people donate thinking that they themselves may need it in the future.
   - **Physiological Needs:** Physical reasons like health and regeneration of blood.

5. **THE DECISION MAKING BEHAVIOUR BEHIND BLOOD DONATION:**
Let us analyze the blood donation behaviour of people by fitting it into the Decision Making Behaviour flowchart behind buying a certain product.

The decision making behaviour which people generally undergo while buying a product can be categorized into the 5 main heads as below:

- **Need Recognition**: For many safety is a major need, wherein they realize that today I may be well off, but tomorrow I may be in need of blood myself. Out of this feeling, they may feel a need for donating blood.
- **Information search**: The information search can be internal/external or marketing/non-marketing based. People may try and find out information on the following lines:
  - What benefits do I get if I donate blood?
- **Evaluation of alternatives**: once, a person is done with the information search part, the next stage that will come in the process of decision making will be evaluation of the various alternatives. Criteria for the same can be as follows:
  - Which blood bank is the closest to my residence?
  - Which blood bank is the most reputed and has the best of facilities?
- **Donation decision**: Once, all the previous steps of decision making are through, a donor finally decides to donate blood.
- **Post-donation behaviour**: Depending upon the experience one has during the donation period, one will decide
  - Whether to donate blood in the same blood bank once again or not.
  - The blood bank in this case can improve the perspective of the donors through better after donation supports and services like:
    - Membership cards for first time donors to hold on to them and retain their donor base
    - Based on the membership, donors can avail certain discounts in hospitals, medicines and other health-related services.

6. **DONOR SEGMENTS**

Of the large population of donors at Canada, the market of donors can broadly divided based on the Demographic and Psychographic variables. The primary objective of segmenting the donors is to target the segment which can be most effectively pursued to donate blood. The Donors can be segmented into the following segments:-

- **Demographic Segmentation**: Demographic segment basically divides the market into groups based on variables such as age, gender, family lifestyle, income, occupation, education, religion, race, generation and nationality. The donors of Canadian Blood Services can be further segmented on the basis of following criteria:-
  - **Age**: Majority of the donors (nearly 50%) belonged to the age group of 17-24 years whereas the age group of 25-34 years and 35-44 years comprised of 20% each. It can be inferred from the data that teenagers highly contributed in the donation as compared the people in other age segments.
  - **Gender**: Females mostly outnumbered males in donation in each segment. The ratio of number of female donors and male donors in every segment is 1.2:1. This clearly indicates that females are relatively more concerned about donations than males.

- **Psychographic Segmentation**: The psychographic segmentation divides the segments into groups based on social class, lifestyle, or personality characteristics. The donors of Canadian Blood Services can be majorly sub classified on the basis of their following 7 traits to donate:-
  - **Patients Come First**: These members donate for their relatives or someone close to them who has recently needed blood in the past.
  - **Community Givers**: These kinds of donors have an urge to serve their community and hence they donate for the greater good of the society.
C. *Karma is King*: These donors have an optimistic approach that the society would help them whenever required in future.

D. *Life Savers*: These donors comprise of those who donate only when someone’s life is at stake.

E. *Healthy Souls*: These donors are those who are physically healthy and strong and hence they want to donate the blood to make others healthy.

F. *Social Clubbers*: This segment of donors enjoys interacting with Canadian Blood Services staff, friends and co-workers and hence to maintain this social network they donate.

G. *Personal Gratifiers*: This category of donors feel gratified after they donate for the society. The satisfaction drives them to donate blood.

7. **ATTRACTING NEW DONORS**

   We analysed the market based on the blood donation status of individuals. 50% of the population is not eligible to donate blood. 46% of them are eligible but not donating blood. 1% of them are inactive donors, i.e. they donated blood in the past but not in the last 12 months. 3% of them are active donors. We are applying *differentiated marketing* for attracting the donors:

   **Strategy for attracting people who are eligible but not donating blood:**

   A. Need recognition is one of the important parts of consumer decision making process. Friends and family members of patients, who struggled in finding blood donors / blood from blood banks, are highly likely to donate blood in future.

      CBS can collect data of the relatives and friends of the patients who had received blood donation. And will directly contact them to request them to donate blood for CBS.

   B. To increase the efficiency CBS can gradually shift to online advertising, such. Targeted advertising is possible online. If a person is regularly buying medicine online for some major infectious disease, it can filter him out, too. Targeted ads will reach the intended audience much better that the traditional ones.

   C. **Strategy for people who are not eligible to donate:**

      Because of age or suffering from major infectious diseases such as HIV, some can’t donate blood. But many people are not able to donate blood just because they are underweight or have iron deficiency or have minor infectious diseases. These small problems can be tackled by making some changes to food habits and lifestyle.

   D. CBS will spread health awareness among these people and try to make them eligible. CBS will launch a free health magazine which promotes better food habits and lifestyle and blood donation. E-magazine will also be available on CBS website. Even if we make 2% of the population move from ‘Non-eligible-to-donate’ segment, that would be great. 2% of 33 million is a big number. Even if they don’t blood after becoming healthy, at least blood demand by them in future would be less, thanks to improved health.

8. **MEASURES TO INCREASE RATE OF DONATION OF REPEAT DONORS**

   Research carried by Ipsos Reid for CBS revealed following factors were responsible for repeat donations:

   - Ease
   - Convenience
   - Positive environment
   - Self-fulfilment and altruism also played a part

   Deterrents to repeat donation included:

   - Lack of convenience factors
   - Lack of awareness of the ‘need of blood’
   - Processing time of donating
   - Fear of needles / pain

   The above implies a donor is highly likely to return for donation if he is donates at a conveniently located centre handled by experienced staff where he is able to quickly donate and it does not interfere with his routine.

   In a sense, blood donation needs to act like a convenience store for a donor – it must form part of one’s routine and not interfere with other activities.

   **Steps to attract repeat donor rate:**

   - Conduct more donor clinics in regions not already covered on weekends and avoid vacations
   - Create profiles for donors by switching to biometric screening so repeat donors can avoid filling static data repeatedly
• Tie-up with corporate willing to engage in social marketing and offer special privileges to active donors
• Remind donors by calls / messages when they become eligible to donate
• Make blood donation trendy by issuing merchandise for attracting youth (such as Live strong bands)
• Prioritizing availability of blood and blood products to donors