

# **The Marketing plan for the SERVAAS Law Firm for 2017**

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Master Thesis  
2017

 **Tomas Bata University in Zlín**  
Faculty of Management and Economics

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Tomas Bata University in Zlín  
Faculty of Management and Economics  
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## MASTER'S THESIS ASSIGNMENT

(PROJECT, ARTWORK, ARTISTIC PERFORMANCE)

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Thesis Guidelines:

### Introduction

Define the objectives and the application methods used in the Master thesis.

#### I. Theoretical part

- Compile general theory of marketing for services and its characteristics.

#### II. Practical part

- Analyze the macro environment of law firms in Holland and current performance of the SERVAAS law firm.
- Prepare the marketing plan for the SERVAAS law firm for 2017 for maximizing profit.
- Submit the project to risk and cost analysis.

### Conclusion

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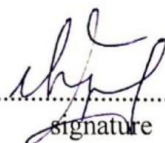
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## **ABSTRAKT**

### Czech abstract

Cílem této práce je vytvořit marketingový plán pro advokátní kancelář Servaas pro rok 2017. První část práce byla zaměřena na vymezení teoretických znalostí z oblasti marketingového plánování. Druhá část práce předkládá analýzu makroprostředí advokátní kanceláře v Nizozemí a aktuální situaci v advokátní kanceláři Servaas. Výsledky situační PEST analýzy, analýzy zákazníků, benchmarkingové analýzy a analýzy současného marketingového mixu byly shrnuty prostřednictvím IFE a EFE matice, dále shrnuty do SPACE matice a strategické matice SWOT. Na základě těchto výsledků byl vytvořen marketingový plán včetně akčních plánů. V závěru byl marketingový plán byl podroben nákladové, časové a rizikové analýze.

**Klíčová slova:** marketingový plán, Struktura marketingového plánu, marketingové plánování, situační analýza, Critical Success Factor (CSF), služba, právo.

## **ABSTRACT**

The aim of this thesis is to develop the marketing plan for a law firm SERVAAS for the year 2017. The first part of the thesis was defined theoretical knowledge of marketing planning. The second part of the thesis was indicated the analysis of the macro environment of law firms in the Netherlands and current performance of the SERVAAS law firm. The results of the situational analysis PEST, customer analysis, benchmarking analysis and the current marketing mix materialized facts that were illustrated in a matrix IFE and EFE, further integrated into the SPACE matrix and strategic SWOT matrix. Based on these results, the remaining parts of the marketing plan were given along with action plans. In the end, the marketing plan was put to the cost, time and risk analysis.

**Keywords:** marketing plan, marketing plan structure, marketing planning, situation analysis, Critical Success Factor (CSF), service, law

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I hereby declare that the print version of my Bachelor's/Master's thesis and the electronic version of my thesis deposited in the IS/STAG system.

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## INTRODUCTION

Marketing planning is a progressive exercise over the future, which establishes the strategies of an organization with special reference to its product further development, market development, channel distribution, sales promotion and profitability.

Business firms are obligated to make various marketing decisions according to the everyday changeable environment. In this case, marketing planning separates the role and responsibilities of executives in such a way as to achieve the short and long term goals of the firm. In general, it involves the preparation of strategies, programs, activities, budgets etc., in advance for executing marketing activities and functions in order to attain the marketing goals.

Concisely, marketing planning is an ongoing business activity. As nowadays business changes many strategies over time, the plan will be a necessity to ensure that the business is still heading in the right direction.

Based on the advantages of marketing planning, every company must look ahead and determine where it wants to go and how to get there. Consequently, the objective of the thesis is to identify the current position of the SERVAAS law firm in the high saturated market and determine the activities which will give the company competitive advantages and profitability.

The thesis was build up by considering the operational and environmental scope of the SERVAAS Law firm. The firm was founded in the Netherlands, Amsterdam in 2009. According to their marketing department performance, the new up to date strategies are required for the year 2017. This fact became the core of the thesis.

In the first part of the thesis, literature research was processed in the field of marketing planning for services. The detailed steps for building up the marketing plan were discussed together with the situational analysis such as target market analysis, marketing strategies, and objectives. For completeness, marketing mix and customer relationships based on the loyalty and brand awareness was discussed in the further steps.

The second part of the thesis is the introduction to the company's history, brand, and the provided services' characteristics. Based on their provided services, customer analysis was done align with competitors analysis. Besides the internal analysis, the environmental analysis was implemented in order to identify the opportunities and threats coming outside from the company.

An integral part of the practical part is the project, which represents a selected target markets and defines marketing objectives of SERVAAS Law firm. It also includes strategies for achieving the mentioned goals based on the results of the situational analysis. After all steps

complied, consequently, formulation of appropriate action plans was done. In the end, the project was subjected to the cost, time and risk analysis.

Finally, then the measures were taken for evaluating the project's efficiency.

Developed plan was done for internal use of SERVAAS law firm, therefore should be represented to all employees for further management and marketing planning. As the document is not a static document but a dynamic tool, can be adjusted and modified according to the needs of the company and the surrounding environment.

## **OBJECTIVES AND MOTIVATION OF STUDY**

The main objective of the thesis is to create a marketing plan for a SERVAAS Law Firm for a chosen period which is the year 2017. For achieving this objective it is necessary to develop the theoretical background of marketing planning and then analyze external and internal current situation of this area.

The overall project will be based on the qualitative research. Data collection will be done through non-standardized observations and interviews with the owners and employees of the chosen company. To obtain other necessary information for marketing plan will be used technique of analyzing the published documents which are internal and external sources of secondary data.

The first part of the thesis will be perform on a theoretical basis, the processing of all necessarily sub-steps for building a marketing plan. The characteristics of the services and the marketing mix applied to services will be drawn up next. It will therefore be based on different opinions of authors for getting countervailing but at the same time complementary picture of each concept.

The practical part will be after the description of the chosen company's field of operation, history and brand. Subsequently, the environmental analysis of the law market in the Netherlands will be observed in a scope of PEST analysis. Customer analysis will be done through separation of relevant categories (population, age, income level, and profile). For identifying company's competitors Critical Success Factor (CSF) matrix will be used thanks which the benchmarking of direct competitors' communication process will be summarized. From the above analyzed methods will be investigated the internal strengths and weaknesses of the company which will be centralized on IFE matrix, and opportunities and threats that may come from outside of the company. This is centralized on EFE matrix. Based on the matrixes' results, SPACE matrix and Strategic SWOT matrix will summarize the strategies for further effective operation.

Finally, the project will apply the results of analytical methods. It is due to the help for identifying target markets and further setting marketing objectives and strategies for the selected period. At the same time, they will be compiled action plans to meet individual marketing objectives. Project part will be subjected to the cost, risk and time analysis, for which the critical path method CPM will be used.

## **I. THEORY**

# **1. THE GENERAL THEORY ABOUT MARKETING PLAN FOR SERVICES AND ITS CHARACTERISTICS**

## **1.1 BACKGROUND OF MARKETING PLAN**

Current economic and industrial growth is the basis for the indispensable implementation of a marketing plan in company's marketing activities. The vital meaning of marketing plan is to provide direction and focus of brand, product or company. With a well-structured and detailed plan, a new production launching process or process of building sales for existing products will lead to better results.

Years of researching worldwide in this area put into use a great variety of different definitions that considers marketing plan. Generalizing these definitions, the most comprehensive picture is giving Susan Ward (2010) who says that a marketing plan defines the particular actions one plans to carry out to interest potential customers and clients in one's product and/or service and make them buy the product and/or services one offers.

On the other perspectives, marketing plan itself represents a written document defining a company's goals, guiding the company's actions aimed at achieving these goals, and providing guidelines for evaluating the company's progress toward these goals. (A. Chernev, 2011).

Compared to a business plan, which describes the entire organization's mission, objectives, strategy, and resource allocation, marketing plan's framework is limited. According to Book P. Kotler, G. Armstrong (2016) marketing plan serves to document how the organization's strategic objectives will be achieved through specific marketing strategies and tactics, with the customer as the starting point. It is also linked to the plans of other departments within the organization.

Despite the marketing plan's scope is limited, it does not mean that they should be created in a vacuum. The first necessity for building a marketing plan is up-to-date information about the environment, the company's competition, and the market segments to be served. This deeper understanding provides a strong stage to build competitive advantages through well-informed segmenting, targeting, differentiating, and positioning decisions. Hence, the first objective of a marketing plan is to outline what marketing research will be conducted and how these findings can help organization's better performance.

The marketing plan, like any other type of plan, may be compared to a road map used to guide a traveler. It is designed to provide answers to three basic questions. (R.D. Hisrich and M.P. Peter, 1991)

1. Where have we been? When the marketing plan is integrated as part of the business plan, this segment would focus on some history of the marketplace, marketing strengths and weaknesses of the firm and market opportunities and threats.

2. Where do we want to go (in short term)? This question primarily addresses the marketing objectives and goals of the new venture in the next 12 months.
3. How do we get there? This question discuss the specific marketing strategy that will be implemented, when it will occur and who will be responsible for the monitoring of activities. (R.D. Hisrich, M. P. Peters, 2002).

Answering these questions properly will allow entrepreneur not only to identify and recognized critical issues but also to be prepared in the event that any change in the environment occurs.

## 1.2 THE STRUCTURE OF MARKETING PLAN

A company with a straightforward marketing strategy seeks to conquer to a particular customer group interest, first of all, need a vision. Vision itself requires making actions. The action itself causes to create a high profile strategy which in addition seeks for a well-organized plan and action. It is never ending circle consist of few main elements which aim is to perform a good quality marketing strategy.

Because most marketing plans share the common goal of guiding a company's marketing activities, they also share a common structure. The logic of the organization of the marketing plan and the key aspects of each of its components are discussed below.

As Philip Kotler said (in Cruch and Housde, 2003) marketing plan, in general, should consist of situational analysis as a first step, defining the objectives as a second, shaping the strategy, defining tactics, estimating the budget and establishing the system of controls.

### 1. Executive Summary

The executive summary considered to be as an “elevator pitch” for the marketing plan—a smoothed and succinct overview of the company's goal and the proposed course of action. The length of typical executive summary fluctuating from one to two pages and consists of five main components: introduction, situation overview, goal(s), action overview, and conclusion.

Executive summary answers the *who, what, when, where, how* and *why* questions for the business. It also answered such questions as who was involved (key people and organizations), what length of time the plan represented, and how the goals would be met. (B. Kurtz, 2012)

### 2. Situation Analysis

The one of key success point for building a marketing plan is to consider the marketing environment—the competitive, economic, political, technological, cultural factors that have their impact on formulation and implementing firm's marketing strategy. These issues may

vary from company to company, but the main goal is to give the brief description where is the company now in the marketing environment.

All in all, the situation analysis provides an overview of the environment in which the company operates. This section consists of three main components;

- 1) *company overview*-by giving the outline of the company's strategic goals and resources,
- 2) *market overview*-by giving the overall picture of marketplace in which company operates,
- 3) *target customers*-narrowing the scope for whom the company will tailor its offerings.

For situational analysis variety of methods and analysis are exist in the practice. For macro and micro environmental analysis the PESTEL, PEST, PESTLE methods are using. The main indicator of choosing among these methods is the relevance to the examined business. For the chosen company, we consider as a better analytical tool PEST methods.

The widely spread method of situation analysis is the SWOT analysis which is deeply analyzing the internal and external factors of the business. By evaluating the performance of a business and having the internal and external factors weight, it is possible to determine the future operational strategy by which the company can reach its objectives. (It is called SPACE Matrix). After having the strategical objectives and goals, thanks to the SWOT strategical matrix, company can identify how strengths can be used to take advantage of opportunities, how weaknesses can be reduced by taking advantage of opportunities, how strengths can be used to reduce impact of threats and finally, how weaknesses that will make these threats a reality can be addressed.

The next analysis method is benchmarking. This analysis gives an opportunity to examine and study the best management techniques and organization of competitors. In this case, the Critical Success Factor (CSF) analysis is also useful due to the fact that it is helping to identify the biggest competitor of the company.

### **3. Objectives**

Taking results from situational analysis and identifying its opportunities, the next step is to rank objectives and set goals. Sub objectives can also be installed in respect to company's stakeholders, image, reputation, technology etc. But it is important that goals should be specific and measurable. The better way to do so is to divide them into financial and nonfinancial aims.

### **4. Strategy**

The strategy section of the marketing plan outlines the blueprint for achieving the company's goal. Every goal could be achieved in a very large extend of ways. In this case the most effective and more appreciate action course has crucial meaning for further strategy.

## **5. Tactics**

This section of the marketing plan delineated the ways how the desired strategy can be illustrated into a set of specific action. In this section managers should make seven key decisions with respect to each offering: product, service, brand, price, incentive, communication and distribution.

## **6. Implementation**

The timeline and the logistics of executing an offering's strategy and tactics are outlining in this section. The key aspects of implementation planning are organizational infrastructure, business processes, and scheduling.

Following to C. Lamb, J.F.Hair, C. McDaniel (2006) cooperative definition, implementation is the process that turns marketing plans into action assignments and ensures that these assignments are executed in a way that accomplishes the plans' objectives. On their belief brilliant marketing plans are doomed to fail if they are not properly implemented. These detailed communications may or may not be part of the organization's marketing plan. If they are not part of the plan, they should be specified elsewhere as soon as the plan has been communicated.

## **7. Budget**

All planned activities and actions may imply costs which should be included in organization's budget that is needs to achieve its objectives.

## **8. Control**

This final section is for evaluating the company's performance and making the environmental analyzing. To setting a review period is important in order to examine the weather the company making a progress toward the goal. If regression occurs, the objectives, strategies or actions must be revised for correcting the situation.

In general and in practice, marketing plan is designed for one year period. But because it typically takes much time to develop strategies and activities, the company may opt for long-term marketing plan. Whether it is dedicated for long term or short term use, the general meaning of marketing plan is to predict the period for achieving the goals set out by the plan.

### **1.3 THE IMPORTANCE OF MARKETING PLAN FOR SERVICES**

It is not a new discovery that without marketing activities the potential customers may not be aware of the business's products or services. Obviously, without customers, a business may meet its demise. The important role of marketing in companies lies in planning and reaching potential customer's processes. This, in turn, helps to ensure that people are aware of company's products or services. But before reaching to potential customers, business should understand their vision, goals, strategy and ways how to operate in the certain market. To facilitate this process, the marketing plan is invested which in future can help to ensure that people are aware of the product or service and that business has an opportunity to convert that awareness into paying customers.



Despite, the framework of services more limited compared to products market, business services have grown as well. According P. Ferrell (2014) business services include support and maintenance, consulting, installation, equipment lease in, marketing research, advertising, temporary office personnel, and janitorial services. The growth in business services can be attributed to the increasingly complex, specialize and competitive business environment. To remain competitive in these conditions, the marketing plan can help companies to have an overall picture of their current situation, understands main omissions and drawbacks. Based on the quantitative and qualitative data, it helps to build a new package of action plans for generating a profit.

The authors of “Entrepreneurship” book (R.D. Hisrich, M.P. Peters, 2012) for designing a marketing plan, first of all, are putting their attention on management. Based on their statement, management should understand that the marketing plan is a guide for implementing marketing decision making and not a generalized, superficial document. When entrepreneurs do not take the appropriate time to develop a marketing plan, they usually have misunderstood the meaning of the marketing plan and what it can and cannot accomplish. The role of the marketing plan and the importance now will be explained further.

Table 1 The Opportunities and Limitations of Marketing Plan

<b>Opportunities</b>	<b>Limitations</b>
<ul style="list-style-type: none"> <li>• It will enhance the firm’s ability to integrate all marketing activities so as to minimize effort toward achieving the corporate goals and objectives</li> </ul>	<ul style="list-style-type: none"> <li>• It will not provide a crystal ball that will enable management to predict the future with extreme precision</li> </ul>
<ul style="list-style-type: none"> <li>• It will minimize the effects of surprise from sudden changes in the environment</li> </ul>	<ul style="list-style-type: none"> <li>• It will not prevent management from making mistakes</li> </ul>
<ul style="list-style-type: none"> <li>• It establishes a benchmark for all levels of the organization</li> </ul>	<ul style="list-style-type: none"> <li>• It will not provide guidelines for every major decision. Judgment by management at the appropriate time will still be critical</li> </ul>
<ul style="list-style-type: none"> <li>• It can enhance management’s ability to manage since guidelines and expectations are clearly designated and agreed to by many members of the marketing organization.</li> </ul>	<ul style="list-style-type: none"> <li>• It will not go through the year without some modification as the environment changes.</li> </ul>

*Source; Adopted from HISRICH, R.D and M. P. PETERS, 2012. Entrepreneurship. 9 edition. McGraw-Hill Education; p. 261*

In a more general sense, the marketing plan can be collated as a combination of four key components 1) an executive summary that outlines the highlights of the marketing plan; 2) situation analysis that examines the environment in which the company operated and identifies the target market in which it competes, 3) an action plan that outlines the goal, strategy, tactics, implementation, and control aspects of the offering and 4) exhibits that provide additional information about specific aspects of the marketing plan.

With these key factors the importance of marketing plan for services are determined, but there are also some reasons which finalize why companies should have marketing plan in their activities.

- To obtain financing, because investors require a detailed business plan—including a marketing plan component—before they will even consider a loan application or a venture capital investment,
- To provide direction for the firm's overall business and marketing strategies,
- To support the development of long and short term organizational objectives,
- To guide employees in achieving these objectives,
- To serve as a standard against which the firm's progress can be measured and evaluated. (B. Kurtz, 2012).

#### **1.4 TRADITIONAL MARKETING MIX APPLIED TO SERVICES**

Almost every introductory marketing course staples the concept of developing strategies to market manufactured goods in the same way, by addressing four basic strategical elements: product, price, place (or distribution), and promotion (or communication). The combination of this group is well-known "4Ps" of marketing mix. But according to C. Lovelock, J. Wirtz (2007) thoughts, to capture the distinctive nature of service performance, marketers need to modify the original terminology and speak instead of product elements, place and time, price and other user outlays, and promotion and education. In addition, they think the mix should be extended by adding four elements associated with service delivery: physical environment, process, people and productivity, and quality. Altogether, these eight elements are known as "8 Ps" of service marketing. These are the ingredients which can create achievable strategies for meeting customer needs in competitive marketplace. The detailed explanation of each element discussed below.

##### **1.4.1 Product elements**

Based on P. Ferrell (2014) description, a *core service* is the basic service experience or commodity that a customer expects to receive. A *supplementary service* supports the core service and is used to differentiate the service bundle from those of competitors. Collectively, a service which is offered by an organization can be considered as a package, or bundle which consists of one core service that answer to the customers' primary need and one or more supplementary services that help with the effectively usage of core product as well as adding value through welcomed enhancements.

Planning the marketing mix begins with creating a service concept that will offer value to target customers and satisfy their need better than competing alternative. Working to transform this concept into reality involves design of a cluster of different but mutually reinforcing elements. (C. Lovelock, J. Wirtz, 2007).

Table 2 Service Characteristics and Marketing Challenges

Service Characteristics	Resulting Marketing Challenges
Intangibility	Difficult for customer to evaluate. Customer does not take physical possession. Difficult to advertise and display. Difficult to advertise and display. Difficult to set and justify prices. Service process is usually not protectable by patents.
Inseparability of production and consumption	Service provider cannot mass-produce services. Customer must participate in production. Other consumers affect service outcomes. Services are difficult to distribute
Perishability	Services cannot be stored. Balancing supply and demand is very difficult. Unused capacity is lost forever. Demand may be very time sensitive.
Heterogeneity	Service quality is difficult to control. Service delivery is difficult to standardize.
Client-based relationships	Success depends on satisfying and keeping customers over the long term. Generating repeat business is challenging. Relationship marketing becomes critical.
Customer contact	Service providers are critical to delivery. Requires high levels of service employee training and motivation. Changing a high-contact service into a low-contact service to achieve lower costs is difficult to achieve without reducing customer satisfaction.

Source; Adopted from K. D. Hoffman and J. E Bateson, 2010. *Service Marketing: Concepts, and Cases. 4th ed. South-Western College Pub, 480 p.*

### 1.4.2 Place and Time

Delivering a service implies several of ways. Based on the service type the delivery process may differ. Itself the procedures is answering to questions such as when and where former are delivered to the latter, also it includes the decisions about methods and channels employed.

Marketing channels for services usually are short and direct, meaning the producer delivers the service directly to the end user. Some services, however, use intermediaries. (P. Ferrell, 2016). A good illustration for this statement can be an example of international law firms' and translator agency's' combined forces for offering immigration law service to their foreign customers.

In this case, the beneficial point for service marketers is that they are less concerned with warehousing and transportation than are good marketers. However, the concentration is

focused on inventory management, particularly balancing supply and demand for services which is very challengeable for marketers due to the service's inseparability characteristic.

Speed and convenience of place and time have become important determinants of effective service delivery. (C. Lovelock, J. Wirtz, 2007).

### **1.4.3 Price and other user Outlays**

Service should be priced with consumer price sensitivity, the nature of the transaction, and its cost in mind. (C. Ferrell, 2016).

Typically, the prices for services can be established on several various bases:

- Performance of specific tasks (ex. Pest control, dry cleaning, health consultations etc.)
- Time spent on the task (ex. Attorneys, consultants, counselors etc.)
- Demand-based pricing(ex. time-sensitive services)
- Peak demand (ex. Airlines' early and late time slots during day)

When demand for service is high, the price is also high. Conversely, when demand for a service is low, so is the price. Every empty seat on an airline flight represents lost revenue. (R. Nakashima, 2012).

Customers, by contrast, see price as a key part of their time and effort. Service marketers, therefore, must not only set prices that target customers are willing and able to pay, but also understand and seek to minimize, where possible-other burdensome outlays that customers incur in using the service. These outlays may include additional monetary costs, time expenditures, unwanted mental and physical effort, and exposure to negative sensory experiences.

### **1.4.4 Promotion and Education**

Everything loses its meaning when marketing program neglected the process of creating an effective communication strategy. But this process is not as easy as it in a good product. Due to the intangibility of services, marketers often are facing to some difficulties. In some cases, it may not be possible to represent the actual performance of service in an advertisement or display it in a store by explaining a service meaning to their customers.

To avoid discussed obstacles, C. Lovelock and J. Wirtz (2007) are suggesting taking into consideration three components which play vital roles in communication process: provide needed information and advice, persuade target customers of the merits of a specific brand or service product and encourage them to take action at a specific time. Continuing the authors' thoughts, in service marketing, much communication is educational in nature, especially for new customers. They believe that suppliers need to teach these customers about the benefits of

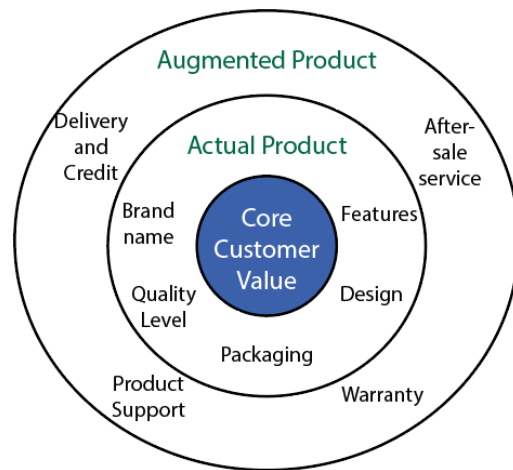
the service, where and when to obtain it, and how to participate in service processes to get the best results.

It should be noticed, that besides these activities, word-of-mouth communication is particularly important in the communication process. Obviously, other's opinions about particular service can have a tremendous impact on whether an individual decides to become a customer of that service. Some services marketers are taking advantage of this fact, and attempting to stimulate positive word-of-mouth communication based on their satisfied customers' feedback.

### 1.5 SERVICES AND BRANDS: BUILDING CUSTOMER VALUE

Intangible services are considered to be a “product” too. According to G. Armstrong, P. Kotler (2017), for designing the products marketers should think about products and services on three levels. Each of them adds more *customer value*. The most basic level is the core customer value, which addresses the question: *What is the buyer really buying?* When designing products, marketers must first define the core, problem solving benefits or services that consumers seek.

Figure 1 Three levels of Product



Source; ARMSTRONG, Gary, KOTLER, Philip, 2016. *Principles of Marketing*. Pearson Education Limited, p. 232

At the second level, products planners must turn the core benefit into an *actual product*. They need to develop product and service features, a design a quality level, a brand name, and packaging.

Finally, products planners must build an *augmented product* around the core benefit and actual product by offering additional consumer services and benefits.

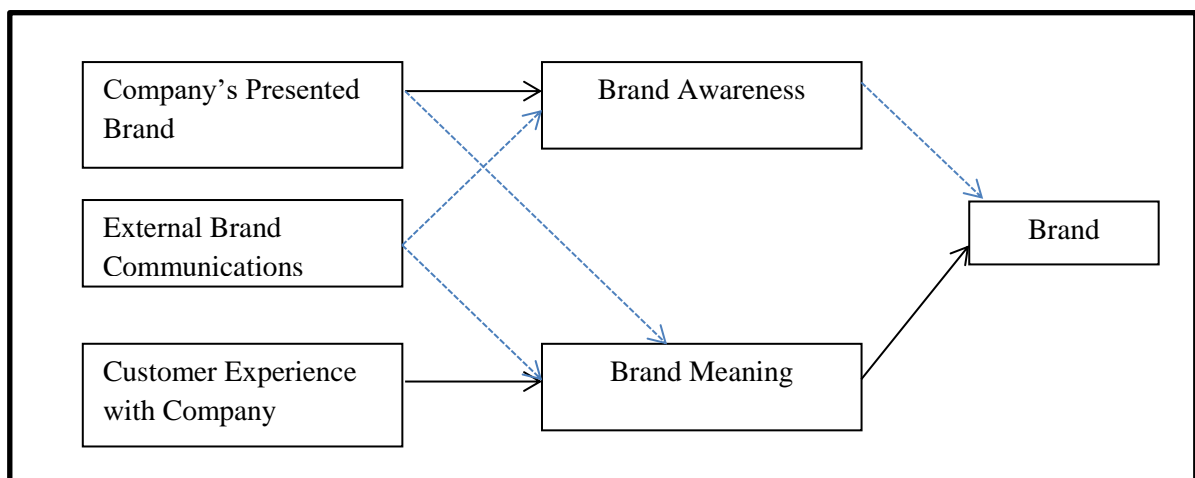
In order to make correlations between created customer value and brand's influence on it, the first necessity is to understand the characteristic of the brand.

Studies and practical examples have shown that brand has a vital and crucial importance on the way to business's success. There are large extent of perspectives and views toward brand's definition and meaning, but perhaps an ideal one was given from G. Armstrong, P. Kotler (2016) according to whom brand is a name, term, sign, symbol or design or a combination of these that identifies the products or services of one seller or group of sellers and differentiates them from those of competitors.

Strong brand identity can lead to strategical advantages for an organization; it can contribute to buyers' perceptions of product quality; reinforce customer loyalty and be an additional force for repeat purchases. All of these benefits are called brand equity.

Berry (2000) has developed a model for creating brand equity for services. He identifies brand equity as "the differential effect of brand awareness and brand meaning combined on customer response to the marketing of the brand", which is his interpretation of Keller's (1993) definition of brand equity. According to Berry (2000), the service branding model does not differ in kind from that of products, only in degree. He argues that the main difference in building brand equity for products compared to services is the great importance of service performance, meaning human performance for services rather than machine performance for products. In Berry's (2000) model, brand equity is based on brand awareness and brand meaning, where brand meaning has a greater influence on brand equity than brand awareness. Brand awareness is primarily composed of the presented brand but is also affected by external brand communication. Brand meaning is foremost affected by the customer's experience with the company, but also indirectly affected by external brand communication and the presented brand.

Figure 2 The Service-Branding Model



Source; BERRY, L. L. *Cultivating Service Brand Equity*, 2000. *Journal of the Academy of Marketing Science*, p. 130

Similarities can be seen between Keller's (1993) work and Berry's (2000) service branding model. For example they both use brand awareness as a base of brand equity. Keller (1993)

uses the term brand image as the other basis for brand equity, while Berry (2000) uses the term brand meaning. Although the authors use different wordings, they are both referring to the same phenomenon, which is the customer's perception of the brand.

With revealing the theoretical views and approach of brand equity, it can be concluded that brands are more than just brands. It is a key element in the company's relationships with customers. As once B. Pieratt (2013) said, "Products are created in the factory, but brands are created in the mind". So it was estimated that strong brands exist in the head of customers.

## 1.6 MANAGING RELATIONSHIPS AND BUILDING LOYALTY

The first step in managing a loyalty-based business system is finding and acquiring the right customers.

Frederick F. Reichheld

Targeting and acquiring "right" customers has its fundamental role in many successful service firms, but without building long-term strong relationships between customers and company, all the forces are likely to be ineffective.

Focusing on desirable and loyal customers within the chosen segments, and then taking pains to strengthen their loyalty through well-conceived relationship marketing strategies can be a basis for growing volume of business with the firm in the future. (C. Lovelock, J. Wirtz, 2007).

"Few companies think of customer as annuities," says F. Reichheld, author of *The Loyalty Effect*, and major researcher in this field. And yet that is precisely what a loyal customer can mean to a firm a consistent source of revenue over a period of many years. The active management of the customer base and customer loyalty is also referred to as customer asset management. (R. Bolton, K. N. Lemon, P. C. Verhoef, 2004).

Referring to assets, the important question arises: if the loyalty of the customer is important for companies, how much is a loyal customer worth in terms of profit? Looking for an answer in theoretical studies, F. Reichheld and E. Sasser found that customers became more profitable the longer they remained with a firm in certain industries. They also analyzed the profit per customer in various service businesses, as categorized by the number of years that a customer had been with the firm.

Underlying this profit growth, say F. Reichheld and E. Sasser, are four factors that work to the supplier's advantage to create incremental profits. In order of magnitude at the end of seven years, these factors are: *Profit derived from increased purchase (or, in a credit card or banking environment, higher accounts balances)*. Over time, business customers often grow larger and so need to purchase in greater quantities, Individuals may also purchase more as

their families grow or as they become more affluent. Both types of customers may be willing to consolidate their purchases with a single supplier who provides high quality service.

1. *Profit from reduced operating costs.* As customers become more experienced, they make fewer demands on the supplier (for instance, they have less need for information and assistance). They may also make fewer mistakes when involved in operational processes, thus contributing to greater productivity.
2. *Profit from referrals of other customers.* Positive word-of mouth recommendations are like free selling and advertising, saving the firm from having to invest as much money in these activities.
3. *Profit from price premium.* New customers often benefit from introductory promotional discounts, whereas long-term customers are more likely to pay regular prices, and when they are highly satisfied they are even willing to pay a price premium. (Ch. Homburg, N. Koschate, W.D. Hoyer, 2005).

However, F. Reichheld argues that the economic benefits of customer loyalty noted above often explain why one firm is more profitable than a competitor. Furthermore, the up-front costs of attracting these buyers can be amortized over many years.

Furthermore, It is a mistake to assume that loyal customers are always more profitable than those who make one-time transactions. (G. R. Dowling, M. Uncles, 1997). On the cost side, not all types of services can incur advertisements expenditures to catch the interest of their customers. In the case of the law firm, one of the ways to achieve customer's loyalty is the volume of win judges. On the revenue side, recent studies have shown that the profit impact of a customer can vary dramatically depending on the stage of a service's product lifecycle. For instance, referrals by satisfied customers and negative word of mouth from "defected" customers have a much greater effect on profit impact in the early staged of the service products lifecycle when the name of the game is acquisition of new customers than in later stages when the focus is on generating cash flow from the existing customer base. As A. Grant and L. Schlesinger declare: "Achieving the full profit potential of each customer relationship should be the fundamental goal of every business...Even using conservative estimates, the gap between most companies' current and full potential performance is enormous." For analysis the correlation between the actual and potential value of customers, the authors suggested 2 gaps, which are presented below.

- What is the current purchasing behavior of customers in each target segment? What would be the impact on sales and profits if they exhibited the ideal behavior profile of;
  1. Buying all services offered by the firm,
  2. Using these to the exclusion off any purchases from competitors,
  3. Paying full price.

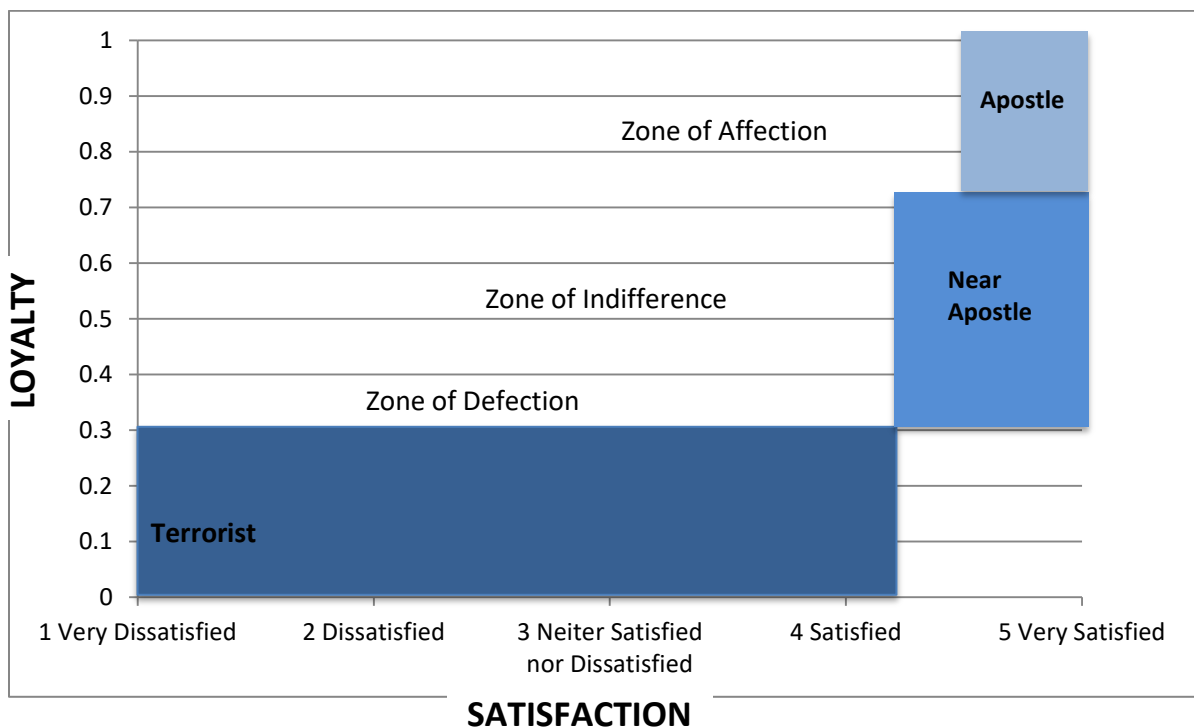


- How long, on average do customers remain with the firm? What impact would it have if the remained customers for life?

As it was discussed already, the profitability of a customer time to time increasing during time passed. So the concentration should be on creating and then implementing marketing strategies which will increase the loyalty. Marketers also should consider the fact that the customer satisfaction and service quality are prerequisite for loyalty.

B. Kurtz separate three zones of satisfaction-loyalty relationship which are defection, indifference, and affection.

Figure 3 The Customer Satisfaction-Loyalty Relationship



Source; JONES, Thomas O. *Why Satisfied Customers Defect*. *Journal of Management in Engineering*. 1996, vol. 12, no. 6, p. 91

Based on his approach the zone of defection occurs at low satisfaction levels. Customers will switch unless switching costs are high or there are no viable or convenient alternatives. Extremely dissatisfied customers can turn into “terrorists,” providing an abundance of negative feedback about the service provider. (F.V.Wangenheim, 2005). The zone of indifference is found at intermediate satisfaction levels. Here customers are willing to switch if they find a better alternative. Finally the zone of affection is located at very high satisfaction levels, where customers may have such high attitudinal loyalty that they do not look for alternative service providers. Customers who praise the firm in public and refer

others to the firm are described as “apostles.” High satisfaction levels lead to improved future business performance. (N.A. Morgan and L. L. Rego, 2006).

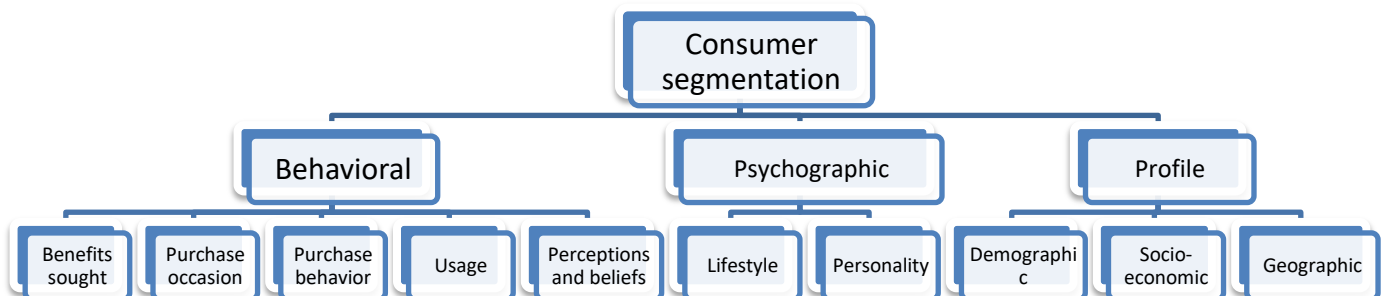
## 1.7 TARGETING THE RIGHT CUSTOMERS

In today’s business world, there are a lot of variables in customer needs and purchasing power which can be attracted with the usage of a marketing mix. This statement does not imply to change firm’s product to meet the needs of different market segments but it leads firms to identify the key factors that affect purchase decisions and then group consumers according to the presence or absence of these factors. In the last step, firms should adjust marketing strategy in order to meet the needs of each group.

According to B. Kurtz (2012) definition, the division of the total market into smaller, relatively homogeneous groups is called market segmentation. Both profit-oriented and not-for-profit organizations practice market segmentation. After market segmentation done, the firms can focus on their right customer. For effectively segmenting the market, E. Wolter (2012) claims that firstly, the market segment must present measurable purchasing power and size. With jobs, incomes and decision-making power, female consumers represent a hefty amount of purchasing power, about \$7 trillion, or over 60 percent of the nation’s wealth. Second, marketers must find a way to promote and serve the market segment effectively. Third, marketers must then identify segments large enough to give them good profit potential. Fourth, the firm must aim for segments that match its marketing capabilities. Targeting a large number of small markets can be an expensive, complex, and inefficient strategy, so smaller firms may decide to stick with a particular niche, or target market. (B. Kurtz, 2015).

In Figure 4 illustrated the range of criteria that might be considered in the segmentation process of consumer market.

Figure 4 Segmenting Consumer Market



Source; J. FAHY and David JOBBER, 2015 “Foundations of Marketing”, 5<sup>th</sup> edition By McGraw-Hill Education, 119 p.

In practice, there is no single restriction among these criteria’s’, the combination of criteria may be used as well for the better result. In this stage, it is crucial for marketers to keep in



### **Undifferentiated Marketing (Mass marketing)**

With the chosen strategy firms are ignoring the market segment differences and targeting the entire market with one single offer. The main core of this strategy is what is common in the needs of customers disregarding the differences among markets. Logically, the marketing program under this targeting strategy will catch a large number of buyers' attention.

Short to say. "Increasingly, the mass market is turning into a mass of niches"-once said, Chris Anderson, former editor in chief, Wired magazine. But there are some doubts about this strategy. According to some modern marketers, difficulties will arise in developing a product or brand that will satisfy all consumers.

### **Differentiated Marketing**

With this strategy, often call segmented marketing, firms focusing in several market segments and preparing separate offers for each of them. According to the B. Kurtz (2014) by providing increased satisfaction for each of many target markets, a company can produce more sales by following a differentiated marketing strategy than undifferentiated marketing would generate.

By offering product and marketing variations to segments, companies hope for higher sales and a stronger position within each market segment. Developing a stronger position within several segments created total sales than undifferentiated marketing across all segments. (C. Franzen, 2013). But it can be seen that differentiated marketing also can cause the cost increase for doing business. For this reason, the firm firstly should weight its increased sales against increased costs in order to make a decision for differentiated marketing implementation.

### **Concentrated Marketing**

Concentrated Marketing also used to be niche marketing is allowing firms to achieve a strong position in the marketplace due to its knowledge of consumer's deep needs. As P. Kotler and G. Armstrong mentioned in their book, niche marketing strategy can market more effectively by fine-tuning its products, prices, and programs to the needs of carefully defined segments. It can also market more efficiently, targeting its products or services, channels, and communications programs toward only consumers that it can serve best and most profitably.

In contrast to other strategies, concentrated marketing can be highly profitable for the firm. But on the other hand, it consists of higher-than-normal risks. For instance, if the segments turn sour, companies which relied only on that segment will suffer greatly.

### **Micromarketing**

The fourth targeting strategy, which is more narrowly focused than concentrated marketing, is micromarketing-targeting potential customers at a very basic level, such as by zip code,

specific occupation, or lifestyle. Ultimately, micromarketing can even target individuals. (B. Kurtz, 2014).

Despite its advantages, micromarketing, like niche marketing, can be very expensive if companies spend time, effort and resources more than needed. Also, it is very vital for companies not to lose sight of other, large markets. That is why first of all marketers should evaluate the current situation and enter the most profitable markets.

### **1.7.1 Search for value, not just volume**

Having deeply looked on company's marketing strategies; still, a lot of services are focusing on the number of customers they serve, without paying attention to the value of each customer. It is estimated that people who buy frequently and in large volumes can be more profitable for firms than an occasional user.

According to this statement, the authors of "Service marketing, People, Technology, Strategy" book (C. Lovelock, J. Wirtz, 2007) adding that relationship customers are by definition not buying commodity services. Service customers who buy strictly based on lowest price (a minority in most markets) are not good target customers for relationship marketing in the first place. They are deal-prone, and continuously seek the lowest price on offer.

Loyalty leaders are picky about acquiring only the right customers, which are those for whom their firms have been designed to deliver truly special value. Acquiring the right customers can bring in long-term revenues, continued growth from referrals, and enhanced satisfaction from employees whose daily jobs are improved when they can deal with appreciative customers. Attracting the wrong customers typically results in costly churn, a diminished company reputation, and disillusioned employees. Ironically, it is often the firms that are highly focused and selective in their acquisition rather than those that focus on an unbridled acquisition that is growing fast over long periods. (F. Reichheld, 2003).

It is important for managers to realize that "right customers" are not always big spenders. It mainly depends on the service business model. Following to C. Lovelock and J. Wirtz (2007) views, the right customers may come from a large group of people that no other supplier is doing a good job of serving. They claim that many firms have built successful strategies on serving customers segments that had been neglected by established players, which did not perceive them as being sufficiently "valuable".

As it was discussed already, it is vital to know that different segments of the customer may offer different value for a service firm. Like the law firm's advice service, some types of customers (depend on their case's complexity) may be more profitable than others in the short term, but others may have continuously process to be solved in future. It assumes that they may have greater potential for long-term growth. Similarly, R. Dhar. R. Glazer (2003) explain that the spending patterns of some customers may be stable over time, while those of others may be

more cyclical, spending heavily in boom times but cutting back sharply in recessions. A wise marketer seeks a mix of segments in order to reduce the risks associated with volatility.

In some cases, as David Maister emphasizes, marketing is about getting better business, not just more business. Particularly, in consulting firms, the mix of business attracted may play an important role in both defining the firm and providing a suitable mix of assignments for staff members at different levels in the organization. (C. Lovelock, J. Wirtz, 2007).

## 1.8 MEASURING SERVICE QUALITY

The importance of providing value to customers is to concentrate on service quality and its performance during the whole life-cycle of a product.

The world quality means different things to people according to the context. Following to D. A. Garvin (1988) definition, common perspectives on quality include.

- I. The transcendent view of quality is synonymous with innate excellence: a mark of uncompromising standards and high achievement. This viewpoint often is applied to the performing and visual arts. It argues that people learn to recognize quality only through the experience gained from repeated exposure.  
In practice, managers and customers are able to distinguish if the service helpful for them or not.
- II. The manufacturing-based approach is supply based and concerned primarily with engineering and manufacturing practices. (C. Lovelock and J. Wirtz (2011) claim that in services quality is operations driven.) It focuses on conformance to internally developed specifications that often are driven by productivity and cost-containment goals.
- III. Used-based definitions start with the premise that quality lies in the eyes of the beholder. These definitions equate quality with maximum satisfaction. This subjective, demand-oriented perspective recognizes that different customers have different wants and needs.
- IV. Value-based definitions define quality in terms of value and price. By considering the trade-off between performance (or conformance) and price, quality comes to be defined as “affordable excellence”.

Based on research's results, the different opinions and views about quality and its measurement may lead to disagreements between managers in different functional departments. However, researchers claim that the distinctive approach is needed to define and measure service quality.

C. Gronroos (2007) explain that the intangible, multifaceted nature of many services makes it harder to evaluate the quality of a service compared to a good. Because customers often are involved in service production, a distinction needs to be drawn between the process of service delivery and the actual output (or outcome) of the service (what he calls technical quality).

Gronroos and others also suggest that the perceived quality of a service is the result of an evaluation process in which customers compare their perceptions of service delivery and its outcome to what they expect. That is the reason why most of the marketers consider service quality as customer expectations (meet or exceed) driven from their perspective.

Besides these perspectives, all kinds of organizations want to remain their service quality constant for why the use of customer satisfaction research implementation has increased among marketing strategies. This type of research may range from customer comment cards to mystery shoppers to online customer satisfaction studies. Research has shown that companies that are rated higher on service quality perform better in terms of market share growth and profitability. (R.D. Buzzel and B.T. Gale, 1987).

The authors of ‘‘Foundations of Marketing’’ (J. Fahy and D. Jobber, 2015), state that however, for many companies high standards of service quality remain elusive. They also explain that there are four causes of poor perceived quality. These are the barriers that separate the perception of service quality from what customers expect.

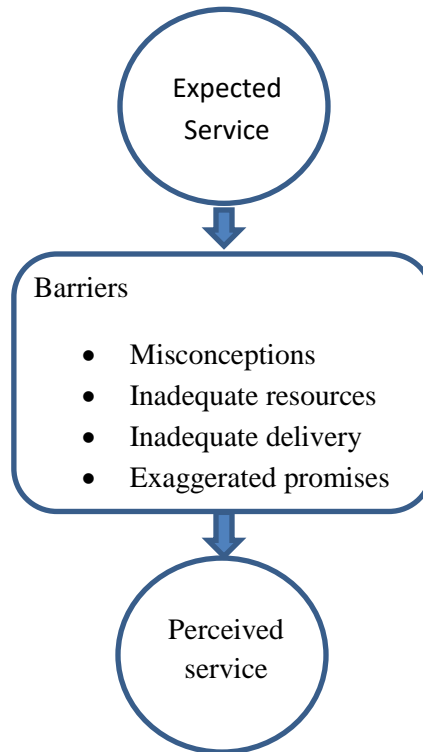
**Misconceptions barrier:** This arises from management’s misunderstanding of what the customer expects.

**Inadequate resources barrier:** Managers may understand customer expectations but be unwilling to provide the resources necessary to meet them. This may arise because of a cost reduction or productivity focus, or simply because of the inconvenience it may cause.

**Inadequate delivery barrier:** Managers may understand customer expectations and supply adequate resources but fail to select, train and reward staff adequately, resulting in poor or inconsistent service.

**Exaggerated promise barrier:** Even when customer understanding, resources and staff management are in place, a gap between customer expectations and perceptions can still arise through exaggerated promises. Advertising and selling messages that build expectations to a pitch that cannot be fulfilled may leave customers disappointed even when receiving good service. Therefore, it is important not to overpromise in marketing communications.

Figure 6 Barriers to the matching to expected and perceived service levels



Source; J. FAHY and David JOBBER, 2015 "Foundations of Marketing", 5<sup>th</sup> edition By McGraw-Hill Education, 182 p.

Is it was cleared out from the previous classification that a key point for remaining the quality service in competitive market is the understanding and meeting of customer expectations. To do so V. Zeithaml, A. Parasurman, and L. Berry (1985) identified four potential gaps within the service organization that may lead to a fifth and most serious final gap-the differences between what customers expected and what they perceive was delivered.

- Gap 1-The knowledge Gap is the difference between what senior management believes customers expect and customers' actual needs and expectations.
- Gap 2- The Policy Gap is the difference between managements understanding of customers' expectations and the quality standards established for service delivery.
- Gap 3-The Delivery Gap is the difference between specified service delivery standards and the delivery teams' and service operations' actual performance on these standards.
- Gap 4-The communications Gap is the difference between what the company communicates and what it actually delivers to its customers. This gap is caused by two sub-gaps. (C.Lovelock, 1994). First, the internal communications gap is the difference between what company's advertising and sales personnel think are the product's features, performance, and service quality level and what the company actually is able to deliver. Second, the overpromise gap that can be caused by advertising and sales personnel assessed by the sales they generate can lead them to overpromise.



- Gap 5-The Perceptions Gap is the difference between what is, in fact delivered to the customer and what customers perceive they have received.
- Gap 6-The Service Quality Gap is the difference between what customers expect to receive and their perceptions of the service that actually is delivered. (C. Lovelock, J. Wirtz, 2011).

It is necessary to mentioned that in this model C. Lovelock and J. Wirtz 1, 5 and 6 gaps represent as external gaps between the customer and the organization. The rest gaps are internal gaps which are occurring between various functions and departments within the organization.

In conclusion, delivering service quality demand constant attention the whole 6 gaps in the service delivery system.

## **II. ANALYSIS**

## **2. ANALYSIS OF CURRENT SITUATION AND ENVIRONMENT OF THE SERVAAS LAW FIRM**

In this part of the thesis the theory, which was discussed in the first chapter, was illustrated into the analytical performance of SERVAAS law firm. For building an efficient project, the situational analysis always required in order to acquire and identify precisely the starting point of any project. As it was mentioned in the theoretical part, marketing plan firstly depends on the results gained from analysis both external and internal. These can lead to the company to achieve its own objectives. For this reason, the importance of this chapter evaluated.

SERVAAS law firm is a firm which is operating in the Nederland's law market already nine years. The company vision is to deliver to their clients' tailored service with the individual approach. In recent years, the company has been authorized by the Council of Legal Aid with a "High Trust" status.

### **2.1 COMPANY ANALYSIS**

The main areas in which SERVAAS law firm is currently operating are as follows.

- Administrative law
- Civil Law
- Migration Law

Each of these fields implies a variety of actions and services. Depending on the supply of market in the Netherlands, the company has built its own structure of provided services. Based on these impetuses, each of the mentioned fields has its own sub-services which are introduced below.

#### **ADMINISTRATIVE LAW**

Before concentrating on the particular service types of SERVAAS law firm, it is necessary to understand what does it mean administrative law in the Netherlands and make a correlation with the chosen company's regulations in this field.

In the Netherlands, law, in general, embodies two kinds of legal rules concerning administrative procedures. First, there are hundreds if not thousands of statutory provisions that grant administrative authorities the power to act for the purpose of performing a public service and that regulate such action in a detailed way. This includes specific rules in numerous branches of law, such as social security law, immigration law or environmental law. Further, since 1994 the Netherlands has had the General Administrative Law Act ("GALA") which contains rules for orders made by administrative authorities and that creates the right of appeal to an administrative court. (The Nederland Administrative Library, 2015). This Act regulates the process of administrative decision-making in a general sense and provides a general framework for legal protection against the orders issued.

Based on these regulations, SERVAAS law firm's provided services in the scope of administrative law are separated into these sub-services.

- **Surcharges**-This service is for people whose rights were violated. The rights are related to the disagreement with tax authorities, insurance company and state subsidy decisions;
- **PGB/WMO**-This service is for people whose budget depends on The Personal Budget (PGB). Under certain conditions, the municipality may award a personal budget. People can use this sum to arrange and pay for their own support services. But in practice, many people are facing to the legal issues for being supported by municipality. In this case, SERVAAS law firm is providing necessary information and also giving legal assistance in the court;
- **BBZ**-This service is mainly for business industries. People who want to start a new business project but did not get any subsidy or their social allowance was stopped by inexplicable reason, may benefit from this service which is mainly concentrated to this small but problematic scope;
- **A decision of an administrative body**-This service is one of the expansive scopes of SERVAAS law firm which provide supporting (starting from parking ticket to social benefit) to its customers who want to appeal against the administrative body.

## CIVIL LAW

Bearing in mind the principles of Dutch civil law ("Legal system"), it is possible to examine the various fields of Dutch civil law more closely. Dutch civil law can be divided in three sections:

- The law on persons (including family law, the law of succession and company law);
- Property law (including the law of real property rights, the law of obligations, contract law, commercial law and employment law);
- Intellectual property law (including the law on patents, copyrights, trademarks and trade names). (ANON., Dutch Civil Law (DCL). Dutchcivillaw.com [online] [accessed. 8. February 2017]. Available at: <http://www.dutchcivillaw.com>)

SERVAAS Law firm spreads its skilled and financial potential in this special area too based upon specialized employees opportunities. They are performing to protect personal issues including divorce process, labor issues (conflicts in financial or labor contract), issues related to the intellectual property. They also solving problems which have been rising in the corporate area (including disputes with companies), and problems related to first legal aid.
















## MIGRATION LAW

From the internal sources of company it was estimated that the main practicing area of the company is the migration law. As the migration law has variety of regulations and each year the rules can be changed, the company separated six main fields in which they are providing their advocatory support and help. These fields are-

Family reunification (TEV entry and stay)/Entry and Residence Procedure (TEV) procedure- This is for people who live in the Netherlands and want to invite their family members to live there. This case is considered to be regulated according to Migration law rules by Immigration and Naturalization Service. It is obvious that most of foreign people need professional help from Dutch lawyers. For this reason SERVAAS mainly putting its forces and resources on these areas such as.

- long-term entry visa (MVV);
- High skilled migrants-this service mainly for Dutch firms who should apply for a visa on behalf of employee;
- EU Legislation;
- Inter-state agreements.

Finalizing the services which company is currently providing, it is important to mention that the company provides all advices and customer support in more than fifteen languages including.

 Dutch  English  French  Arabic  Armenian  Berber  Bosnian and Herzegovina  Brazilian  Portuguese  Russian  Serbo  Croatian  Spanish  Suryoyo (Assyrian)  
 Turkish.

As a company performing in a law market whose main concentration is a migration law language is the core component. The explanation process of the legal system to someone from a foreign country is difficult. The reason is not only the differences between languages but because it is often impossible to give a comprehensive translation. A legal term in one country simply has a different meaning in another, as it's embedded in an autonomous legal system, in which it has its own position, with its own specific significance. Although the law can be regarded as a conversion of thoughts and developments in society, it is still a purely manmade instrument. In every culture, it is a common belief that one should keep his promise and that the impact of wrongful behavior must be repaired by means of (financial) compensation. All these main points have to be regulated in a fair and clear system that is reliable for everyone. (ANON., Legal System of Civil Law in the Netherlands. Dutchcivillaw.com [online] [cit. 10. February 2017]. Available: <http://www.dutchcivillaw.com/content/legalsystem011.htm>)

Underlying these impacts on the effectiveness of provided service, the SERVAAS law firm hired employees from all around world who can speak more than 3 languages so they can be one step near to their customers than competitors.

### **2.1.1 History of SERVAAS Company**

SERVAAS law firm lead by founder Mr.Vigen Sarkisian and co-founders Mr. Mayk Koria, and Mr. Laila Ellabbari. Together with a skilled team, they provide professional service, taking into the consideration emotions and personality of the clients.

Going back to the company history, 2009 was the remarkable period for the founder of the firm, Mr. Sarkisian. The history of the company directly related to his career growth. After graduation notarial law in 2002, Mr. Sarkisian acted as interpreter for the IND (Immigration and Naturalization Service) for four years, simultaneously combining work at a notary's office in New York. But afterward he discovered that the notarial practice is not the area in which he would like to be developed. After two years of experience there, he went back to college for a new start. For this time the specialization field was civil justice as a lawyer.

He started his professional career in 2004 at law firm Van Driel and in 2006 he put it forth with Van der Wiel lawyers. In his practice, Mr. Sarkisian against his own expectations was fully involved in the immigration law. After these experiences both in educational and practical spheres, Mr. Sarkisian started his own firm in 2009.

Now the firm has fifteen employees with professional skills and specializations in law. There are several branches responsible for the firm's normal functioning in a competitive marketplace. Those are

- Branch of Lawyers;
- Finance and Accounting Department;
- Marketing Department;
- Administrative Department,
- IT

### **2.1.2 Brand SERVAAS**

In the theoretical part of thesis, the brand meaning both for the company and from the customers' perspectives were discussed detailed. To summarize, it can be seen that a brand is an additional element for the company which can create a value for its customer. As it was mentioned before, the most basic level of service product is the core customer value, which addresses the question: What is the buyer really buying? In the case of the SERVAAS firm, customers are buying the winning odds of judicial act which is the problem-solving benefits for customers. The actual product of SERVAAS Law firm is the legal support. Finally, the augmented product is the firm's good reputation (SERVAAS law firm is authorized by the Council of Legal Aid with a "High Trust" status), service quality and brand name.

From where the name SERVAAS came from? The name story is related to the life and memory of the founder Mr. Sarkisyan. The memories from the Basilica, church Saint Servatius in Maastricht left unforgettable imprint on his life. The church was dedicated to Mr. Servaas, an Armenian bishop, who brought Christianity to the Netherlands. Also, the cyclist Servais

Knaven has its own impact on Mr. Sarkisyan life. It is important to mention that the word “SER” in Armenian means “Love”. All these factors led to the creation of the current name of the firm. But in professional business area not only emotions and life impacts can lead to create the successful brand image. Evaluating the importance of the firm name, the firm’s founder asked the experts advice. Combing the meaning of these factors-Armenian roots, impact of Mr. Servais and the word “SER” in Armenian, the specialists created the value of this name-together with love and patient the firm provides solid ground for its customers.

Based on its uniqueness, the Chamber of Commerce in the Netherlands did not register the name for a long period. After long run fighting for legal registration, the firm obtained the right to use the name “SERVAAS” as it brand name.

## **2.2 ENVIRONMENTAL ANALYSIS OF THE LAW MARKET IN THE NETHERLANDS**

Since the establishment of the firm, a lot of changes have occurred in the business environment making it even more competitive. In some research data, it has been estimated that in recent years more law firms have been established in the Netherlands and some have merged to form bigger corporations. In order to remain competitive, SERVAAS needs to analyze the external business environment also considering the view of identifying the measures for remaining competitive. The following sections of the thesis will be dedicated to the analysis of macro environment in the Netherlands. For doing so, the PEST analysis method was chosen based on the fact that the PEST framework is a method to analyze the macro environment of a company. As defined four such types of factors exists: political, economic, socio-cultural and technological. Moreover, these factors are not mutually exclusive and can affect a company from more than just one angle. (D. Lynch, 2006). In the respect of a given Company understanding of the external variables that might influence its operations is necessity. The SERVAAS law firm cannot expect to achieve any success if PEST analysis of the surroundings is neglected and not done properly. Recommendations that should be implemented to make the business for better performance in a competitive business environment will be drawn in the project part of the thesis.

### **2.2.1 Service**

Underlining the importance of environmental impact on business, and taking into the consideration characteristics and operational area of chosen company, the importance of service analysis evaluated.

In the Netherlands, there are approximately 17,000 lawyers. Nowadays, the number of lawyers sharply has risen to 17,000.

The law service firms are diverse based on the number of their employees' involvement. It was evaluated that now there is 2136 one-man offices, 1560 Offices of 2-5 lawyers, 513 firms with 6-20 lawyers, 74 offices with 21-60 lawyers and 24 large offices with 60 or more lawyers. (ANON., Rabobank Cijfers & Trends (RCT), [online] [cit. 10. February 2017], Available at: <https://www.rabobankcijfersentrends.nl/index.cfm?action=branche&branche=Advocatenkantoren>).

Also, the differences among the firms are visible in the business type. In the law market there are firms that focus on individuals (personal and family law attorneys who deal with divorce and child custody cases) and also firms that initially focus on entrepreneurs.

Finally, in the market there are the lawyers who assist people who cannot afford a lawyer. They help clients who receive subsidies from the government, the so-called legal aid. So everyone can have a lawyer and go to court. Lawyers in the legal aid - also known as social advocacy - for example, often do asylum, rent conflicts and benefit disputes.

For deep overview of the macro environment, PEST analysis will be drawn below.

### **2.2.2 Political Overview**

For any industry political issues are very relevant and can have considerable influence on their profitability. Particularly operating in such area as law, the firm's internal policies may change parallel to foreign policy.

The government of the Netherlands is a constitutional monarchy. The head of state is the monarch, presently king Willem-Alexander, but the sovereign's powers are now mainly ceremonial. The chief of the government is the prime minister who is appointed by the king. The prime minister is usually the leader of the majority party in the nation's parliament or the leader of the largest coalition of parties. (ANON., The Government of Netherlands (TGN), [online] [cit. 10. February 2017], Available at: <https://www.government.nl/government>).

Currently paying most of the attention to the SERVAAS interest, some of actual trends are as following:

#### **- Integration of minorities**

Integration of minorities is one of the problems confronting Dutch society. But integration process does not come easy. As the Netherlands is one of the country among EU with high level immigrant, people of Turkish and Moroccan origin, for instance, are more likely to be unemployed than ethnic Dutch. So the government takes actions to encourage these groups to take part in society. One of these actions is the compulsory integration courses which means of preventing disadvantage. Shortly after arriving in the Netherlands, new immigrants now have to attend courses in Dutch language and society, and they receive help finding a job.



All these changes related to the immigrants' involvement to the Netherlands society will effect on the SERVAAS law firm's performance improvement as their main concentration is immigration law.

#### - **Foreign and Security Policy**

The European Union has a Common Foreign and Security Policy. Speaking with a single voice gives the EU greater weight in the world. In principle this is also to the advantage of the Netherlands. Therefore the Netherlands does what it can to maximize its influence, so that our interests make it onto the agenda. The Netherlands has a direct interest in international stability and security, energy and resource security and the international legal order. . (ANON., The Government of Netherlands (TGN). [online] [cit. 10. February 2017], Available at: <https://www.government.nl/government>). These are also policy areas to which the firm SERVAAS can contribute specific knowledge.

#### - **Tax System**

As a company in the Netherlands you will have to pay taxes for the services you provide. However, what kind and amount of taxes you will have to pay depends on the legal form of the company. There are several legal forms in the Netherlands; however the most common ones for lawyer firms are the sole proprietorship, the partnership, the private limited liability company and the limited liability company. ([belastingdienst.nl](http://belastingdienst.nl)). The entrepreneurs choose one legal form above the other one for several reasons. This could be for example for financial reasons, for the liability, or for technical reasons such as with how many individuals does the entrepreneur want to start the company.

As mentioned above, the tax paid by the companies depends on their legal form. In the following section we will have a closer look at the kind and the amount of the taxes which need to be paid with regards to the above mentioned legal forms.

When a company has the legal form of the sole proprietorship or the partnership the owner(s) need(s) to pay value added tax and income tax with regards to the profit. In the Netherlands, you need to charge the value-added tax over the total amount that the company charges the customer/client for their services. For the law firms, the tariff for this 21 per cent. (ANON., Toeslagen Belastingdiest (TB), <https://belastingdienst.nl/> [online] [accessed. 10. February 2017], Available at: <https://belastingdienst.nl/wps/wcm/connect/nl/toeslagen/toeslagen>).

Besides this, the entrepreneur is also charged income tax. How much income tax the entrepreneur needs to pay depends on the profit. The idea is “the higher the income, the more income tax you need to pay”.

When a company has the legal form of the private limited liability company or the limited liability company, the company needs to pay also, besides the value-added tax, corporate tax. How much tax must be paid depends again on the profit made by the company. Until a profit of 200.000 euros, the tariff is 20 per cent. For every profit above 200.000 euros, the tariff is 25

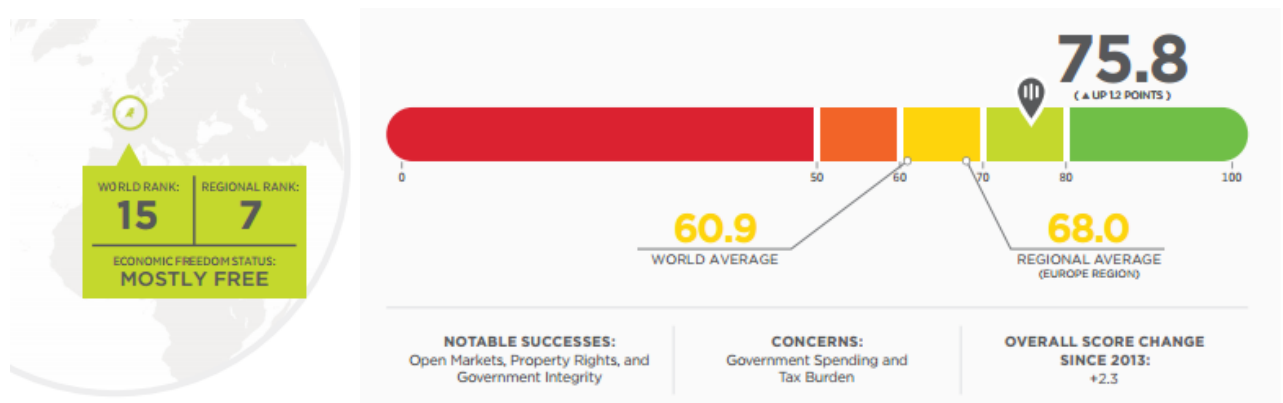
per cent. (ANON., Tax authorities, Toeslagen Belastingdiest (TB). [online] [cit. 10. February 2017], Available at: <https://belastingdienst.nl/wps/wcm/connect/nl/toeslagen/toeslagen>). Besides if the companies pay salaries to the owners, they have to pay also the above mentioned income tax.

### 2.2.3 Economic overview

The Netherlands economy benefits from emphasizing on the rule of law and sturdy legal framework. The property rights are in high level protection based on the judicial system. Statistics notes that the openness to global trade and investment is well established, and the overall regulatory environment remains transparent and efficient.

According to the World Bank and the International Monetary Fund, The Netherlands is the sixth largest economic power in the Eurozone and the fifth largest exporter of goods. The economy had been hit by the global financial crisis. Because of its dependence on foreign trade, later the economy had been affected also by the Eurozone crisis. The Dutch economy recovery process took two years, after which in 2016 the economic growth reached 1.7 % sustained by dynamic household consumption. As World Bank estimated, economic activity should maintain a comfortable pace in 2017.

Figure 7 Economic Freedom Score-The Netherlands



Source 2017, *Index of Freedom, The Netherlands, The Heritage Foundation*, [Online], [cit. 12. February 2017], available at: <http://www.heritage.org/index/country/netherlands#>

It can be seen from the figure that the status of economic freedom is marked as mostly free which implies to confirm that the ability of members of the Netherlands society to undertake economic actions is really high.

The free market can ensure that the economic liberty as the freedom is able to produce, trade and consume any goods and services acquired without the use of force, fraud or theft. This is embodied in the rule of law, property rights and freedom of contract, and characterized by

external and internal openness of the markets, the protection of property rights and freedom of economic initiative. (S. S. Bhalla, 1997).

The secondary data gained from The Netherlands statistical yearbook shows that the country has a very high income per capita, which is distributed in a relatively equal manner. (World Economic Outlook Database, 2016).

In the table below provides the statistical data about the country's macroeconomic situational fluctuations over four years. As we can see, the GDP per capita is above the EU average. GDP from services (not mentioned in the table) in Netherlands is expected to be 31657.33 EUR million by the end of this quarter, according to Trading Economics global macro models and analysts' expectations. In the long-term, the Netherlands GDP from Services is projected to trend around 32890.97 EUR Million in 2020. Based on these results, we can assume that there are a free trade conditions and forecasted opportunities to extend the company's resources.

Nevertheless, the unemployment rate for a long period remained practically non-existent. But since 2008 the rate has risen strongly reaching 7.2% of the active population in 2015. To the benefit to Dutch economy, this rate fell to 6.7% in 2016 and it is estimated to fall for year 2017 as well.

Government spending has amounted to 45.8 percent of total output (GDP) over the past three years, and budget deficits have averaged 2.2 percent of GDP. Public debt is equivalent to 67.6 percent of GDP. (The Heritage foundation, 2017).

Table 3 Macroeconomic data in The Netherlands for periods 2013-2017(e)

Main Indicators	2013	2014	2015	2016	2017 (e)
<b>GDP</b> (billions USD)	866.95	881.03	750.70	769.93e	799.85
<b>GDP</b> (Constant Prices, Annual % Change)	-0.2	1.4	2.0	1.7e	1.6
<b>GDP per Capita</b> (USD)	51,592	52,240	44,323	45,210e	46,829
<b>General Government Balance</b> (in % of GDP)	-1.1	-1.2	-1.2	-0.7e	-0.4
<b>General Government Gross Debt</b> (in % of GDP)	67.7	67.9	65.1	63.5e	61.8
<b>Inflation Rate</b> (%)	2.6	0.3	0.2	0.1e	0.9
<b>Unemployment Rate</b> (% of the Labour Force)	7.3	7.4	6.9	6.7	6.5
<b>Current Account</b> (billions USD)	85.09	78.17	64.42	69.82e	65.47
<b>Current Account</b> (in % of GDP)	9.8	8.9	8.6	9.1e	8.2

Source: IMF – World Economic Outlook Database, 2016, [online] [cit. 12. February 2017], available at: <http://www.imf.org/external/country/NLD/index.htm>

Note: (e) Estimated Data

## 2.2.4 Socio-Cultural

Following to the report Trading Economics 2017, the population of Netherlands represents 0.24 percent of the world's total population which arguably means that one person in every 418

people on the planet is a resident of Netherlands. The Netherlands has a population more than 17,017,651 based on the latest United Nations estimates in year 2017. The population growth rate stands at close to 0.31%. The median age in Netherlands is 42.9 years. The population comprising different ethnic groups but the native Dutch is dominant. Dutch is the country's national and official language but other ethnic tribes like Frisian and English are used. The Dutch are predominantly Christians with also a high percentage of other forms of religion like atheism. They are the largest population in Netherlands making up to 78.3% of the entire population. (Worldatlas, 2016).

As the operational area of SERVAAS law firm is concentrated on the capital, it is necessary to draw the general picture of Amsterdam's social and cultural characteristics. Amsterdam is the capital of the Netherlands with the estimated population 1,108,000 individuals in year 2017. Amsterdam has grown by 17,000 in the last year, which represents a 1.60% change. These population estimates and projections come from the latest revision of the UN World Urbanization Prospects.

Not only is the collective number of population important but also the number of ethnic groups. As it was mentioned before, SERVAAS law firm putting its concentration on immigration law area. Based on this motive, it is important to identify the overall demographical statistics of immigrants and frequency of foreigners' inflow to the country. The table below will illustrate the country of origin of foreigners and the percentage of ethnic group in the overall population.

Table 4 The Ethnic Groups in The Netherlands

Rank	Ethnic Group	Share of Population in the Netherlands
1	Dutch	78.3%
2	German	2.4%
3	Turks	2.3%
4	Moroccans	2.2%
5	Indonesian	2.1%
6	Surinamese	2.0%
7	Antillean, Aruban, or Dutch Caribbean	0.8%
	Other Ethnic Groups	9.9%

Source: Worldatlas, 2016. *The ethnic groups in the Netherlands*, [online,] [cit. 15. February 2017], available at: <http://www.worldatlas.com/articles/ethnic-groups-in-the-netherlands.html>

The level of migration to and from The Netherlands remains high at different times of the year. The prominent presence of foreigners in the city has seen residents of The Netherlands embrace different lifestyles and cultures as influenced by visitors.

### 2.2.5 Technological factors

The main indicator which can affect how business is conducted anywhere around the world is Information communication technology. Statistics indicate that over 91% of adults in the Netherlands use computing devices (basic mobile phone, smartphone) on a daily basis. During the survey period, it was found that 98 percent of internet users between the ages of 25 and 34 were accessing the internet every day.

Statistics further indicate that social network users in the year 2016 were 11.9 million individuals. During 2017, it is estimated that there will be around 12.1 million social network users. Between 2014 and 2016, usage of mobile phones to access the Internet grew from 24% to 59%. Mobile internet penetration is expected to reach 80.5 in 2017. Internet penetration grew in the Netherlands during this period. In 2016, 95 percent of households had internet access. (The Statistics Portal, 2017).

Having these statistical data and evaluating the importance of social media network for doing business, it is vital to attract the customers via taking advantages of these technological opportunities. Knowing so, SERVAAS law firm has its own social media channels and

strategies for marketing communication but the performance measurement will be discussed in the project part of the thesis.

However, the two main factors that will describe the technological environment in the Netherlands are mentioned below.

- 1. Modern communication channels** – communication channels with the customers in a digital world are present to the sufficient extent without any limitations and restrictions. SERVAAS law firm would not have any problems to target and reach to its customer and potential customers via advanced communicational channels.
- 2. Overall technology of doing a business** – once again most of the technique equipment necessary for the purpose of operating in The Netherlands is possible to purchase on the local market without any limitation or restrictions.

Furthermore, law firms in the Netherlands and indeed other countries are fast adopting modern ways of doing business. Some of the law firms in The Netherlands are going paperless as a way of reducing costs (Law Technology Today 2015). The law firms are also using practice management software to schedule their activities and manage their resources for greater efficiency. As a way of reducing the risk of losing important information, many businesses are opting to store their data on the Cloud (Law Technology Today 2015). The Cloud gives businesses an opportunity to be assured of having their information back in case of printed or soft copies lost or destroyed.

After deeply penetrating into the macroeconomic factors separately, the potential impact, impact and relative importance to the chosen company is needed. The analytical table is given below.

Figure 8 PEST Analysis of SERVAAS Law Firm

PEST ANALYSIS						
PEST factor	Note	Potential impact	Implication			
			Time frame	Type	Imp act	Relative importa nce
<b>POLITICAL FACTORS</b>						
Internal political issues	New law changes can have critical influence on the business regarding changes in- <b>Integration of minorities, Foreign and Security Policy, Tax System regulations.</b>	H	24 +	-	>	Critical importance
<b>ECONOMICAL FACTORS</b>						
Macroeconomic factors	The country has shown constant growth on the <b>GDP</b> statistics. (799.85 billion USD, 2017 (e)). The Netherlands has <b>High Economic Freedom score. Unemployment rate</b> is fallen to 6.7% in 2016 and it is estimated to fall for year 2017 as well. <b>Government spending</b> has amounted to 45.8 percent of total output. <b>Public debt</b> is equivalent to 67.6 percent of GDP.	M	12+	+	>	Unknown
Competitors	<b>High</b> saturated market. Approximately <b>17,000 lawyers</b> in the overall market. Based on the <b>employees' involvement</b> there are- 2136 one-man offices, 1560 Offices of 2-5 lawyers, 513 firms with 6-20 lawyers, 74 offices with 21-60 lawyers and 24 large offices with 60 or more lawyers. Based on the <b>type of business</b> there are individuals (personal and family law attorneys who deal with divorce and child custody cases) and also firms that initially focus on entrepreneurs. Finally, in the market there are the lawyers who assist people who cannot afford a lawyer.	H	0 - 6	-	>	Critical importance
Law market	Society has become more complicated due to the large amount of legislation and at the same time empowering the consumer. This creates more legal problems and people often need legal advice. This trend also explains the many years growing interest in legal expenses insurance. Potential growth as a result of this trend is in the SME segment. Demand from industry has been growing for some time, but is partly cyclical. Most of the larger Dutch companies use multiple internal legal advisers. Law firms are hired for specific projects. The government is a big customer.	M	6 -> 12	+	>	Important

SOCIAL FACTORS						
Population(The Netherlands, Amsterdam)	The population of Netherlands represents <b>0.24</b> percent of the world´s total population which arguably means that one person in every 418 people on the planet is a resident of Netherlands. The Netherlands has a population more than <b>17,017,651</b> in year <b>2017</b> . Statistic shows that Amsterdam has population of <b>1,108,000</b> individuals in year <b>2017</b> .	M	24+	+	=	Important
The Ethnic Groups in the Netherlands	The level of migration to and from the Netherlands remains high during different periods of the year. This number is important for the company as its main concertation is immigration law.	H	24 +	+	>	Critical importance
Service trends	Increasing competition from foreign firms, especially in the Amsterdam. New entrants to the market such as accounting firms. More and more accounting firms offer their services with legal advice. Increasingly specialized and highly skilled freelancers entering the market.	L	12-24	-	>	Critical importance
TECHNOLOGICAL FACTORS						
Information communication technology	Statistics indicate that social network users in the year 2016 in the Netherlands were 11.9 million individuals. During 2017, it is estimated that there will be around 12.1 million social network users. Between 2014 and 2016, usage of mobile phones to access the Internet grew from 24% to 59%. Mobile internet penetration is expected to reach 80.5 in 2017.	M	0 - 6	+	>	Important
Modern communication channels	As the company has customers from all around the world, the communication channels are mainly depend on the digital channels which are present to the sufficient extent without any limitations and restrictions in the market.	H	12+	+	>	Important
Overall technology of doing a business	The company does not require an advance technology to do a business. Nevertheless, there are no limitations and restrictions in the market to implement high technological equipment in order to reach the right customers.	L	0-6	+	=	Un - important

Source; own processing



## 2.3 CUSTOMER ANALYSIS

Marketing activities will lose their meaning and the importance if the customer analysis disregarded. As the customers' segmentation and the targeting strategies discussed in the theoretical part, whereby the customer segmentation via profile chosen for SERVAAS law firm regarding the J. Fahy and D. Jobber model.

As it was discussed several times, SERVAAS law firm is providing three main services in sphere of law that is why it is important to understand for whom these should be served. For having a deep look into the customer's target, the three main profiles created regarding administrative law, migration law and civil law.

Figure 9 Customer profiles of SERVAAS Law Firm

Administrative Law	Civil Law	Migration Law
<ul style="list-style-type: none"> <li>• People getting financial support from the country (PGB)</li> <li>• Business companies who need a social allowance</li> <li>• Start-uppers</li> <li>• People who have an appeal against administrative body</li> </ul>	<ul style="list-style-type: none"> <li>• Employees with contract extension issue</li> <li>• Divorcing couples in the NL</li> <li>• Businesses in case of corporate law</li> <li>• People supported by the government (Legal Aid)</li> </ul>	<ul style="list-style-type: none"> <li>• Immigrants</li> <li>• People applying for Dutch long-term visa</li> <li>• People applying for Dutch employment visa</li> <li>• People applying for naturalization</li> <li>• People applying for family reunification</li> </ul>

Source; own processing

Having segmented customer's profiles can help to identify and analyze the total number of these people living in the Netherlands, after which the potential amount of target customers can be given. Taking into the consideration demographical divisions factors such as population, income level and age of the profiled segment are discussed separately.

### Population

There are a variety of ways provided by different statistical categories for depicting the share of immigrants in the population: 19.3% of the population is allochtoon (10.6% non-Western), 9.8% is foreign born and 6.2% of the population does not possess Dutch citizenship. The countries of origin which are demonstrating the relatively large number in the population are: Turkey, Morocco Surinam, Indonesia, Germany, Belgium, the UK and Poland. The former are well represented in each case in the following figure. (Statistics Netherlands, CBS, July 2016)

Chart 2 People with foreign background, 1 January, 2016

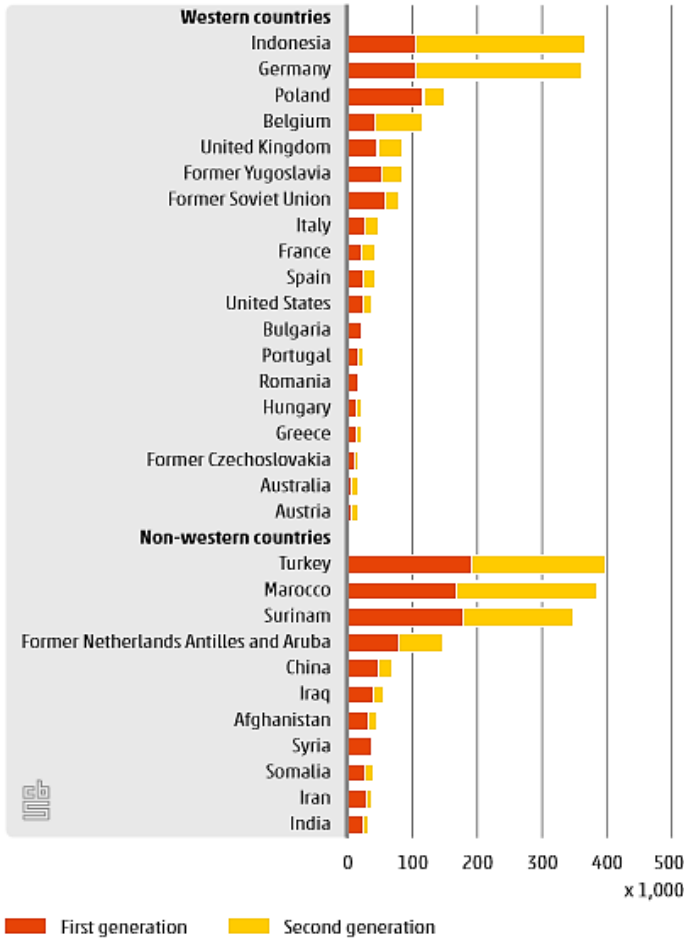
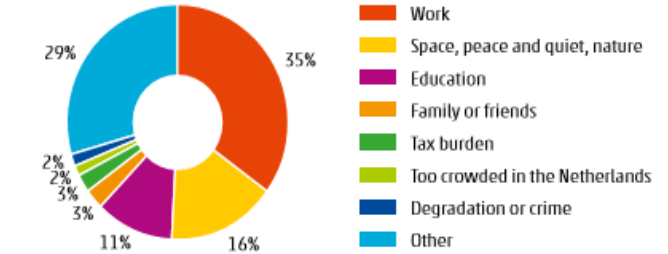


Chart 1 Main Reasons of immigration



Source: Statistics Netherlands, CBS, July 2016, [online], [accessed. 25 February 2017], available at: [www.cbs.nl](http://www.cbs.nl)

Source: Statistics Netherlands, CBS, July 2016, [online], [cit. 25 February 2017], available at: [www.cbs.nl](http://www.cbs.nl)

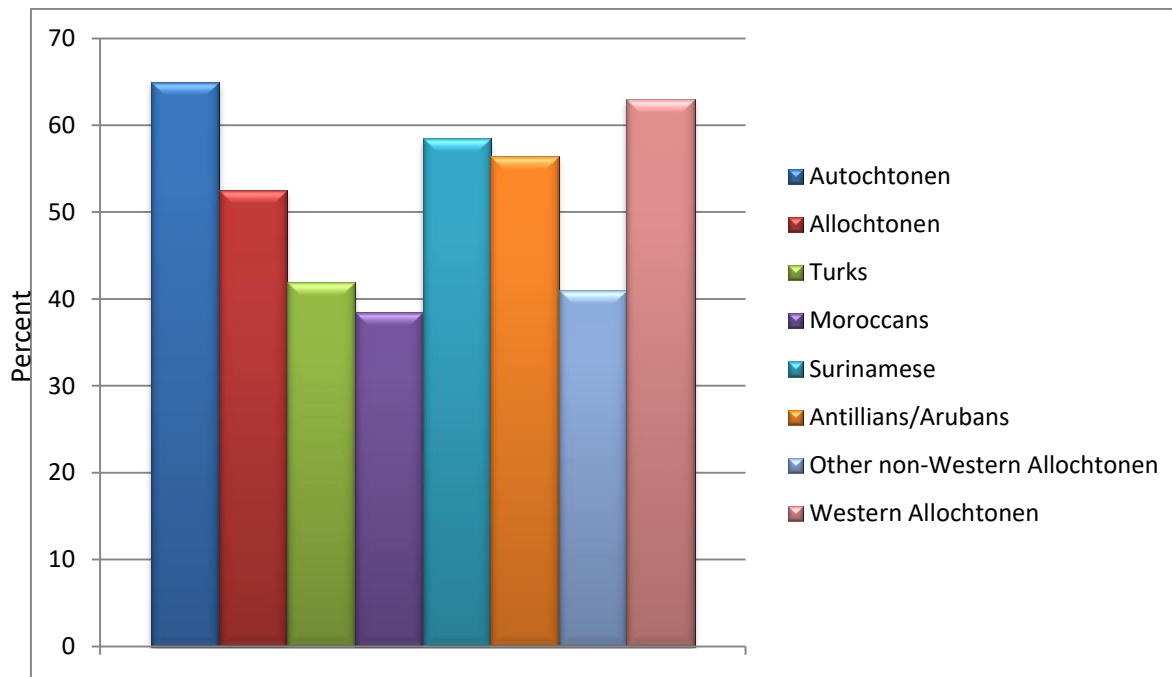
From the quantitative data it can be summarized that people from the non-western countries are compiling the major part in the Dutch population. The main reason for purpose for immigration is the work opportunities (35%) given for immigrants. The environmental conditions are in the second stage regarding to the motivations and reason to stay in the Netherlands. The other triggers such as educational conditions, family and friends, tax burden have a small impact on these factors as their percentage in the overall factors is fluctuating from 2% to 3%.

This information can be a basis for a SERVAAS law firm to concentrate their forces and resources in the countries such as Turkey, Morocco, Indonesia, Germany and Poland. The immigrants’ triggers for moving to the Netherlands mainly are the working environment and conditions. The employment law in the Netherlands is regulating with two main areas-employee’s conditions and employer’s conditions. For having employee from foreign country, the employer should apply for a visa process for its employee. In turn employee, the employment contract should be made. This debating process requires high level awareness of law and regulations and could not accomplish without the help of professional lawyer. This is why this segment is the largest segment the SERVAAS can maximize its profit and enlarge the base of its customers.

## Income level

However, the price for hiring law firm or lawyer is relatively higher in the Netherlands. That is why the income level of immigrants should be analyzed in order to understand which people and from which country are willing to spend money on this service. The following figure will illustrate employment rate of immigrants in the Netherlands.

Figure 10 Employment rate of immigrants in 2016

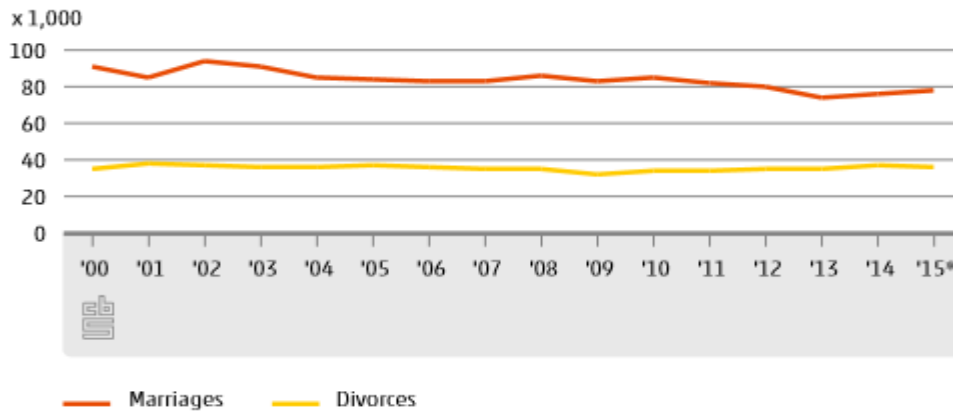


Source: Hamburg Institute of International Economics, 2007, [online], [cit. 01 March 2017], available at: <http://focus-migration.hwwi.de/The-Netherlands.2644.0.html?L=1>

Based on the employment rate we can rely on the immigrants from the western countries.

Beside immigrants, the second large segment of the potential market is the divorcing couples in the Netherlands. In 2015, there were 78 thousand new marriages while 36 thousand existing marriages ended in divorce. Divorcing process requires to be done by the legal institution if the parties' marriage was registered. This is often very debuting process and can last for month's even years. For this reason law firms are needed to accelerate this process. SERVAAS law firm is focusing on this segment for reaching its right customers because the yearly statistics shows that the amount of divorcing couple is nearly constant and the possibility to have a constant income from this segment is really high. The yearly statistics for marriages and divorces are shown in the chart below.

Chart 3 Marriages (including registered partnerships) and flash annulments/divorces



Source; ANON., Statistics Netherlands, CBS, July 2016, [online], [cit. 25 February 2017], available at: [www.cbs.nl](http://www.cbs.nl)

## Age

Based on the profile of the segment, the age of target group is considered to be from age 18 to age 65. There is no other division among ages because the laws generally apply to this people.

## 2.4 COMPETITOR ANALYSIS

George Stigler said that competition is the contest among sellers striving to achieve such goals as booming profits, increasing market share and sales volume by adjusting the elements of the marketing mix: price, product, distribution, and promotion (George J. Stigler, 2008). A properly profound analysis of competition is a necessity in order to introduce the marketing plan also it is one of the starting points in creating marketing plan.

The overall market saturation is described in the table 5.

Table 5 Market saturation

Number of firms	2012	2013	2014	2015	2016
<b>Total number of law firms</b>	<b>4.529</b>	<b>4.765</b>	<b>4.894</b>	<b>5.123</b>	<b>5.291</b>
Firms with one lawyer	2.286	2.479	2.553	2.742	2.847
Firms with 2-5 lawyers	1.624	1.665	1.693	1.760	1.853
<b>Firms with 6-20 lawyers</b>	<b>521</b>	<b>525</b>	<b>551</b>	<b>526</b>	<b>501</b>
Firms with 21-60 lawyers	75	74	73	75	69
Firms with 60 and more lawyers	23	22	24	20	21

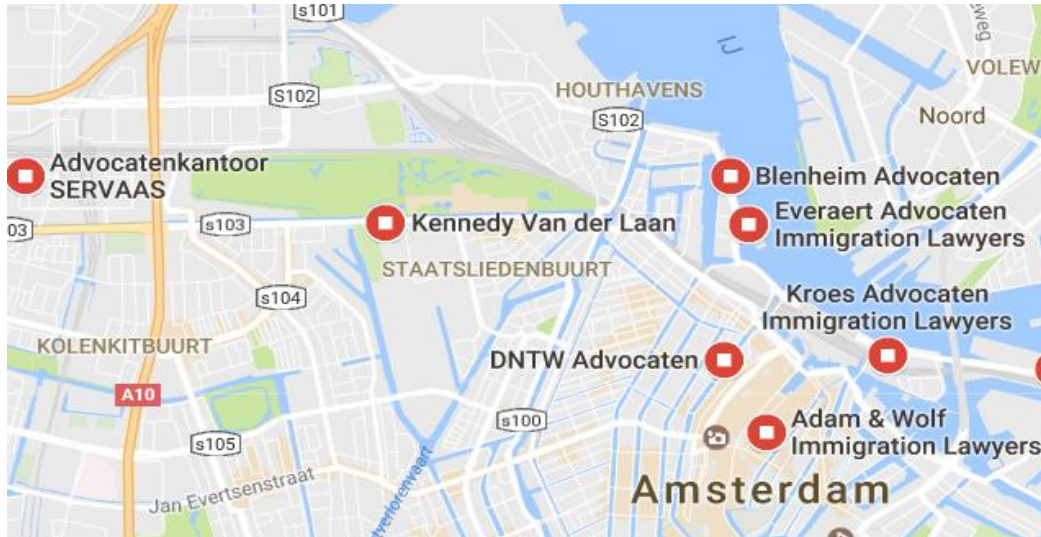
Source; *The position of the legal profession in 2016, SDU publishers*

In the table the column firms with 6-20 lawyers highlighted based on the fact that SERVAAS law firm has 13 lawyers so we can see from the yearly statistics that the number of firms increase till 2014 and the indicator was fell in 2015 and 2016. The reason can be explained by the constant increase of the firms with 2-5 lawyers who have better performance level based on the market conditions for small firms.

Namely analysis of competition requires categorization which would make possible planned and strategic approach to it. Therefore, SERVAAS firm competition present in Amsterdam is divided into some categories such as relatively near location, provided service relativeness and price for the purpose of this thesis and for the better understanding.

As the market equipped with huge amount of player, primer indicator of division is the nearest location.

Figure 11 Competitors' location map



Source; Google map

After having the nearest competitors' location, the second main indicator is to state how the services they provide are relevant to the SERVAAS operations scope. Therefore competitors' analysis is divided into three main service categories-companies operation in administrative law, civil law and migration law. The major players in these scopes are presented in the figures below.

Figure 12 Competitors' analysis in the administrative law area

First name	Department	Service quality*	Price level	Significant clients	Customer satisfaction
<b>BOEKEL</b>	- 2 partners - 8 other qualified lawyers	High	Relatively High	GSFS Asset Management, ZBG Capital.	High
<b>CMS</b>	- 6 partners - 11 other qualified lawyers	Relatively Low	Relatively High	Rabobank, ABN AMRO Bank, LBBW, HSH Nordbank, ABN AMRO Lease Maatschappij.	Relatively Low
<b>Houthoff Buruma</b>	-4 partners -19 other qualified lawyers	High	Relatively low	DSB Bank, H2 Equity Partners, Promneftstroy.	High

Source; Restructuring/Insolvency:Administration-Netherlands, 2017 Chambers & Partners, [online], [accessed. 02 March 2017], available at: [http://www.chambersandpartners.com/155/1039/editorial/7/1#3878\\_editorial](http://www.chambersandpartners.com/155/1039/editorial/7/1#3878_editorial)

Figure 13 Competitors' analysis in the migration law area

First name	Department	Service quality	Price level	Customer satisfaction
<b>Adam &amp; Wolf Immigration Lawyers</b>	-2 partners -3 qualified lawyers	High	Relatively high	High
<b>Everaert Advocaten</b>	-6 partners -12 qualified lawyers	Very High	Relatively low	High

Source; Restructuring/Insolvency:Administration-Netherlands, 2017 Chambers & Partners, [online], [cit.. 02 March 2017], available at: [http://www.chambersandpartners.com/155/1039/editorial/7/1#3878\\_editorial](http://www.chambersandpartners.com/155/1039/editorial/7/1#3878_editorial)

Figure 14 Competitors' analysis in the civil law area

First name	Department	Service quality	Price level	Customer satisfaction
<b>Kennedy Van der Laan</b>	-31 partners -93 qualifies lawyers	Very High	Relatively High	High
<b>Alan &amp; Overy</b>	-530 number of partners worldwide -2 partners in NL	High	Relatively Low	High

Sources; Services, Kennedy Van der Laan, official web page, [online], [cit. 02 March 2017], available at: <https://kvdl.com/socially-engaged/about-kennedy-van-der-laan/>

Services, Alan & Overy, official web page, [online], [cit. 02 March 2017], available at: <http://www.allenoverly.com/pages/default.aspx>

- Service quality and customer satisfaction was evaluated based on the feedback of customers and the statistics of winned lawsuit.

Finally, the main indicator for considering competitors relativeness to the business is the prices for the same service. As we mentioned before, the service sector prices is very high in

Amsterdam, especially law firms charged average €120, excl. 21% VAT for legal advice only. (SERVAAS Law firm, internal sources). The detailed analysis of competitors will be given by implementing benchmarking of competitors part.

After searching information in the competitors' public information sources (considered to be secondary data) we can separate the main three direct competitors such as **Kennedy Van de Laan, Everaert Advocaten Immigration Lawyers** and **Adam & Wolf Immigration Lawyers**. But this separation has its analytical explanation.

Thanks to competitive Critical Success Factor (CSF) matrix we can see who the direct competitor may be for SERVAAS Law firm among indirect competitors.

Table 6 Critical Success Factor

Factor		Service Quality	Prices	Customer satisfaction	Department	TOTAL	
<b>Fixed Weight</b>	1.0 (a)	0.4	0.3	0.2	0.1	1	
<b>BOEKEL</b>	1-10 (b)	7	9	5	6		a*b=c
Weighted Result	(c)	2.8	2.7	1	0.6	7.1	
<b>CMS</b>	1-10 (d)	6	7	5	7		a*d=e
Weighted Result	(e)	2.4	2.1	1	0.7	6.2	
<b>Houthoff Buruma</b>	1-10 (f)	8	7	7	8		a*f=g
Weighted Result	(g)	3.2	2.1	1.4	0.8	7.5	
<b>Adam &amp; Wolf</b>	1-10 (h)	9	8	9	6		a*h=i
Weighted Result	(i)	3.6	2.4	1.8	0.6	8.4	
<b>Everaert Advocaten</b>	1-10 (j)	9	7	9	8		a*j=k
Weighted Result	(k)	3.6	2.1	1.8	0.8	8.3	
<b>Kennedy Van der Laan</b>	1-10 (l)	10	9	8	9		a*l=m
Weighted Result	(m)	4	2.7	1.6	0.9	9.2	
<b>Alan &amp; Overy</b>	1-10 (n)	8	6	8	9		a*n=o
Weighted Result	(o)	3.2	1.8	1.6	0.9	7.5	

Source: LEIDECKER, Joel K. and Albert V. BRUNO. *Identifying and using critical success factors. Long Range Planning*. 1984, vol. 17, no. 1, p. 23-32.

Kennedy Van der Laan firm's scores the highest, so one can conclude that the biggest competitor in scope of performance for SERVAAS law firm is Kennedy Van der Laan and the second biggest is Adam & Wolf law firm.

After having done an analysis regarding the competition, the following conclusion can be drawn, namely, despite the fact that in The Netherlands there are a lot of competitors and three major competitors, it is a challenge for SERVAAS law firm to come up with a competitive strategy and an outstanding offer in order to position itself successfully among the competitors and attract the clients.

## **2.5 BENCHMARKING OF COMPETITORS' MARKETING COMMUNICATIONS**

Benchmarking is a comparison process that will be used to evaluate the company's performance and will enable it to grow better. Benchmarking allows analyzing and studying the best management techniques and organization of other companies. This technique shows the different strengths of a company that will allow it to develop in a sustainable way. Shortly, it is learning from the most successful ones.

From the thesis perspectives, it is important to compare different competitors marketing activities: Moreover, it is important to focus on the targeted direct competitor. To do this, it is important to identify the variables, collect qualitative data and based on the result conclude the action plan with which the company can increase its performance in the marketing communication strategy.

As we already have all qualitative data drawn in the figures 12, 13 and 14, and thanks to the CSF analysis we can benchmark the direct competitors marketing communication activities.



Figure 15 Benchmarking of SERVAAS Law Firm competitors marketing communications

Factors	SERVAAS Law Firm	Kennedy Van der Laan	Everaert Advocaten	Adam & Wolf
<b>Direct Marketing</b> (Are there some personal special offers and benefits?)	Not using this Marketing Communication Tool	Not using this Marketing Communication Tool	Not using this Marketing Communication Tool	Not using this Marketing Communication Tool
<b>Communication channels</b> (do the company own a private channel to address to the audience?)	Digital marketing, outdoor marketing, Internet	Digital Marketing (Google AdWords), Outdoor Marketing, Internet, media report blog	TV advertising, Digital Marketing (Google AdWords), Outdoor Marketing, Internet	Outdoor marketing, Internet
<b>Official web-page</b> (general description and assessment, if any)	Brief description of company's mission, Limited Information about the provided services, information about rates and fees, the page can be placed with 4 different languages, quick access to their social network, contacts.	Information about the company history, vision and clients and their attorney's profiles, detailed description of services both in B2C and B2B sector, news and up to date vacancies, the page placed with 3 different languages, access to the social their network, contacts	Information about the company's history, vision, clients and their attorney's profiles, detailed description of services both for employers and individuals, news, blog, the page placed with 5 different languages, access to their social network, contacts.	Brief decription of company's history, their attorney's profiles, Limited information about the provided services, information about rates and fees, news, the page is only in English, contacts.
<b>Advertising</b> (radio, TV, electronic, printed, world of mouth, generic and any other)	World of mouth, printed.	Electronic, printed, radio.	TV, electronic, printed.	World of mouth, printed.
<b>Public Relations</b>	Partnership with Oba Slotemeer, Sponsorship	Not using this Marketing Communication Tool	Partnership with European Immigration Lawyers Network (EILN), member of Visalaw International, a global network of specialized migration law firms, members of the International Bar Association (IBA).	Not using this Marketing Communication Tool

Factors	SERVAAS Law Firm	Kennedy Van der Laan	Everaert Advocaten	Adam & Wolf
Direct Marketing	0	0	0	0
Communication channels	6	8	9	5
Official web-page	5	9	8	4
Advertising	7	8	9	7
Public Relations	8	0	9	0
<b>Average Grade</b>	<b>5.2</b>	<b>5</b>	<b>7</b>	<b>3.2</b>

Source: own processing

From the benchmarking results, we can see that the biggest competitor Kennedy Van der Laan is not a major competitor in marketing activities. The highest number has Everaert Advocaten firm which can be basis for SERVAAS law firm to compare their marketing activities in order to study the best practice in the market.

## 2.6 SWOT ANALYSIS

SWOT analysis importance and implementation in the company's market audit has been discussed by a great number of authors. In short to say SWOT analysis is one of the so-called "must-to-do steps" when executing a strategy, whatever the area. The most acceptable graphic method for presenting the results of a SWOT analysis is the "Matrix scheme". According to which, one puts all analyzed quantitative and qualitative data together in view of external and internal analysis. For having relevant picture of company's current situation, IFE and EFE tools were used.

### 2.6.1 IFE (Internal Factors Evaluation)

Strategic management tool used for evaluating strengths and weaknesses in functional areas of a business. Together with EFE matrix creates strategy-formulation tool that can be utilized to evaluate the performance of a company with regards to the identified internal factors of a company. (J. Vaněk, 2015)

Table 7 IFE matrix

	Internal Factors	Weight	Rating	Weighted Score
STRENGTHS	High quality of provided service	0.12	4	0.48
	Qualified attorneys and skilled team	0.08	3	0.24
	Good reputation at IND and courts	0.07	4	0.28
	Authorized by the Council of Legal Aid with a "High Trust" status.	0.06	3	0.18
	Individual approach	0.04	3	0.12
	Speaks more than 15 languages	0.09	4	0.36
	Appointment via skype	0.05	3	0.15
	15 min free consultation	0.03	3	0.09
	Good location, public transport accessibility, own parking space	0.04	3	0.12
<b>WEIGHTED AVERAGE SCORE FOR STRENGTHS</b>		<b>0.58</b>		<b>2.02</b>

	Internal Factors	Weight	Rating	Weighted Score
WEAKNESSES	High prices	0.08	2	0.16
	Operates only in the domestic market	0.05	1	0.05
	Low level of partnership	0.04	1	0.04
	Lack of brand recognition	0.06	2	0.12
	Low level of web page performance	0.08	2	0.16
	Low level of marketing communication tools usage	0.11	2	0.22
<b>WEIGHTED AVERAGE SCORE FOR WEAKNESSES</b>		<b>0.42</b>		<b>0.75</b>
<b>TOTAL WEIGHT SCORE</b>				<b>2.77</b>

Source: own processing

### 2.6.2 EFE (External Factors Evaluation)

EFE matrix is a strategic-management tool often used for assessment of the current business conditions. It is a tool used to visualize and prioritize the opportunities and threats that a business is facing. (J. Vaněk,2015)

Table 8 EFE matrix

	External factors	Weight	Rating	Weighted Score
OPPORTUNITIES	Economic growth	0.05	3	0.15
	Increasing legal sector	0.09	3	0.27
	Potential of other markets such as China and Russia	0.06	4	0.24
	Phase to increase the level of partnership for barter corporation	0.08	4	0.32
	Increasing advanced technology for reaching foreign customers	0.11	4	0.44
	Extend channels through B2B sector	0.04	3	0.12
	<b>WEIGHTED AVERAGE SCORE FOR STRENGTHS</b>	<b>0.43</b>		<b>1.54</b>

	External factors	Weight	Rating	Weighted Score
THREATS	High level of market saturation	0.11	2	0.22
	Aggressive marketing strategies of competitors	0.12	2	0.24
	Changeable laws and regulations	0.15	2	0.3
	Decrease number of immigrants	0.08	2	0.16
	Economic crisis	0.02	1	0.02
	Reduction population size	0.03	1	0.03
	Negative world of mount	0.06	2	0.12
	<b>WEIGHTED AVERAGE SCORE FOR STRENGTHS</b>	<b>0.57</b>		<b>1.09</b>
	<b>TOTAL WEIGHT SCORE</b>			<b>2.63</b>

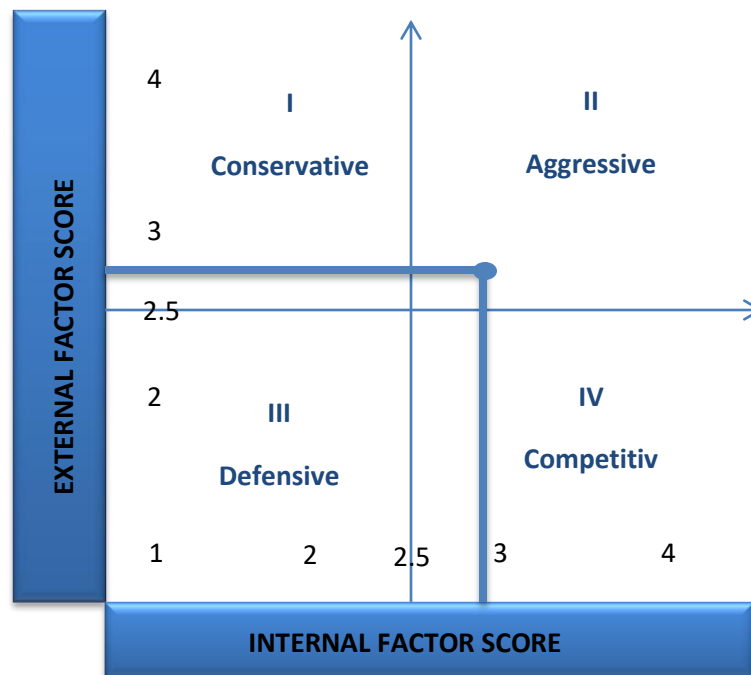
Source: own processing

### 2.6.3 Space Matrix

After having the results from SWOT internal and external analysis, it is time to determine which kind of strategy can be implemented to be benefit from SWOT analysis. Therefore space matrix included in the analytical part.

Space matrix is defined as a SPACE – strategic position and action evaluation matrix. The strategic position and action evaluation matrix is a management tool used to analyze a company's business. It is used to determine what type of strategy a business should undertake. It is created by 4 quadrants. Each quadrant means different strategy (aggressive, conservative, defensive and competitive. (J. Vaněk, 2015).

Figure 16 Space Matrix



Source: own processing

Following to the space matrix results, Aggressive politics (W-T strategy) is suggested for the company's further operation. W-T strategies establish an aggressive plan to address the firm's strength in order to get maximum benefit from external opportunities.

### 2.6.4 SWOT Strategic matrix

Figure 17 SWOT strategic Matrix



Source: own considerations

Thanks to SWOT strategic matrix we had an opportunity to develop strategies for precise purposes which are described in the figure 16.

Each square in the figure has its own basis for creating strategies. Here are the descriptions.

S-O Strategies developed to minimize or overcome weaknesses and, as far as possible, cope with threats,

W-O Strategies developed to overcome weaknesses if existing or emerging opportunities are to be exploited,

S-T Strategies using strengths to minimize existing or emerging threats,

W-T -Strategies developed to minimize or overcome weaknesses and, as far as possible, cope with threats.

### **3 THE IMPLEMENTATION OF A MARKETING PLAN FOR SERVAAS LAW FIRM FOR 2017**

#### **3.1 EXECUTIVE SUMMARY**

The purpose of this project is to create and implement a marketing plan for SERVAAS Law firm which can help the company to strengthen their position in current market. The project has three primary missions to be completed: (a) to satisfy the needs of the marketplace; (b) to secure an advantage over the competition. and (c) to create profit.

In the case of law service, the majority of small sized companies are neglecting the importance of marketing activities by preventing expenses as the chosen company doing it currently. While with their support of the core service, the companies can extend their one-time lasting relationship with their customers to the stage of repeating purchase. Based on this belief, the other aim of the project is to prove in fact that besides the provided service's quality and the qualification of lawyers, marketing activities can be a generator of profit. We believe that using marketing mix tools will help the chosen company to maximize their profit.

The first stage of the project is the identification of marketing campaign activities and tools for SERVAAS law firm based on the results which gained from the macro and micro environmental analysis of The Netherlands and the company. The influence of each activity and tool on the company's overall performance will be evaluated properly.

Time schedule of activities is vital for the company's management in order to act continually and find the shortest way the steps should be done. For this reason, the time analysis of the marketing plan implementation is also included on the project.

Another significant part of the project is the risk analysis. Risks and how to deal with them during the process of implementing marketing plan have to be carefully evaluated as they have a great influence on the final results.

After all the steps are accomplished, the cost and budgeting analysis is performed which can help us to transform the project into more relevant to the company's nowadays situation.

The last stage of the project is the evaluation of the overall project.

#### **3.2 OBJECTIVES OF MARKETING PLAN**

As we mentioned in the very beginning, setting objectives for a marketing plan is the necessarily starting point in order to have a look how the further activities can fit into the marketing plan across the next year.

The main objectives of the marketing plan are customer acquisition, customer retention, brand awareness among potential customers and strong position into the market. Each of above

mentioned objectives has its own approach to the marketing activities. One of the important objectives among them is the *customer acquisition* which the company can gain from its opportunities which are the potential to enter the Chinese and Russian market. The best scenario for entering to these markets is considered to be a combination of market development and diversification. As it is known from the literature review, market development strategy implies to find new markets for existing products. In contrast, diversification involves moving away from existing and core activities and developing a new product for new markets. Serving in a law area is not a new service for Chinese or Russian people, the core of the service will not be changed under this strategy but rather the availability of this service from the Netherlands will be increased which is a new service for them.

As we already discussed in analytical part, the current position of the company in the market, it is important to highlight that compared to the competitors' profile the main operation market for the firm is local market in which the market share cannot be extended (or will require extra forces and strategies) due to the high saturated market and competitiveness. To gain the *strong position* into the market it is due to several quantitative and qualitative variables. In this stage quantitative variables important such as a number of new customers during a year period, increased market share (%), number of second purchase all of which can lead to the increased profit. Summing up, the strong position into the market can be reached by highlighted differentiation from the leading competitors.

To achieve the *customers' retention* is very difficult for law services based on the fact that every customer has its own individual case and it may or may not require the second purchase of the service. That this way we consider that customers' retention is the positive feedback which can spread out among their circumference. The objective can be realized only by the winned cases in the court. So we can assume that the quantitative measure for the end of the year is the added amount of winned cases in court taking into consideration all provided services.

*Brand awareness* is planned to increase by creating a touchpoint map of the customers. As known, a touchpoint is any time a potential customer or customer comes in contact with company's brand—before, during, or after they purchase something from the company.

All these objectives are implemented to the actions program which will be drawn below.

### **3.3 TACTICS; ACTION PROGRAM FOR MAXIMIZING PROFIT BY MARKETING MIX TOOLS**

Action programs are chosen based on the company's current marketing and management performance omissions in order to restore and increase their effectiveness. The company's omissions have been discovered within the analytical part. Thanks to the matrixes and analytical tools which was used for the observing the company's current performance, in the

further chapters will be effectively designed new marketing plan which will bring the company to the new stage of its performance. The theory tells us, that a firm can maximize profits if it produces at an output where Marginal revenue (MR) = Marginal cost (MC).

From the internal sources of the company, it was found out that the total revenue for the year 2015 was € 765.000. The purpose of this plan to maximize the net profit by 10% with investment which is € 76,500 for year 2017. Of course, this implementation will require also costs and investments but it will be the base for the company's high awareness among its customers and it should bring the desired maximized net profit for a certain period. The return on investment together with the payback period will be discussed detailed in the cost analysis.

### **3.3.1 Action Program- AP1: PRODUCT**

The main services which the company concentrated its forces are administrative law, migration law and civil law. While the law has an extent range of level, there are varieties of possibilities to extend the scope of provided services. One of this law services which can be profitable for the firm is a service mainly for students which will separate one branch in the company for non-Dutch students. As we know, especially for non-European students getting a visa is a long-lasting, also problematic situation. But considering that the personal lawyer is out of student's budget, the price will be very low and with special offers. The main aim is to get the attention and satisfaction of one time customers. The thing is that the majority of today's non-European students would not come back to their country of origin and may require for naturalization process, or will appeal for family member reunification. In this case, the lawyer is unavoidable. Previous good experience will bring them back to the company again.

#### **Objectives of Action Program AP1:**

- Broaden the operational scope of the company,
- Target non-European students as a new potential customers,
- Create an international students database out of 60% of chosen Universities total number of international students and expect that more than 35% of them will be a potential customer,
- Strengthen the relationships in the B2B market via signing at least 5 contracts with Universities.

#### **Target Group of Action Program AP1:**

- Non-European full-time students who are planning to come to The Netherlands,
- Non-European full-time students who are in the Netherlands by study purpose but want to receive long-term permission of stay,
- Non-European full-time students who want to get right for work in the Netherlands.



### Potential of the Target Group:

For understanding target group's current size and potential, it is necessary to have a look at the statistics across passed years. The Office of Education at the Dutch Ministry of Education, Culture, and Sciences (DUO) reports that the quantity of international student rose by 6,163 for the 2016-2017 year compared to the previous year's statistics, making the total amount of international students in the Netherlands rise to 81,392. This number makes up 11,4% (10,7%) of the overall student population.

But it is vital to sort out the number of non-European students' proportion of this statistics. That is why the next figure will represent the where do international students come from:

Figure 18 3 top non-European countries students' immigration

CHINA	4,347 (15)
INDIA	1,525 (221)
INDONESIA	1,504 (297)

Sources; *The Dutch organization for internationalization in education*, [online]. [cit. 02 March 2017]. Available at: <https://www.nuffic.nl/>

These numbers can be considerable for the company to catch the interest of this target group. To do so, the activities will be discussed detailed.

### To do List;

The best places for meeting the target groups are the Universities. It is suggested to select the top universities the students are applying.

**Figure 19** Top 5 international universities in the Netherlands

<b>Name of the University</b>	<b>Number of international students</b>	<b>Contacts</b>
<b>Maastricht University</b>	55.9% of students are international, or 8,952 (^389)	Public University Minderbroedersberg 4-6 Tel: 043 388 2222 Email: <a href="mailto:study@maastrichtuniversity.nl">study@maastrichtuniversity.nl</a>
<b>University of Groningen</b>	19%, or 5,420 (^849)	PO Box 72 9700 AB Groningen Tel: +31 50 363 9111 Email: <a href="mailto:communicatie@rug.nl">communicatie@rug.nl</a>
<b>Erasmus University Rotterdam</b>	21.6%, or 5,289 (^712)	Campus Woudestein Burgemeester Oudlaan 50 Tel: +3110 408 1111 Email: <a href="mailto:info@iss.nl">info@iss.nl</a>
<b>Fontys University of Applied Sciences</b>	11%, or 4,837 (^39)	Rachelsmolen 1, 5612 MA Eindhoven Postbus 347, 5600 AH Tel: +31 (0) 8850 80000
<b>The University of Amsterdam (UvA)</b>	14.6%, or 4,514 (^977)	Spui 21 1012 WX Amsterdam The Netherlands Tel: +31 (0) 20 525 5999 Email: <a href="mailto:servicedesk-ac@uva.nl">servicedesk-ac@uva.nl</a>

Sources; all official web pages of the Universities.

After figuring out the top Universities, it is necessary to start a B2B negotiation based on the mutually beneficial barter agreement. Based on the experience, in reality, most of the Universities are carrying about the visa applications of its international students but they do not offer legal support and they do not get involved in this process.

The SERVAAS Company can suggest Universities be the third party of this process in order to avoid long-lasting visa application processes. The company can reach its target group via expecting prolonged, strong relationships with them. On the other hand, the Universities can avoid from extra resources and inconveniences.

After having an agreement, it is necessarily-

- To create an email database of the enrolled students for future academic year,
- To sort out the countries of origin of students in order to adopt the services in the certain culture and languages (taking advantage of company's strengths that they provide service in more than 15 languages)
- To print out special promotional offers via form of booklets, brochures,
- Add this information in the company's social media, also in the chosen Universities domains.

## **Responsibilities**

For doing all necessarily steps in a sequence and without interruption, responsibilities should be set among the company's departments and employees. For finding Universities and starting negotiation processes administrative department will be responsible. In case of creating a contract based on the two sides' beneficiary, company's lawyer support will be needed. After successfully ended and signed contracts, the IT department should create a database of the students. In the end, marketing department should create and design the promotional offers and spread out into both in the social media and in the Universities. All activities needed financial support should be discussed with the department of finance and accounting. \* Each cost of each activity will be detailed discussed in the cost analysis.

### **3.3.2 Action Program- AP2: PLACE**

From the analytical part, it was explained that the company does not operate in the foreign market. For the year 2017, it is suggested to overcome the company's weakness with the opportunity to use the potential of other markets such as China and Russia. Also, in the theoretical part, we mentioned the importance of place (where the service will be delivered) as a marketing mix tool. Combining these factors, the well-designed and analyzed strategy can bring the company new outcomes.

The opportunity comes out from the certainty that migrants from China are compiling a huge amount in the overall migrants' population in the Netherlands, as we saw it in the PEST analysis. On the other hand, the company's customer database showed that Russian people has a small portion of the total number of immigrants, workers, but their satisfaction level from the company is very high (SERVAAS law firm, internal sources). We think that their involvement level is a result of lack of information. That is why we are suggesting making some certain actions in order to gain new potential customers from this market too.

#### **Objective of Action Program AP2:**

- Extend operation market via finding co-partners in chosen countries (two partners at least in each country),
- Create at least four joint ventures for year 2017
- Increase awareness,
- Increase demand and number of potential customers.

#### **Target Group of Action Program AP2:**

- Chinese/Russian people who want to work in the Netherlands,
- Chinese/Russian people who need legal advice/lawyer,
- Chinese immigrants living in the Netherlands,
- Chinese full-time students for seeking for a job.

**Potential of the target group:**

The number of Chinese immigrants is well represented in the analytical part (see chart 1) from which we can imply the potential of the target group. The question may arise, why to concentrate on the Chinese or Russian market, while the people from Turkey and Morocco is compiling more amount of the immigrant in the Netherlands than Chinese / Russian people. The thing is that in this sphere the company has its own strong position, so there is no need for extra activities to maintain competitiveness. It is essential to building a strong relationship with new markets and spread out the company's strengths to bring its costumers more confidence and transparency in the court.

**To do list;**

Bearing in mind, that the company's budget and the sources are not allowing him to open new branches in the mentioned market, which is not necessarily at all, other alternatives were taken. We are suggesting to concentrated on the individual lawyers' firms in the mentioned markets and create joint ventures. So they can exchange their potential sources and clients database across the countries and can make a cross-cultural marketing which will give a path for external revenue.

- Searching for relevant lawyer operating in those markets,
- Build a future negotiate platform,
- Make an investment for creating joint venture.

**Responsibilities**

As we mentioned in the action program AP1, for doing all necessarily steps in a sequence and without interruption, responsibilities should be set among the company's departments and employees. In this particular action program, the marketing department is responsible for finding relevant individual lawyers in those markets. After having all administrative things done via this department, the co-founders and lawyers should arrange a meeting for further negotiation and for the creation of legal joint ventures processes. Finally, the marketing department will continue for creating promotional and informational activities for attracting customers in the chosen countries markets. All activities needed financial support should be discussed with the department of finance and accounting.

**3.3.3 Action Program-AP3: PROMOTION**

In the first part of the thesis, during the theory discussion, it was cleared out that the all marketing communication tool has different formulations and meaning in terms of services due to its different characteristics compare to goods. But the general ground of the communication process is to reach to the target group in the efficient ways.

Currently, the firm SERVAAS using only several forms of communication process which are sponsorship and public relations. Based on their performance, we are suggesting implementing advertising (direct marketing strategies), event marketing and public relations. Each of them will be discussed in detail.

### **Objectives of Action Program AP3:**

- Increase brand awareness via google advertisement for reaching maximum attention of target group from which 5% should become a potential customer,
- Increase brand awareness via Facebook advertisement for achieving app. 1500 target group's attention from which app. 900 people will click or make an action,
- Simulate demand via published articles two times in a year, 2% of this audience should become a potential customer,
- Strengthen confidence among the target group via creation of events (4 times in a year, both individual and with co-partners), after which the sales (sale is the winning cases in the court) will increase to 1.5%.

### **Target Group of Action Program AP3:**

- Women and men from age 25-34,
- Non-European international students,
- Social media users across the world,
- Readers of NJB magazines (especially lawyers or people who need lawyer),
- People looking for legal advice,
- B2B partners.

### **A) ADVERTISING:**

Before penetration and extension of the market in the foreign countries, first of all, the firm should have a strong position on the domestic market. The starting point is to create the best possible marketing communication strategy for standardizing or adopting that in the foreign market.

At present, the main message of the SERVAAS law firm to its customers is "You have rights if you do not speak the Dutch language". This can be the core of marketing communication strategy but this message can go through all the cycle of provided service in order to create brand value for a customer which is the most important thing for communication strategy.

The primer decision for building an advertising project is to choose advertising channels then separate target groups for each of them. Afterward, the objectives should be specified.

We consider that the best choice for a law firm is the direct marketing (ATL), event marketing and public relations.

Direct marketing has a variety of communication ways for reaching the customers. For SERVAAS law firm we choose the most relevant ones in order to achieve the possible efficiency.

✚ **Magazines and newspapers** related to the law one of the best way for promoting the service. The Dutch Juristenblad (NJB) magazine is the most popular magazine among the lawyers in the Netherlands. This journal is for discussions, legislation, case law, literature, news, events and legal jobs. As the journal is publishing once a week, we can imply that it has its own reading audience which is matching with the SERVAAS target group characteristics. Based on this, we are offering to publish articles with half a year frequency. The subject, for instance, can be the new service for students (AP1: Product) or some achievements of the company.

### **To do list;**

Essentially, it is important to create a well-structured message for the publishing in the magazine. The aim of the message and the usefulness should be clearly defined.

Secondly, the contact with the magazine's manager should be made in order to arrange a meeting for further communication and possible cooperation.

✚ **Facebook** advertisement is one of the most popular social networks in the Netherlands. Advertisement on Facebook has many beneficial points. Firstly, the company has the ability to choose the target audience, regarding their interests and focus advertisement directly for them. Secondly, the cost is not as expensive as other advertisements' tool costs are. Finally, it helps companies to measure and evaluate the performance of the advertisement.

SERVAAS law firm has its own page on the Facebook network. As we mentioned below, the Facebook can give the company the complex view of its online performance. Based on the Facebook analysis results on Dec 24, 2016, company's ads reached 1.5 % of people on Facebook within 165 feet of the business. (Company Internal sources, Facebook analysis). The post was accompanied by the picture and general information of the services.

Promotional posts on Facebook show us that 906 people reached the post and 371 people click or make an action. (Company Internal sources, Facebook analysis). This is not a bad result and we can imply that this kind of posts and information can be used on a continual basis.

The top age group is 25-34 which are compiling 35% of the total amount of the group. Among overall users, 57% are women who reached the post and 42% are men. But the among the company's fans 55% were women and 45% were men who reached the post. The top countries where the post was spread are Netherlands (711 people), Armenia (190 people), Russia (41 people).

The trend of people on Facebook is from 8:00 AM to 14:00 PM. (Company Internal sources, Facebook analysis).


Analytics also indicate that the company's competitor Kennedy van der Laan Facebook page is performing very well and reached 1.3 K likes on their page. The main differences among their activity strategy on Facebook are the usage of videos and pictures which SERVAAS does not implement. Keeping in mind that during event marketing activities, the company can have a chance for making some promotional videos and post it on their Facebook page, will bring them the high level of involvement in the social media.

Based on their post frequencies and the quality of posted and shared information, we can suggest them to start a new complex campaign in the Facebook network.

### **To do list;**

The new campaign will include.

- Target the women with age 25-34 and share the posts during 8.00 AM to 14:00 PM
- Weekly shared information about the wine cases in court during past weeks-goal is to increase the trustfulness,
- Prepare informational package when some laws are changing in a current environment, in order to be the first trustful source for their customers and deliver it on Facebook page,
- Monthly, targeted advertisement about the Action Program AP1-goal is to spread out new information to the targeted people,
- Monthly, targeted advertisement about the Action Program AP2- goal is to spread out new information to the targeted people,
- Monthly, targeted advertisement about the Action Program AP3- goal is to spread out information to the targeted people
- Each of the activity done on Facebook should include the link of the web page of the company in order to increase the number of web page users,
- Finally, schedule a personal brand photoshoot for high quality posts and shares.

 **LinkedIn**-Nowadays LinkedIn is making the B2B sector more available. Company can use this network for building its elevator pitch. How is it possible?

Every employee of SERVAAS law firm has its individual profile so they can describe their status which they gain from the company. This strategy can be the first stage for elevator pitch which can be broadening further in the event marketing. The benefit of this strategy is that everyone who is searching for SERVAAS law firm and also companies, who want to build further negational relationships with the company, can immediately have a general picture of the company's inner culture and the status.

**To do list;**

- Create a strong, effective general elevator pitch for each employee,
- Transfer them into their profiles.

✓ **Google AdWords:** Google AdWords is paid advertising or pay per click (PPC) advertising on Google. The way it works is simple:

- People use keywords (or search terms) to search for specific products and services,
- If the keywords company has chosen match what people search for, company paid ad appears next to or above organic Google search results,
- When people click on ad, they'll go to website to learn more or buy. (C. CANLAS, JULY 23RD, 2014).

Google AdWords is measurable as the Facebook advertisement; it can save the budget but also it can reach to the most relevant customer of the business. It is very easy to measure the ROI rate. This paid advertising is probably the most direct, most effective, yet most complicated, of all the channels in which to market business online.

Having this background of advantages, it is beneficial for the company to implement this advertisement into the company's marketing strategy.

**To do List;**

- Set the budget for the weekly advertisement,
- Prepare detailed analyzed and processed ads for all action programs.

✓ **Google remarketing:** Google remarketing, also known as retargeting has been chastised in the media for the excessive frequency and poor targeting of the ads. However, if the audience is grown and cultivated correctly, there is a huge advantage for advertisers to recapture their audience's attention elsewhere. Retargeting involves showing paid ads to users based on their past web activity on company's site. Remarketing allows advertisers to follow users and show ads to them across Google's large network of partner sites on the Google Display Network. The best way to ensure these ads are targeted correctly is to build a remarketing list on Google AdWords. (C. CANLAS, JULY 23RD, 2014).

This tool can help the company to retarget its focus groups' interest based on their search history, so the company can be sure that their ads will appear when customers need it firstly.

**To do list;**

- Set a budget for retargeting,
- Based on the Google AdWords results, create "Popular Category" list for the Action Programs,



- Remarketing tag tells AdWords to save visitors to company's "Popular Category" list,
- Build AdWords campaign with a specific message to show only people on the list "Popular Category".

✚ **Official Web page-** Since the company's establishment, the web page was changed twice in order to meet existing technological changes and marketing trends. Still some omissions are there. For this reason, we are suggesting actions which are discussed below.

#### **To do list:**

- Add history of the company, news and information section in web page which are missing,
- Refresh new laws and legislative changes in the country both in web page and Facebook page (via share option-in order to promote visits in web page),
- With the separate section, add workers background in order to enhance the trustful base between customers and workers,
- Buy and separate four main domains with their targeting-civil law, administrative law, employee law, student law,
- Move focus from price to experience-add a section on the homepage or on the service page that will describe the process that the company take for each client through, so they are confidence in moving forward,
- Add SERVAAS web page link in Embassy's web page "useful links".

#### **Responsibilities**

For advertisement mainly marketing department is responsible. But as far as the promotional program is concentrated in the digital platform, IT department's support will be needed. The redesign of the web page is also considered to be with combined efforts of marketing departments and individual web designers. All activities needed financial support should be discussed with the department of finance and accounting.

#### **B) EVENT MARKETING:**

For generating new client leads, one of the effective ways for law firms is event marketing. In reality, according to a 2014 study commissioned by J. Johnson Executive Search and conducted by ALM Legal Intelligence, event marketing is the most effective marketing activity for law firms.

#### **Educational Events**

One of the most popular types of events for law firms to host is local, educational events filled with expert insights. This is an opportunity to educate target audience on topics of interest to them. And this point is critical – this is not an opportunity for company to be "sales-y". Instead, it's a time to provide as much value to company's target audience as possible.

A technique for greater event marketing success is to create a series. To hold only one event is too random to be a successful approach. Instead, company should look to compound their results by hosting events every quarter or every month. In this way, they can start to develop stronger relationships with their attendees, many of whom will attend multiple events and will start to recommend their events to their colleagues.

The best days of the week for hosting an educational event are typically Tuesdays and Wednesdays. People tend to be focused on getting a lot of work done on Mondays, and their minds are turning towards the weekend and personal time later in the week. The middle of the week is where the action is for effective lead generation. (T. Shapiro, 2016)

### **Joint Marketing Events**

To reach a larger audience through local events, one of the options is partnering with other organizations to leverage the power of their databases. Starting new event marketing can take a significant promotional effort to fill seats at the beginning. Partnering with other organizations, ideally those with a large database of the same target audience as company has can be a shortcut to event marketing success.

The concept here is similar to the educational events described above, but through partnering you can mitigate risk and share in the costs while concurrently increasing the probability of a robust turnout for an event. What you lose in exclusive branding, you can gain in expanded exposure.

### **Follow-up**

Effective follow up is condemnatory for companies to get a return on their event marketing investment, yet it's the area where many firms fall down leading to missed opportunities. (T. Shapiro, 2016).

### **To do list;**

- Create the event marketing plan for year 2017,
- Create a time schedule for hosting an events ( most effective days are Tuesday and Wednesday) ,
- Find a partner in the marketplace for joint events,
- To host both own branded educational events as well as joint events with a partner,
- Offer a value-add piece of content (proprietary research, eBook, video, etc. with additional information on the topics covered at organized event).

### **Responsibilities**

These promotional activities should be under marketing department control. Furthermore, the founders of the firm should be involved in the joint marketing events process in order to

create a legal contract with the partner companies. All activities needed financial support should be discussed with the department of finance and accounting.

### **C) PUBLIC RELATIONS**

In this type of advertising, the company can concentrate its resources and marketing activities on sponsorship. This is due to the fact that the company can gain positive attitude among its customers and society.

Following to the Netherlands rule, before becoming official lawyer, after successful graduation, it is necessary to work and gain three years' experience as a trainee solicitor. But the market is not open for everyone and students has a lot of difficulties in their searching operations. SERVAAS law firm can separate a yearly budget which will be for students' future trainee. Students will be chosen by their motivation, skills, educational background and the knowledge of languages. In this stage, company can have a future investment in the human resources also can achieve the desired good reputation among students, universities and their relatives.

#### **To do list;**

- Choose the universities from Action Program AP1,
- Create an informational flyers and spread it out among chosen Universities,
- Create an email campaign and spread it out among students' database,
- Share information in different kind of students' digital platforms, so the brand will be there where is need most.

#### **Responsibilities**

This action program should be led by marketing department together with the help of IT department for creating students' database. All activities needed financial support should be discussed with the department of finance and accounting.

### **3.3.4 Action Program AP4: BRAND AWARENESS VIA TOUCHPOINT MAP**

McKinsey & Co. defined a customer touch point as an interaction that company's customer comes in contact with firm or brand – this can be before, during, or after purchase.

A customer touch point also can be defined as the direct and indirect interactions with an audience. The main objective is to transfer the audience into a customer. The touch point objective is to create the positive experience that yields to customer conversion. Customer touch points may vary from firm to firm; nevertheless the objective remains the same -create a cycle with interactions that lead to action, an action that leads to customers, a customer leads to sales.

As a final action program, creating touch points of company's customers will help SERVAAS to customize, engage, energize, establish and maintain positive experience over the short or long-haul of the relationship.

**Objectives of Action Program AP4:**

- Chart customer journey map,
- Create positive customer relationship,
- Increase the awareness of brand.

**Target group of Action Program AP4:**

There are no special criteria for targeting customers in this scope because all the customers who will have interactions with the company can be considered as targeted. Here the importance thing is to identify the points where customers can create a value with the company and brand.

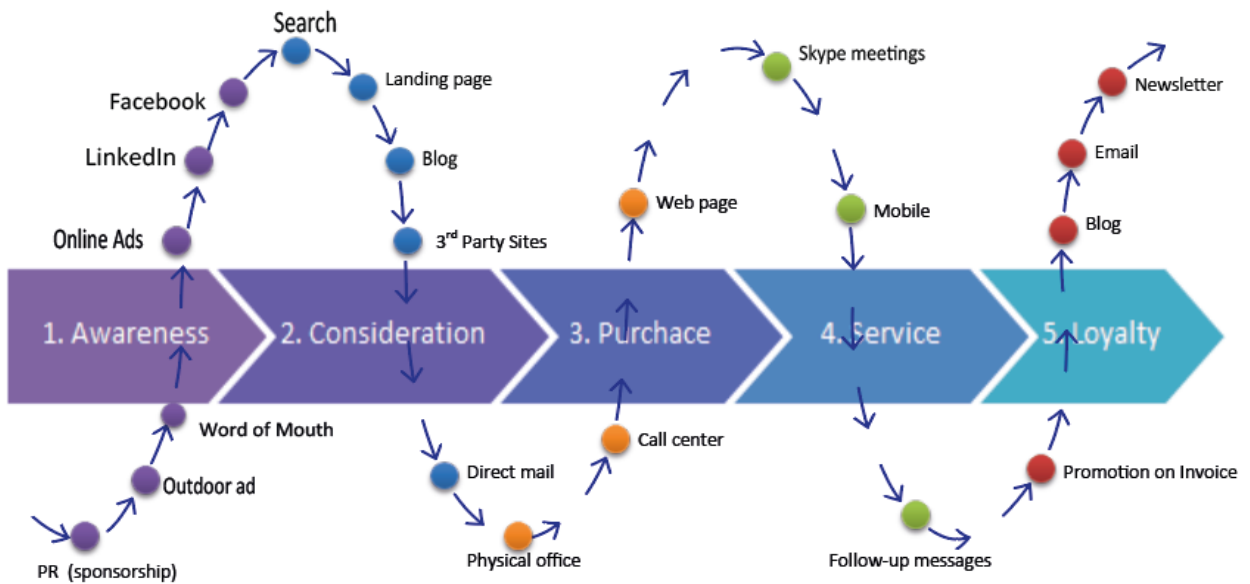
**To do list;**

Firstly, for doing so, it is necessarily for SERVAAS to identify touch points:

- **Before interaction:** Social Media, Online Reviews, Testimonials, Word of Mouth, Experience, Advertising, Public Relations, and Marketing activities.
- **During interaction:** Website, Location, Staff, and Point of sale.
- **After interaction:** Communication, Marketing, Follow-Ups, Online Resources, Online Reviews, and Social Media.

After having these guidelines, it is necessarily to separate digital and physical touchpoints and determine activities related to each type of touchpoint. The specific review will point out the following figure.

Figure 20 Touchpoint map of SERVAAS law firm



Source; Own processing

These are the areas and path in which customers are facing during interaction with the company. For increasing the loyalty and the awareness of the brand company should consider and control each step which was mentioned in the figure in order preventing the chain from disruptions. In this way, the customer good experience will create which is particularly important for firms such as law companies because their revenue and the customers' database is depended mainly and basically on customers' satisfaction and their positive feedback.

### Responsibilities

Creation of touch point map is a very long lasting process and it requires strong specialization in marketing and management. That is why it is to identify each touch point during in each action program where customers will interact with the company and finalized the map in the action program AP4. All activities should be under the marketing specialties control.

As a conclusion of the action programs, it is necessary to summarize that company should enhance its position both in domestic and foreign markets which is possible not only with high qualified lawyers and reach experience but also with well-designed marketing strategy.

The action programs costs will be discussed in the next chapter, in which it will be possible to evaluate the action programs possible influence on the profit maximization.

### 3.4 COST ANALYSIS

Generating profit is the main purpose of any company. It is believed that implementation of any project will bring more financial value for business. Therefore, the cost evaluation before project implementation and after its performance stands out to be one of the most important factors. The result will determine if the project worse to realize any idea of marketing division or not. For this reason, the cost analysis of project included in the marketing plan. The cost analysis is built up by the summary of costs of all marketing activities with the emphasis on their importance. All marketing activities were calculated according to the current prices in The Netherlands. As it was mentioned above, the profit maximization by using marketing mix tools will be concluded by the use of the ROI measure in order to evaluate the overall costs and return for the marketing campaign.

For SERVAAS Law Firm marketing plan in the year 2017 were set marketing goals, which have been further developed partial action plans. Targets have been compiled as follows:

- Action Program- AP1: PRODUCT
- Action Program- AP2: PLACE
- Action Program-AP3: PROMOTION
  - A. ADVERTISING
  - B. EVENT MARKETING
  - C. PUBLIC RELATIONS
- Action Program AP4: BRAND AWARENESS VIA TOUCHPOINT MAP

The following tables summarize the above costs, which were justification in the individual chapters directly with marketing objectives. All prices are included VAT. As the company operates in the Netherlands market, all the costs were calculated on their currency (EUR).

Table 9 Budget estimation for AP1

<b>Action PROGRAM AP1-PRODUCT</b>	<b>Unit/duration</b>	<b>Final Cost</b>
Printing of brochures	10000	€ 1025.59
Printing of flyers	10000	€ 330.68
Printing promotional products	5000	€ 419.99
Social media campaign	6 months	€ 1800
Ads in Universities official web page	6 months	€ 1400
		<b>SUM: € 6,002</b>

*Source: Own considerations*

Printing materials costs are chosen from the leading printing company in the Netherlands (Vistaprint.nl). The price includes full-color printing.

Social media advertisement is mainly concentrated on Facebook. The average Cost Per Click (CPS) is about € 0.33 globally. The Average cost per like is € 0.22 globally. In the

Netherlands the average cost per click is € 0.31 and the average cost per like is € 0.19. From the Facebook advertisement analysis in the action program (See Appendix I) it was sort out that 906 people reached the advertisement and among them 371 people make an action. From the calculations we can see that approximately € 1685 will be spend for 6 months Facebook advertisement with this extend of target group, where € 70.50 is a cost per like. The remained € 115 is for other advertisement costs such as LinkedIn, banners in 3<sup>rd</sup> party sites, etc.

Table 10 Budget estimation for AP2

Action PROGRAM AP2-PLACE	Unit/duration	Final Cost
Joint Venture Investments	One time investment	€ 8000
Transportation Cost	Twice in a year	€ 2450
Other costs	Twice in a year	€ 1400
		<b>SUM: € 11,850</b>

Source: Own considerations

Return of investment in the foreign market will be calculated in the final calculation of overall activities as we do not have specific information about foreign market. (Further examination is needed for finance department of the company. Digital relationships are accelerating and opening new spheres of communication but the physical contact and relationship is needy for every venture company. That is why in our activity we involved time business visits for each country (Russia, China) twice in a year. The meetings will be declared to annual financial, marketing and business performance reports and their discussion. The business trip is a good opportunity to organize event marketing for these market customers so the brand awareness will increase. Other costs are including the cost of event marketing, cost of hotels and staying.

Table 11 Budget estimation for AP3

Action PROGRAM AP3-PROMOTION	Unit/duration	Final Cost
<b>ADVERTISMENT</b>		
<ul style="list-style-type: none"> <li>• Publish articles in journals</li> <li>• Facebook Ads</li> <li>• Google Ads</li> <li>• Google remarketing</li> <li>• Webpage redesign</li> </ul>	Four time in a year Two weeks Ongoing Ongoing Once	€ 1500 € 280 € 50 per month € 50 per month € 1700
<b>EVENT MARKETING</b>		
<ul style="list-style-type: none"> <li>• Rent of area</li> <li>• Informational flyers</li> <li>• Business cards</li> <li>• Technical Instruments (desks, notes for guests, pens with corporate design)</li> <li>• Investment in joint events</li> </ul>	Four time in a year 10000 piece 500 piece 500 piece  Two times in a year	€ 700 € 330.68 € 64.79 € 85  € 450
<b>SPONSORSHIP</b>		
<ul style="list-style-type: none"> <li>• Amount of awards</li> </ul>	Every year	€ 15,000

<ul style="list-style-type: none"> <li>• Informational flyers</li> <li>• Email creation database</li> <li>• Digital campaign among students' platforms</li> </ul>	10000 piece Ongoing During academic year (3 months)	€ 330.68 No cost € 750
		<b>SUM: € 24,192</b>

Source: Own considerations

According to the AP3 action program, the costs are divided into three main sectors as well. The sum of the cost is calculated for one year. For Google Ads and Google remarketing the monthly budget is defined € 50 in order to reach to the potential customers, for one year the budget for these two activities is € 3000 which we added in the total cost.

The price for publishing articles is calculated not for a whole page but for a ¼ of page for each time.

The price of investment in joint events included both the rent for area and price for printed material. The price was calculated in behalf that all prices will be equally dividing into two parties.

The cost for webpage redesigning is considered to be one time investment for long-run future effectiveness.

Table 12 Budget estimation for AP4

<b>Action PROGRAM AP4-</b>	<b>Unit/duration</b>	<b>Final Cost</b>
Outdoor ads	Ongoing	€ 150
Promotion on Invoice	Ongoing	€ 68
Ads in 3 <sup>rd</sup> party sites	2 months	€ 500
		<b>SUM: € 718</b>

Source: Own considerations

The overall cost of the project now can be concluded which is illustrated on the table 10.

Table 13 Total cost of Action Programs

<b>Action programs</b>	<b>Final Cost</b>
Action Program for AP1	€ 6,002
Action Program for AP2	€ 11,850
Action Program for AP3	€ 24,192
Action Program for AP4	€ 718
<b>Total: € 42,762</b>	

Source: Own considerations

From the activity and price analysis we can see that the company now has to invest more than needed due to fact that marketing activities importance for a firm were neglected for a long time. All we have so far implemented, it was done only on the basis of intuition and



immediate needs. Therefore, the individual action plans designed to provide least cost, improve the current situation of SERVAAS Law Firm.

For the proposed marketing plan for 2017, the total cost is calculated in the amount of €42,762. This sum, however, includes the creation of a graphic manual and the creation of graphic designs for individual action plan for AP3.

It is also important to think of human resources for the implementation of individual activities. Costs of wage worker who will supervise the fulfillment of individual plans cannot be unambiguously determined because of the implementation of marketing activities to such an extent so far no one in charge.

The project costs are estimated to be covered as an investment from the company's additional resources (founders own savings). As we discussed already, the strategic plan is to maximize the "sales" by 10%. Assuming the best scenario, return on investment should be calculated after which the payback period of the investment should be estimated.

In the case of lack of additional resources, the bank loan can be taken. In the Netherlands, the ING bank can be trustful and best featured platform for getting a loan. The details of getting loan are given.

- Interest Rate From: 13.85% p.a
- Interest Rate Type: Fixed
- Maximum Loan Term: 2 year
- Maximum Loan Amount: \$50,000

When it comes to calculation we can state that for getting loan an amount of 43,000 euros over a two year term, monthly payment will be 2061.50 euro at an interest rate of 13.85. Total interest in this case estimated to be €6,476.20 and the total repayable is €49,476.20.

Based on the pessimistic variants occurrence, the priority activities should be separated in order to save in the secondary activities. For overall project the first to be done activities are Action Program AP1 and Action Program AP3 in order to reach half of the selected goals and aims. Remained programs can be implemented after recovery of financial situation.

The detailed calculations regard to investment, payback period and profit are explained below.

## **Return on Investment**

After concluding the cost of the project, it is vital to understand is the project goal will be meted and when. That is why Return on Investment (ROI) calculation was used.

For calculation of ROI data from 2015 was used because of financial indicators for year 2016 are still being finalized.

The goal of the marketing mix tools implementation is to increase the company's "sales" by 10%. For 2015, company has revenue of € 765.000. For meeting the strategic plan through investment it is required that this investment should bring net profit of at least €76,500. Planned investments for proposed marketing plan for year 2017 is estimated € 42,762.

**Return on Investment:**

ROI: ((Net profit– investment) / investment) \* 100 [%]

ROI = ((76 500– 42 762) / 42 762) \* 100 [%]

ROI= 78.8 %

Return on Investment is 78.8 % which is € 33 670.

**Payback Period:**

TNp = (Investment / net profit)

TNp = 42 762 / 76 500

TNp = 0,55

The time at which income from investments align with expenditures on investment will be less than half a year.

### **3.5 TIME ANALYSIS FOR IMPLEMENTATION OF ACTION PROGRAM**

After determination the project's goals and objectives, the next step is to accompany the plan with detailed scheduling of activities. This timetable can be a trigger of well-organized management, worker's productivity and goals' faster accomplishment.

Timetable is designed to perform all necessarily actions to be viable and effective during whole year. This timetable should be under control of person who will be the responsible for fulfillment of the actions.

In the fig. 20 the actions and their time slots of implementation will be illustrated.

Figure 21 Timetable for the implementation of action plans

Timetable for the implementation of action plans for the period September 2017 - August 2018													
AP	Action Programs	September	October	November	December	January	February	March	April	May	June	July	August
AP1	Starting negotiation with Universities	X				X				X			
AP1	Creating email database of students		X				X				X		
AP1	Printing Promotional offers		X				X				X		
AP1	Advertisement on social media		X	X	X		X	X	X		X	X	X
AP2	Analysis of current law market situation in chosen countries								X				
AP2	Select partners (individual lawyers)									X			
AP2	Start negotiation process									X			
AP2	Create joint venture										X		
AP2	Make an investment										X		
AP2	Spread out information via digital and physical network											X	
	<b>ADVERTISEMENT</b>												
AP3	Publish articles	X						X					
AP3	Create a certain message for reaching target group	X							X				
AP3	Facebook ads about each action plan			X			X			X	X		X
AP3	Create elevator pitch for each employees profile in LinkedIn	X											
AP3	Prepare detailed and processed ads for all action programs in Google AdWords (chose keywords)				X				X				X
AP3	Create "Popular category" for google Retargeting					X				X			
AP3	Web page redesign	X											
	<b>EVENT MARKETING</b>												
AP3	Create event marketing plan	X											
AP3	Set a time schedule			X			X			X			X
AP3	Find partner company				X						X		
AP3	Print Promotional ads			X			X			X			X
	<b>SPONSORSHIP</b>												
AP3	Select Universities as in AP1	X											
AP3	Printing Promotional ads		X							X			
AP3	Email campaign among students		X			X				X			

AP	Action Programs	September	October	November	December	January	February	March	April	May	June	July	August
AP4	Identification of firms touch points	X											
AP4	Separation of physical and digital touch points		X										
AP4	Creation of touch points			X									
	Control of each activities performance	X	X	X	X	X	X	X	X	X	X	X	X

Source; Own considerations

The timetable is characterizing the detailed steps which are necessary to accomplish the overall project. However, there are some activities such as setting budget for Google AdWords and Google Retargeting (AP3), updating new law changing rules in the Netherlands on official web page and on social media (AP3), choosing a design for promotional advertisements, hiring photographer for professional photoshoot of SERVAAS brand and planning the photoshoot schedule is not included on the timetable due to the fact that these activities mainly depend on variables.

The timetable divided into four main activities based on the action program, each of them has its own sub activities. The action program AP1 is planning to begin from the start of each academic semester so the company can update upcoming international students' database.

For action program AP2 the most quite time was selected. Based on the fact that the foreign market analysis is requiring a large extent of work and efforts, in this period other activities are relatively passive.

Event marketing (AP3) which is one of the important activities for SERVAAS Law firm is planned to be composed four times during the year. Equally, two will be with partner companies and two will be conducted solely by the firm.

The last component of the Action Program is the sponsorship which is planned to be in May. (Grant for the law students). But logically the promotional and preoperational activities were designed to be done before May.

Finally, the action program AP4 is considered to begin from the start of the project. That is because the touch point identification is planned to increase the brand awareness among customers. As soon as the activities will be implemented on the company's daily performance as faster will be visible the result of AP4.

### 3.5.1 Time analysis-Solution by CPM

After having the time schedule of the action programs, now we can implement the overall marketing plan project into the SERVAAS Law Firm operation. For doing so, we have used

the CPM (Critical Path Method) method, which is able to determine a critical path. This is the shortest time by which the campaign can be completed. In other words, CPM gives an opportunity to analyze which activities are important to be done first and which of them are needed to be predecessors.

Figure 22 Time plan for realization of marketing plan for SERVAAS Law firm

Activity	Description of Activity	Duration in weeks	Predecessors
A	Analysis of the current marketing situation of the company	2	
B	Setting up the marketing strategy for SERVAAS law firm for year 2017	1	A
C	Setting up the objectives of marketing plan in terms of overall marketing strategy	1	B
D	Creating the tactics for reaching the objectives of marketing plan	2	C
E	Analyzing the chosen foreign markets for company extension	2	A
F	Preparing several promotional packages for company's market competitiveness	1	D
G	Preparing digital campaign of the company for whole year	1	D
H	Preparing individual event marketing plan for year 2017	1	C
I	Entering into small niches of the market (law for international students)	2	H
J	Separating the B2B partners in a particular areas	2	I, H
K	Creating the touchpoints of the company	1	J
L	Evaluating the budget	2	K
M	Implementing the marketing plan	4	L, D
N	Collecting and analyzing measurement of the implemented tactics, goals, strategies	2	M
O	Testing the feasibility of the project	1	N
P	Improving the campaign	3	O

Source: Own research

The figure above introduces the critical path for activities for implementing marketing plan for SERVAAS law firm.

Figure 23 Critical Path of activities for SERVAAS Law firm

Project Management (PERT/CPM) Results						
Activity	Activity time	Early Start	Early Finish	Late Start	Late Finish	Slack
Project	22					
A	2	0	2	0	2	0
B	1	2	3	2	3	0
C	1	3	4	3	4	0
D	2	4	6	10	12	6
E	2	2	4	20	22	18
F	1	6	7	21	22	15
G	1	6	7	21	22	15
H	1	4	5	4	5	0
I	2	5	7	5	7	0
J	2	7	9	7	9	0
K	1	9	10	9	10	0
L	2	10	12	10	12	0
M	4	12	16	12	16	0
N	2	16	18	16	18	0
O	1	18	19	18	19	0
P	3	19	22	19	22	0

Source: Own research

According to QM for windows V4 program, the total time needed for the realization of marketing plan is 22 weeks and the critical path, on which are the following activities:

**A → B → C → H → I → J → K → L → M → N → O → P**

\*Activities with no additional slacks.

Non-critical activities are:

**D → E → F → G**

\*\*Activities which contain additional slacks

At the end, a graphical solution and Gantt chart of marketing plan for SERVAAS Law firm solved by QM for Windows V4 program are presented in Appendix II with the same result which is the optimum completion time of 22 weeks.

### 3.6 RISK ANALYSIS

Nowadays no single company protected from environmental and internal risks of the company. That is why it is important to identify possible risks of the company prior to their appearance. As it was mentioned already, the main aim of the risk analysis implementation of this project is to identify the risk factors, to evaluate their significance and to find out the risk greatness of the project.

In the following figure 23, the possible risks which can appear during marketing plan realization were represented.

For illustrating the table, the matrix of probability and impact for the risk analysis was used. Thus can help to certainly define the possible risks and found out their quantification according to intervals specifying a low, middle and a high risk.

Figure 24 Risks of the project

Risk Type	Description
<b>1.IT</b>	Systems: Continuity, recovery, security, and access management Data: Confidentiality, integrity, ethical walls, retention, data protection, data transfers, hosting of third-party or client data Third-party suppliers: Maintenance/ support, contracts and outsourcing
<b>2.Financial</b>	Audit, financial internal controls, financial transparency and disclosure, anti-money laundering, counter-terrorist financing, credit, firm investments, currency, and portfolio risks
<b>3.Practice Management</b>	Client relations, laterals, professional responsibilities (including conflicts, records, and litigation support), and professional development risks
<b>4.Strategic/corporate</b>	Firm governance, risk management governance, reputational, marketing, and market risks
<b>5.Operational</b>	Employment, recruiting, fraud, damage to assets, and insurance mediation risks
<b>6.Environmental</b>	Natural disasters and resource access risks

Source: Own considerations

After determining the risk, it is necessarily to identify the intervals of the risk analysis:

- Low risk: 0,00 – 0,07 ( X )
- Middle risk: 0,12 – 0,21 ( X )
- High risk: 0,28 – 0,49 ( X )

Table 14 Risk analysis for the marketing plan implementation project

Risk	Impact Rate			Probability of Occurrence			Result
	Low (0.1)	Middle (0.4)	High (0.7)	Low (0.3)	Middle (0.5)	High (0.7)	
1.	X			X			0.03
2.			X		X		0.35
3.			X		X		0.35
4.		X			X		0.2
5.	X			X			0.03
6.	X			X			0.03

Source; Own considerations

Best on the results, three main risk's categories are separated. For each of them it is important to take relevant measures that will eliminate the risk.

### 1. High risks and measures

2) Financial Risks-When implementing the project it is important to have a control on the project budget and the risk for unexpected costs or lose of financial resources due to overall economic situation is high. Logically the impact of financial lose will lead to failure of the project. However, the probability of Occurrence is estimated to be middle according to the firm's current financial situation.

3) Practice Management-As we discussed several time, the impact of client relationship with the law firm is very high on the company's performance. That is why the risk is estimated to be high in case of conflicts or records, and litigation support. But the probability of occurrence is not high based on the professional team performance and the reach practice in the area. Furthermore, for escaping displeasing situations and providing the continual implementation process of the project, several steps should be made according to the practice management.



For preventing high risks some measurements are needed which are given in the figure below.

Figure 25 Measures to prevent high risks

Financial Risk	Practice management
✓ Before launching the project, carefully divide the financial resources into the activities (according to the cost analysis)	✓ Implement customer database from CRM for the project's relevant activities
✓ Distribute the budget according to the critical path (taking into account the late and early start of the project, and also slacks)	✓ Set a strategy for common conflicts solutions
✓ Set a responsible person not only for audit but also for audit management	✓ Execute Amicus Attorney program *
✓ Implement the recovery strategy of finance	✓ Implement the recovery strategy of the practice management

Source; Own considerations

\*Amicus Attorney is "designed by lawyers for lawyers". Amicus Attorney features include legal calendaring, contact manager, a customer relationship manager, time tracking and document management capabilities.

## 2. The Middle Risk and its measures

4) **Strategic/corporate-** The second type of risk which has a high impact on the project is the strategic/corporate risk which applies to firm governance, market risk. The management system inside the company is very critical for the successful implementation of any project. If one chain will be broken or delayed then it will harm the overall project.

Figure 26 Measures to prevent high risks

Strategic/Corporate Risk
✓ Separate independent department for risk management with skilled professionals
✓ Set responsibilities, rules and time schedule for each employee according to the marketing activities
✓ Generate the new corporate strategy based on the marketing plan
✓ Implement a recovery strategy for management

Source; Own research

## 3. Low Risks and measures

According to the low impact risks, firm may face to IT, Operational and Environmental risks. All of them have the same low possibility of occurrence.

- 1) **IT-** During the project, the firm should have been permanently relying on IT service because the communication process is processing via country to country and continual IT system and database is required. Based on the current IT department performance, the risk occurrence is estimated to be low. Furthermore, the data confidentiality should

remain in a high level during the whole project so the customers can rely on the high trust status of the company.

- 2) **Operational**-Involve a new employee and fire them during the project implementation may have influence on the effectiveness of the project and contain a small risk for injuring the time analysis estimation. As far as the firm's team is completed there is a low probability of this risk's occurrence. Additionally, the additional human resources should be involved before starting the project.
- 3) **Environmental**-Environmental risk is out of the company's control and no one can be prevented from this risk. However, recovery strategies should be made.

### 3.7 EVALUATION OF THE PROJECT'S EFFICIENCY

The final phase of the marketing plan project for SERVAAS Law firm part does not end with impletion and realization of the project itself, but the most significant part of the project includes monitoring, regularly based control of every individual activity and subsequent evaluation, for understanding whether the project was successful or not.

The project dealing with the marketing plan implementation for the year 2017 can be controlled by the following measures:

- ✓ Ratio analysis
- ✓ Cash flow statements
- ✓ Number of potential customers after implementation of the project
- ✓ Feedback from customers satisfaction surveys
- ✓ Bounce rate
- ✓ Google analytics

These measures will help SERVAAS law firm to expose critical information about the planned results and received results. The differences of these results may be the basis for further growth and better understanding of the market.

## CONCLUSION

The main purpose of the thesis is to develop a marketing plan for SERVAAS Law firm for the year 2017. In the high saturated and competitive environment on the Netherlands, SERVAAS Law firm needs to highlight its channels, tools, and strategies in order to improve the communication process with its customers and increase brand awareness. The marketing plan is a more appreciate way to understand the current situation of the company, eliminate emissions and based on the results, set new goals and objectives for acquiring new customers, increase sales and maintain the current customer base. The other aim of the thesis was to analyze the macro environment of law firms operating in the Netherlands which was done through PEST analysis. In order to define approaches for marketing planning, in the beginning of the project there were set following goals:

- To analyze and evaluate the theoretical background of marketing plan and its characteristics,
- To perform external analysis of the law firm environment,
- To perform internal analysis of company and its marketing practices,
- To create an appropriate marketing plan for year 2017 which will bring desired maximum profit to the company,
- To draw the conclusions based on the overall project.

The first goal was covered in the theoretical part of the thesis; it consists of nine subtitles and four sub-subtitles. The theoretical background had been drawn up the general knowledge of marketing planning and this later helped with the next set goals. In this stage, there were covered the fundamental issues which played a part in the overall project development.

The second goal was fulfilled in the beginning of the practical part of the thesis. With the help of situational analysis, there were identified the main triggers and prompt of the law market in the Netherlands. Thanks to the internal analysis we discovered the current situation of the company which was shown that the company processed some marketing activities previously but there is no comprehensive marketing strategy which will direct the company to the desired goals and aims. That was the basis for the next goal which was to create a marketing plan for the company in the year 2017. With the help of action programs, the marketing plan was executed its objectives and goals which will bring the company settled maximum profit. Not only planning is important but also controlling and monitoring are the playing fundamental role in the marketing plan, therefore the fourth goal was covered with the controlling process and evaluation process of the project efficiency.

This goal was the core concept of the overall thesis in which the project suggested. It was representing all necessarily steps for building and implementing the marketing plan for services. The suggestions and calculations were done taking into consideration both the internal resources /potential of the company and the environmental impacts on the company.

After project, the cost, time, and risk analysis were performed in order to evaluate the effectiveness of the suggested campaign. After the analysis we can claim that suggested marketing activities implemented in the marketing plan will bring the company the desired profit, new customer acquisition and increased brand awareness among their operational market.

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**LIST OF ABBREVIATIONS**

CPM	Critical Path Method
CSF	Critical Success Factor
EFE	External Factor Evaluation Matrix
IFE	Internal Factor Evaluation Matrix
MVV	Long-term Entry Visa
ROI	Return on Investment
SWOT	Strengths, Weaknesses, Opportunities and Threats Analysis
TEV	Entry and Residence Procedure



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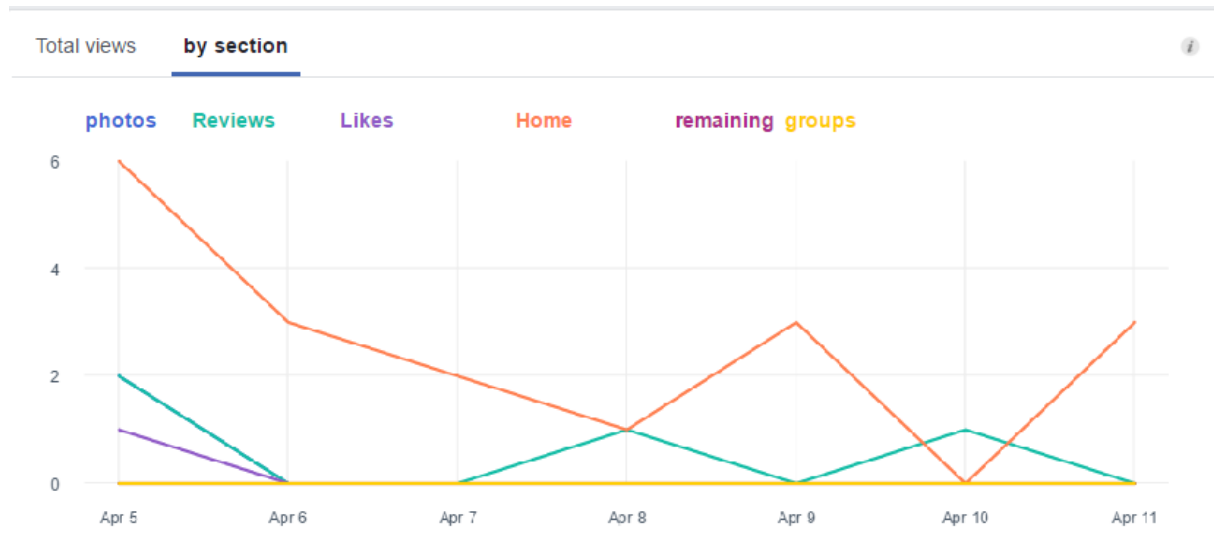
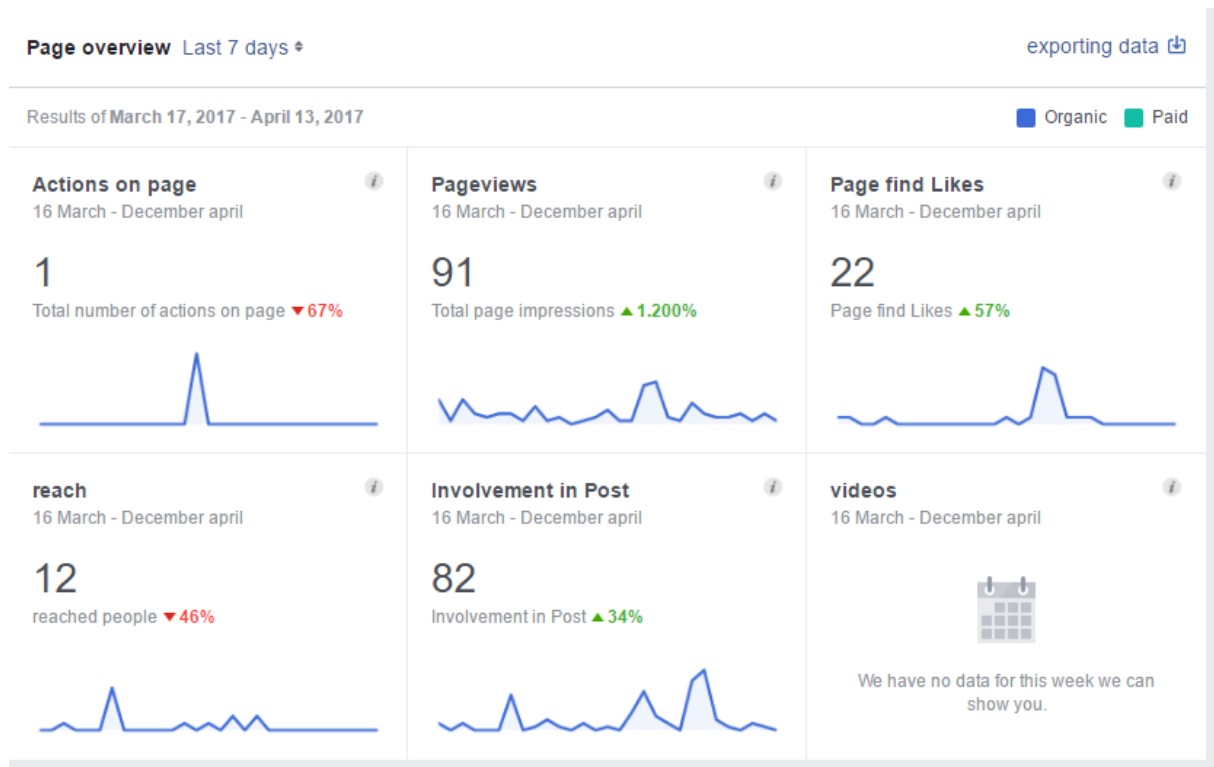
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## **APPENDICES**

**APPENDIX I** Facebook page analysis

**APPENDIX II** Gantt chart solution and Graphic solution of critical path method for SERVAAS law firm marketing plan implementation

## APPENDIX I Facebook page analysis



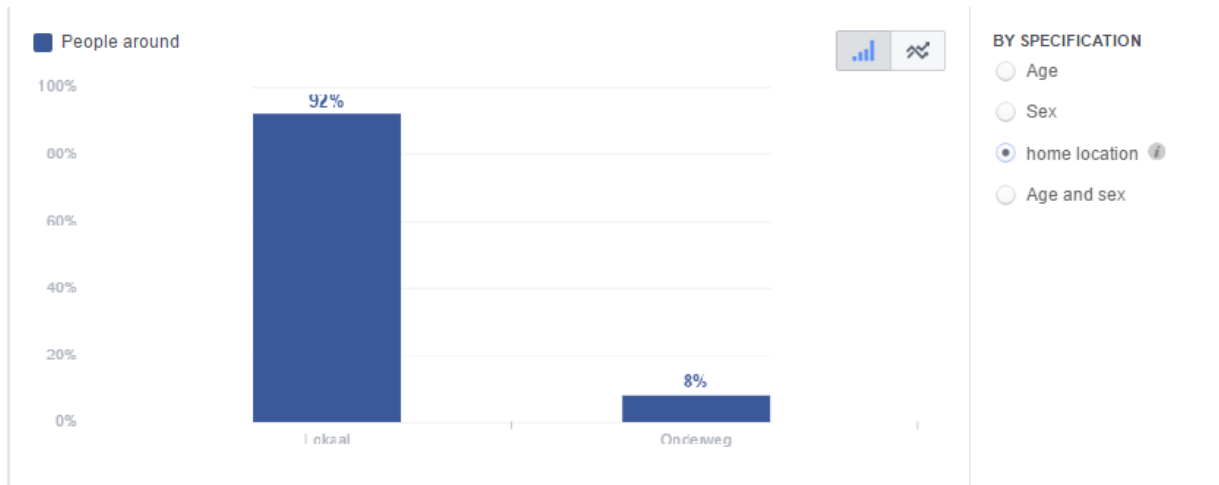
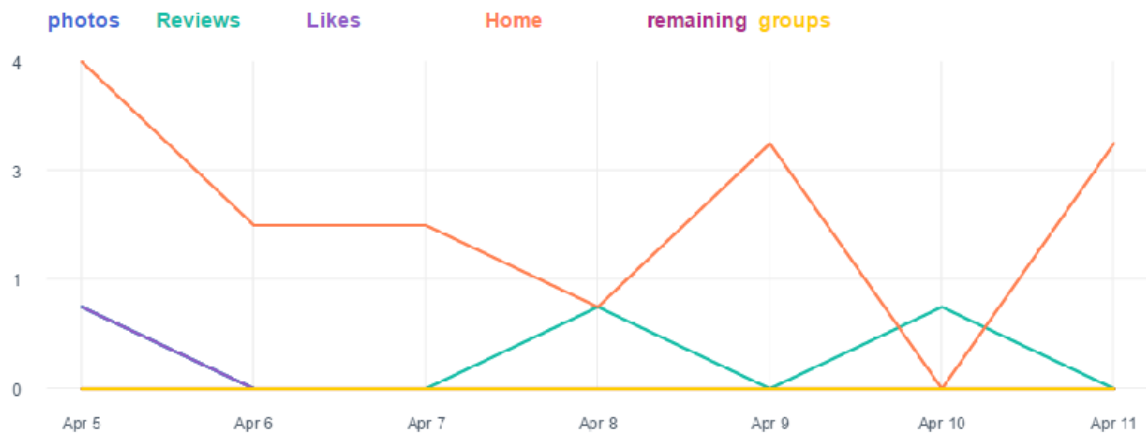
Total number of people who have viewed this

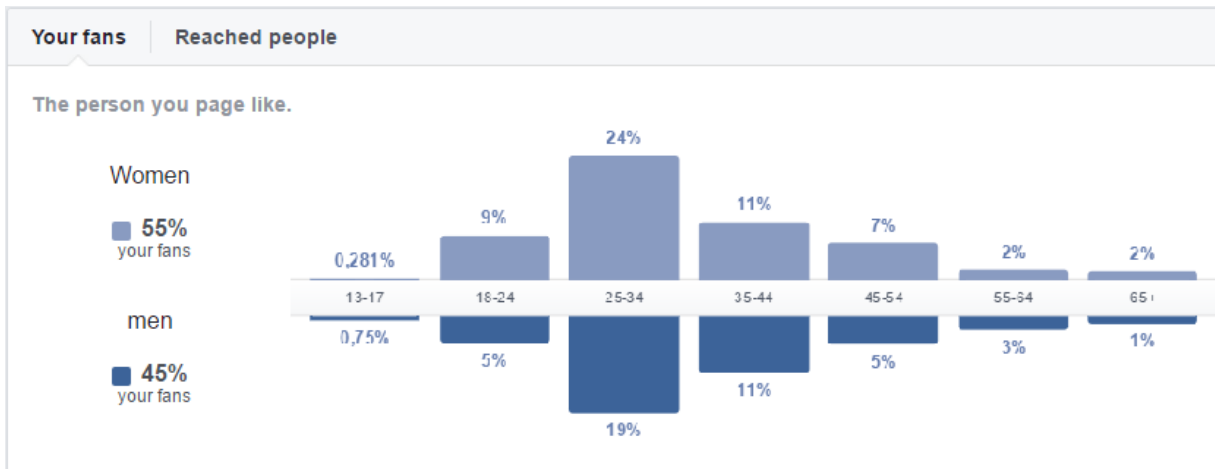
**by section**

By age and sex

Per country

More ▾





777

People Reached 5,450%



132

Post Engagement 300%



We do

Recent Promotions on SERVAAS Advocatenkantoor



**Boosted Post**  
Completed

906

People Reached

27

Post Engage

Als u in loondienst bent, kunt u verschillende pr...

Promoted by Vigen Sarkisian on 12/06/2016



**Boosted Post**  
Completed

704































People Reached

35

Post Engage

Gaat het bedrijf waar u werkt reorganiseren en ...

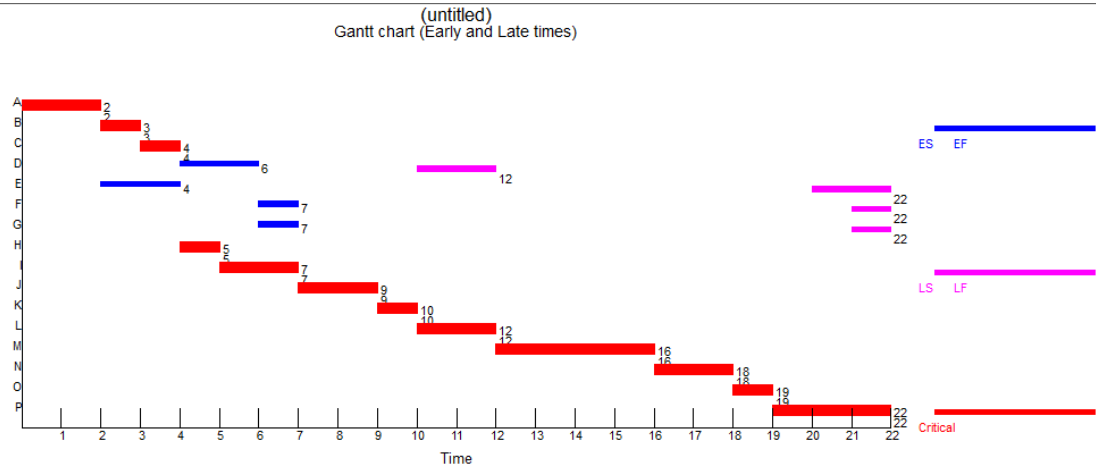
Promoted by Tigranne Hakobjan on 11/23/2016

<span style="color: orange;">■</span> Range: organic / paid <span style="color: blue;">■</span> Click on messages <span style="color: purple;">■</span> Reactions, comments and share actions						
published	Message	Type	Target audience	reach	involvement	promote
8-12-2016 21:24	 'Ser' means love in Armenian. It is a typical wor			4K 	482 241  	<a href="#">promote message</a>
24-11-2016 11:22	 If you are employed, you may have several pro			1.7k 	67 48  	<a href="#">View results</a> Promoted: € 14.00
20-11-2016 9:37	 Does the company you work and you reorganiz			2.2K 	106 69  	<a href="#">View results</a> Promoted: € 20.00
4-11-2016 15:07	 Insurance / Fraud / Tort Are your personal data			550 	28 21  	<a href="#">promote message</a>
31-10-2016 15:47	 Legal consultation in collaboration with Public			993 	75 28  	<a href="#">promote message</a>



## APPENSIX II Gantt chart solution and Graphic solution of critical path method for SERVAAS law firm marketing plan implementation

### Gant Chart (Early and Late times)



### Critical Path

