

A STUDY ON THE IMPACT OF DIGITAL MARKETING STRATEGIES OF TRADITIONAL CHINESE MEDICINE CLINICS ON CUSTOMER SATISFACTION AT GUSHENGTANG CLINIC

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Abstract: In the rapidly developing digital era, traditional Chinese medicine clinic, as important representatives of traditional Chinese medicine and health Industry, face major challenges in adapting to modern digital marketing methods. The objectives of this study were exploring the impact of digital marketing strategies of traditional Chinese medicine clinics on customer satisfaction through 4R theory. This paper selects Gushengtang Chinese Medicine Chain Management Group (Gushengtang for short), a leading provider of traditional Chinese medicine medical services in China, as a case study. A questionnaire survey was conducted on Gushengtang's customers, with a sample size of 425, and the quantitative method was adopted.

This paper found that Gushengtang's good relevance with customers through digital marketing, its rapid reaction to customer needs, the long-term and stable relationship it established with customers, and its rewards to customers have a significant positive impact on customer satisfaction.

Researching the impact of digital marketing strategies of traditional Chinese medicine clinics on customer satisfaction can provide good ideas for how to carry out digital marketing for the entire traditional Chinese medicine clinic industry, thereby promoting the overall development of the traditional Chinese medicine industry.

Keywords: Chinese Medicine Clinic, Digital Marketing, Customer Satisfaction, 4R Marketing Theory

Introduction

Traditional Chinese medicine is a cultural treasure that has been passed down for thousands of years in China. Historically, the Chinese nation has experienced many natural disasters, wars and plagues, but has been able to turn danger into safety time and time again, with a continuously increasing population and the inheritance of civilization, and traditional Chinese medicine has made a significant contribution (National Administration of Traditional Chinese Medicine, 2021).

Since the founding of the People's Republic of China, China has attached great importance to the development of traditional Chinese medicine. Especially since the 18th National Congress of the

Communist Party of China, the Party and the government have placed the development of traditional Chinese medicine in a more important position and made a series of major decisions and arrangements. From the release of the State Council's 8 trillion health service industry strategic plan to the general election of the "Traditional Chinese Medicine Law (Draft)", all of them reflect the country's support for traditional Chinese medicine at the policy level (Liang, Li & Lin, 2017).

With policy support, China's traditional Chinese medicine industry has ushered in a new round of development opportunities. According to the 2022 China Health Statistics Yearbook, the total number of traditional Chinese medicine medical and health institutions in the country is 80,319, an increase of 2,983 over the previous year, and the total number of medical treatments is 1.23 billion, an increase of 20 million over the previous year (Fang, 2023). In 2021, the total market size of the traditional Chinese medicine medical service industry reached 606.3 billion yuan, a year-on-year increase of 16.62% (China Business Information Network, 2023). Among them, the market size of diagnosis and treatment services of private traditional Chinese medicine medical institutions is 73.2 billion yuan, with a year-on-year change rate of 17.68% (China Government Website, 2023).

With the improvement of domestic recognition of traditional Chinese medicine diagnosis and treatment, the market demand for traditional Chinese medicine diagnosis and treatment services has increased, and the national traditional Chinese medicine diagnosis and treatment service industry has shown a clear recovery trend. Among them, the growth rate of the private traditional Chinese medicine medical industry is significantly faster, and its market revenue share has increased from 8.8% in 2016 to 12.1% in 2021 (China Research Network, 2023).

As the main force in the traditional Chinese medicine industry, the development of traditional Chinese medicine clinics is showing a steady upward trend. However, as the scale and number of traditional Chinese medicine clinic increase, traditional Chinese medicine clinic are also facing increasingly brutal market competition.

At present, the operation of Chinese medicine clinics in China is mainly based on traditional methods. Although the operators of traditional Chinese medicine clinics have a skill in Chinese medicine, they have almost no experience in the marketing operation of medical institutions and the promotion of cultural brands. They often use a relatively simple marketing method. As a result, traditional Chinese medicine clinics only exist in the form of small workshops, and it is difficult to grow bigger and stronger. (Sun, 2016) This also leads to limitations in the service of traditional Chinese medicine clinics to customers and it is difficult to expand the market.

With the progress of society and the change of people's lifestyles, the integration of online and offline development has become a trend. Although the Chinese medicine clinic industry has gradually realized the importance of digital marketing and tried to adopt various digital marketing strategies to attract and retain customers, the application of digital marketing in Chinese medicine clinics is still in

its infancy. Therefore, how to effectively use digital marketing strategies to improve customer satisfaction has become an important issue facing Chinese medicine clinics.

Research Objectives

This paper takes Gushengtang Traditional Chinese Medicine Chain Management Group, a leading traditional Chinese medicine medical service provider in China, as an example to explore the impact of digital marketing strategies of traditional Chinese medicine clinics on customer satisfaction through 4R theory. The specific research objectives are as follows:

(1) To test the positive impact of good relevance that traditional Chinese medicine clinics has established with customers through digital marketing on customer satisfaction.

(2) To test the positive impact of traditional Chinese medicine clinics' quick reaction to customers through digital marketing on customer satisfaction.

(3) To test the positive impact of traditional Chinese medicine clinics' long-term and stable relationships with customers through digital marketing on customer satisfaction.

(4) To test the positive impact of the rewards that traditional Chinese medicine clinics provides to customers through digital marketing on customer satisfaction.

Literature Review

Current Status of Digital Marketing in the Traditional Chinese Medicine Clinic Industry

In China's pharmaceutical industry, digital marketing strategies have been widely adopted. In particular, the precise positioning of target customers assisted by big data has effectively improved the promotion effectiveness of pharmaceutical brands. This not only shows the innovative application of digital means in traditional industries, but also highlights the need for pharmaceutical companies to flexibly use the combination of traditional and modern technologies in their market strategies (Zhang , 2016). China's pharmaceutical industry, especially Chinese medicine clinics, should actively integrate the advantages of digital marketing on the basis of maintaining traditional marketing models, so as to comprehensively enhance the market influence and competitiveness of corporate brands. In addition, the case of Kangmei Pharmaceutical provides a specific practical example. As one of the first pilot enterprises of the information-based medical service platform of the State Administration of traditional Chinese medicine, it has made full use of its core resources in the field of traditional Chinese medicine and successfully built a one-stop medical service platform. This platform integrates a series of services from online consultation, appointment registration to hospital selection, prescription push, online drug purchase, payment settlement, home delivery of drugs and health management, providing users with a comprehensive and convenient medical experience (Yao,2017). Through this platform, it has not only improved service efficiency, but also strengthened interaction and connection with

customers. More importantly, it has achieved the multifunctional integration of "online pharmacies, health management and virtual hospitals" through this platform. This is not only a major innovation in the traditional medical service model, but also an active exploration of the future medical service model.

These examples and opinions together show that China's pharmaceutical industry, especially traditional Chinese medicine clinic, is in a period of transformation, in which digital marketing strategies play a key role. These studies fully illustrate the importance of research on digital marketing strategies for traditional Chinese medicine clinic.

Customer Satisfaction

The concept of customer satisfaction was first proposed by American scholars Cardozo (1964) and Miller (1997). They explained the role of the product performance and expectation difference theory provided by enterprises in the process of customer satisfaction formation, laying the foundation for the study of customer satisfaction. Philip (2008) mentioned that customer satisfaction is the inner state of disappointment or satisfaction. When the effect of a product or service is lower than expected, customers will feel dissatisfied, which will manifest as emotional dissatisfaction or disappointment, and they may complain or lodge a complaint; when customers' actual experience of a product or service is consistent with or close to their expectations, they will feel satisfied; when the effect of a product or service exceeds their expectations, they will feel highly satisfied or delighted, and thus develop loyalty (Kotler & Armstrong, 2002). Zhao (2003) inherited the research of predecessors and gave new thinking. Customer satisfaction is the degree of psychological satisfaction generated when consumption occurs. This feeling can only be experienced and evaluated after the customer purchases and uses it.

Xiang (2023) divided customer satisfaction into three categories: social satisfaction, spiritual satisfaction, and material satisfaction. Material satisfaction refers to the satisfaction of customers with the goods and services produced by the company. Psychological satisfaction is a higher level, which is about whether customers feel satisfied with their goods or services because of the additional material value added by the company. Social satisfaction focuses on whether customers feel that the company's development has promoted social public welfare. Some scholars also believe that customer satisfaction includes different connotations such as evaluation, expectation, perception and integrity (Tu, Hu & Guo, 2012).

For the service industry, customer satisfaction is a subjective evaluation made by consumers, which is an emotional reflection of consumers' satisfaction, dissatisfaction or neutral attitude towards a certain product or service (Zheng, 2023).

As a medical service industry, these studies have important guiding significance for the development of Chinese medicine clinics.

4R Marketing Theory

In today's market environment, consumer behavior patterns and preferences are changing

rapidly, which poses new challenges and opportunities to the pharmaceutical industry, especially the digital marketing strategies of traditional Chinese medicine clinic (Deng, 2022). After entering the 21st century, the 4R marketing theory was proposed by American marketing expert Elliott Ettenberg (Yu, 2019). The 4R marketing theory takes relationship marketing as its core, focuses on the interactive relationship formed between enterprises and customers over a long period of time, and regards improving customer loyalty as an important goal (Li, 2023). Therefore, the author will study the role of digital marketing in customer satisfaction in traditional Chinese medicine clinic based on the 4R marketing theory. The components of the 4R theory include Relevance, Reaction, Relationship, and Reward (Yang, 2023).

Methodology

This study adopts the quantitative research method, focusing on the impact of the digital marketing strategy of Traditional Chinese Medicine clinics on customer satisfaction. The study takes Gushengtang Traditional Chinese Medicine clinic as a case study. The independent variables are the Relevance, Reaction, Relationship and Reward between traditional Chinese medicine clinics and customers through digital marketing, while the dependent variable is customer satisfaction.

The research population of this article is the existing customers of Gushengtang Chinese Medicine Chain Group. In view of the limitation of research resources and time, this study adopted the convenient sampling method to select samples, and used the online questionnaire method, mainly using the "Wenjuanxing" tool, and filled in the answers through WeChat and QQ. The sample size was 450 customers, and it was found that 10 of them were filled in randomly, so there were 425 valid questionnaires remaining. The above information met the needs of the research.

The questionnaire design is guided by the 4R theory, with a total of 17 questions. Questions 1-2 are basic information, and questions 3-17 are scale-related questions. There are 3 items for Relevance, Reaction, Relationship, and Reward, and 3 items for user satisfaction. The Likert five-point scale is used, and the score ranges from 1 to 5, representing strongly disagree, disagree, average, agree, and strongly agree. The higher the score, the higher the degree of agreement with the item. Specific items are designed for each variable, and codes are assigned to each item, as shown in Table 3.1.

This study will use SPSS analysis software to conduct correlation analysis and linear regression analysis on the collected data to derive the relationship between Gushengtang's digital marketing strategy (independent variable) and customer satisfaction (dependent variable). In this process, the author will rely on the 4R theory to guide data interpretation and theoretical derivation.

The reliability of each subscale and the overall scale is higher than 0.78, and the KMO value is 0.89, which proves that the scales used in this study have good reliability and validity after the reliability and validity test.

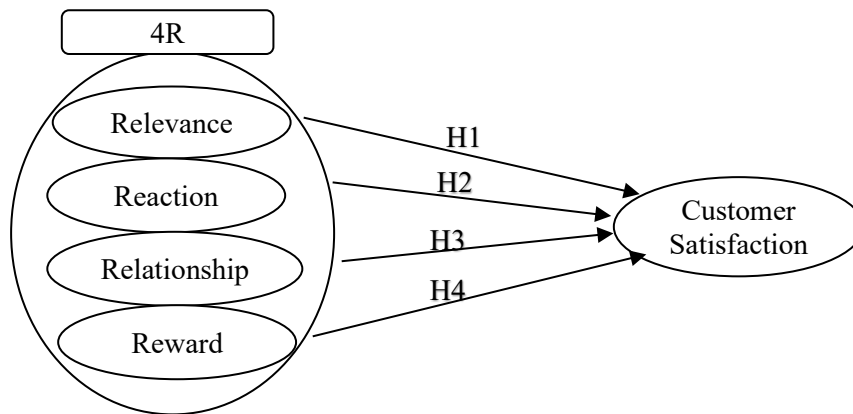
This study proposes the following four hypotheses based on the 4R marketing theory:

H1: The good relevance that Gushengtang has established with customers through digital marketing has a positive impact on customer satisfaction.

H2: Gushengtang's quick reaction to customer needs through digital marketing positively affects customer satisfaction.

H3: Gushengtang establishes a long-term and stable relationship with customers through digital marketing, which positively affects customer satisfaction.

H4: The rewards that Gushengtang provides to customers through digital marketing positively affect customer satisfaction. As shown in Figure 1.



Picture 1: Conceptual Framework

Results

In order to gain a deeper understanding of the relationship between the variables, the author conducted frequency statistics, descriptive statistics, correlation analysis and regression analysis on the data, verified the hypothesis, and clarified the relationship between Gushengtang's digital marketing strategy and customer satisfaction.

Table 1: Frequency statistics results

Item	Options	Frequency	Percentage %
Gender	female	133	31.294
	male	292	68.706
Age	Over 55 years old	40	9.412
	18-24	80	18.824
	45-54	85	20.000
	35-44	103	24.235
	25-34	117	27.529

It can be seen from Table 1 that: 1. Gender: The frequency analysis results show that the

frequency of females is 133, accounting for 31.294%; the frequency of males is 292, accounting for 68.706%; among them, females are the highest and males are the lowest. 2. Age: The frequency analysis results show that the frequency of those over 55 is 40, accounting for 9.412%; the frequency of 18-24 is 80, accounting for 18.824%; the frequency of 45-54 is 85, accounting for 20.000%; the frequency of 35-44 is 103, accounting for 24.235%; the frequency of 25-34 is 117, accounting for 27.529%; among them, those over 55 are the highest and those 25-34 are the lowest.

Table 2: Descriptive statistical results

Variable	Minimum value	Maximum value	Mean	Standard deviation	Skewness	Kurtosis
Q3	1.000	5.000	3.784	1.251	-0.905	-0.150
Q4	1.000	5.000	3.722	1.205	-0.763	-0.281
Q5	1.000	5.000	3.701	1.230	-0.822	-0.241
Q6	1.000	5.000	3.776	1.199	-0.865	-0.102
Q7	1.000	5.000	3.784	1.209	-0.816	-0.246
Q8	1.000	5.000	3.819	1.175	-0.907	0.066
Q9	1.000	5.000	3.555	1.334	-0.601	-0.798
Q10	1.000	5.000	3.539	1.305	-0.546	-0.835
Q11	1.000	5.000	3.595	1.293	-0.649	-0.656
Q12	1.000	5.000	3.889	1.135	-1.008	0.403
Q13	1.000	5.000	3.936	1.076	-0.990	0.465
Q14	1.000	5.000	3.875	1.121	-1.026	0.501
Q15	1.000	5.000	3.838	1.191	-0.961	0.142
Q16	1.000	5.000	3.922	1.223	-1.133	0.383
Q17	1.000	5.000	3.918	1.129	-0.994	0.337

From Table 2, it can be seen that the absolute values of kurtosis are all less than 3, and the current data distribution is flat and approximates normal distribution. The skewness is all around 0, and the current data distribution is offset and approximates normal distribution.

Table 3: Pearson correlation

Variable	Customer Satisfaction	Relevance	Reaction	Relationship	Reward
average value	3.893	3.736	3.793	3.563	3.900
Standard Deviation	0.999	1.042	1.001	1.138	0.929
Customer Satisfaction	1	0.462**	0.438**	0.497**	0.379**
Relevance		1	0.416**	0.464**	0.383**
Reaction			1	0.515**	0.397**
Relationship				1	0.389**
Reward					1

*p<0.05, **p<0.01

According to Table 3, customer satisfaction and good relevance, quick reaction, stable relationship and reward are all significant. The correlation coefficient values are 0.462, 0.438, 0.497, 0.379 respectively, and the correlation coefficient values are all greater than 0, which means that there

is a positive correlation between customer satisfaction and a total of four items: good relevance, quick reaction, stable relationship and reward.

Table 4: Linear regression analysis results (n = 425)

	Unstandardized coefficients		Standardized coefficient	t	p	Collinearity diagnostics	
	B	Standard error	Beta			VIF	Tolerance
Constant	1.129	0.201	-	5.614	0.000**	-	-
Relevance	0.217	0.045	0.226	4.858	0.000**	1.406	0.711
Reaction	0.159	0.048	0.159	3.307	0.001**	1.501	0.666
Relationship	0.228	0.043	0.260	5.309	0.000**	1.559	0.641
Reward	0.138	0.048	0.128	2.853	0.005**	1.310	0.763
R2	0.352						
Adjust R2	0.346						
F	F (4,420) = 57.130, p = 0.000						
DW value	2.062						

Dependent variable: Customer satisfaction

*p < 0.05, **p < 0.01

From Table 4, it can be seen that the model formula is: customer satisfaction = 1.129 + 0.217* good relevance + 0.159* quick reaction + 0.228* stable relationship + 0.138* reward, and the R -square value of the model is 0.352, which means that good relevance, quick reaction, stable relationship and reward can explain 35.2% of the change in customer satisfaction. The final specific analysis shows that the regression coefficient of good relevance is 0.217 (t = 4.858, p = 0.000 < 0.01), which means that good r relevance will have a significant positive impact on customer satisfaction. The regression coefficient of quick reaction is 0.159 (t = 3.307, p = 0.001 < 0.01), which means that quick reaction will have a significant positive impact on customer satisfaction. The regression coefficient of stable relationship is 0.228 (t = 5.309, p = 0.000 < 0.01), which means that stable relationship will have a significant positive impact on customer satisfaction. The regression coefficient of reward is 0.138 (t = 2.853, p = 0.005 < 0.01), which means that reward will have a significant positive impact on customer satisfaction.

The summary analysis shows that good relevance, quick reaction, stable relationship and reward will all have a significant positive impact on customer satisfaction.

Discussion

Gushengtang flexibly uses digital marketing strategies to provide customers with comprehensive Traditional Chinese Medicine healthcare services and products. This project studies Gushengtang's successful digital marketing strategy, provides a good idea for the entire Traditional Chinese Medicine clinic industry on how to carry out digital marketing, and thus promotes the comprehensive development of the Traditional Chinese Medicine industry, which is of great

significance. However, due to the author's limited ability, there are still many limitations in this study, mainly manifested in:

(1) The development of things is always dynamic. There are many influencing factors in reality. When analyzing Gushengtang, it may not be comprehensive and careful enough, and there is still a possibility of lag behind the dynamic development.

(2) The analysis and conclusions of this study are only based on the current situation of Gushengtang, and may have shortcomings in comprehensiveness, integrity, and strategy.

Conclusions

This paper adopts the quantitative research method, focusing on the impact of the digital marketing strategy of Traditional Chinese Medicine clinics on customer satisfaction. Taking Gushengtang Traditional Chinese Medicine clinic as a case study and through empirical analysis, the hypotheses proposed in this article have been verified, as follows:

(1) The good relevance Gushengtang has established with customers through digital marketing has a positive impact on customer satisfaction.

(2) Gushengtang reacts quickly to customer needs through digital marketing and positively affects customer satisfaction.

(3) Gushengtang establishes long-term and stable relationships with customers through digital marketing and positively affects customer satisfaction.

(4) The rewards that Gushengtang provides to customers through digital marketing have a positive impact on customer satisfaction.

Through experimental verification and analysis, this paper obtained that digital marketing strategies can significantly improve customer satisfaction at Gushengtang Traditional Chinese Medicine Clinic.

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