



# TEAM

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# Old Business Model

- Average Cost of Open Heart Surgeries = 2000\$
- In Old Business Model, there is an average discount rate of 15%  
Average Cost After Discount =  $85\% * 2000 = 1700$
- The Cross-Subsidy Business Model is Based on 3 Layers –
  - Extremely Poor
  - Middle Class
  - Affordable
- In Old Business Model, there would be approximately 22000 Open Heart surgeries during 2019-2020 whereas In New Business Model, there would be approximately 24000 Open Heart surgeries during 2020-2021<sup>1</sup>.

# New Business Model

- Average Cost of Open Heart Surgeries = 2000\$
- For the New Business Model, the average discount rate is 11.8%  
Average Cost After Discount =  $88.2\% \times 2000 = 1764$
- For the New Business Model, the Profit will increase upto 7.47%.
- For New Business Model, Calculated Break Even Numbers –

Layer	Percentage of Population	Subsidy
Extremely Poor	2%	100%
Poor	45%	50%
Middle Class	35%	10%
Affordable	18%	-90%

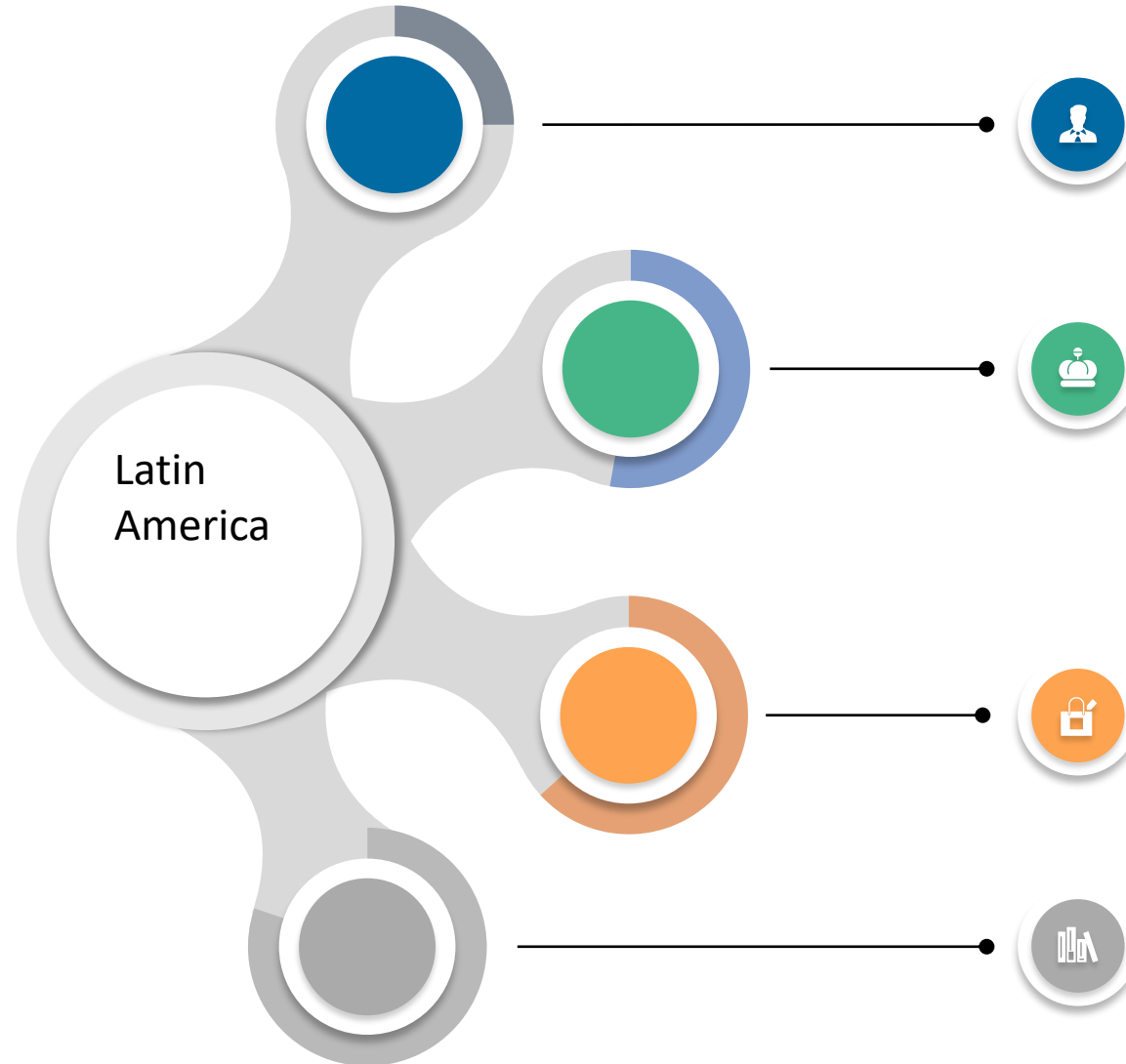
- Through the New Business Model, we are doing Free Open Heart Surgeries for Extremely Poor People and Subsidised Open Heart Surgeries for Poor People contributing to the Philanthropic & Social Cause and treating Higher Number of Patients. The
- Thus, We Conclude that New Business Model is highly Sustainable in achieving the Aim of the Company to Target a Higher Number Of People and Significant Growth in Revenues and Profits.

# Final Calculation Table

\* All Numbers are in US Dollars(\$)

P & L	Old Business Model	New Business Model
COGS	1700	1764
Revenue	37400000	42336000
Doctor Expenses (23%) <sup>2</sup>	8228000	9737280
Other Employees (0.5%) <sup>2</sup>	187000	211680
Admin Expenses (10%) <sup>2</sup>	3740000	4233600
Medicines and Equipment (24%) <sup>2</sup>	8602000	10160640
R & D (5%) <sup>2</sup>	1870000	2116800
Total Expenses	22627000	26460000
EBITDA (Revenue – Expenses)	14773000	15876000
Tax (5%)	738650	793800
Net Profit	14034350	15082200

# MARKET ENTRY STRATEGY

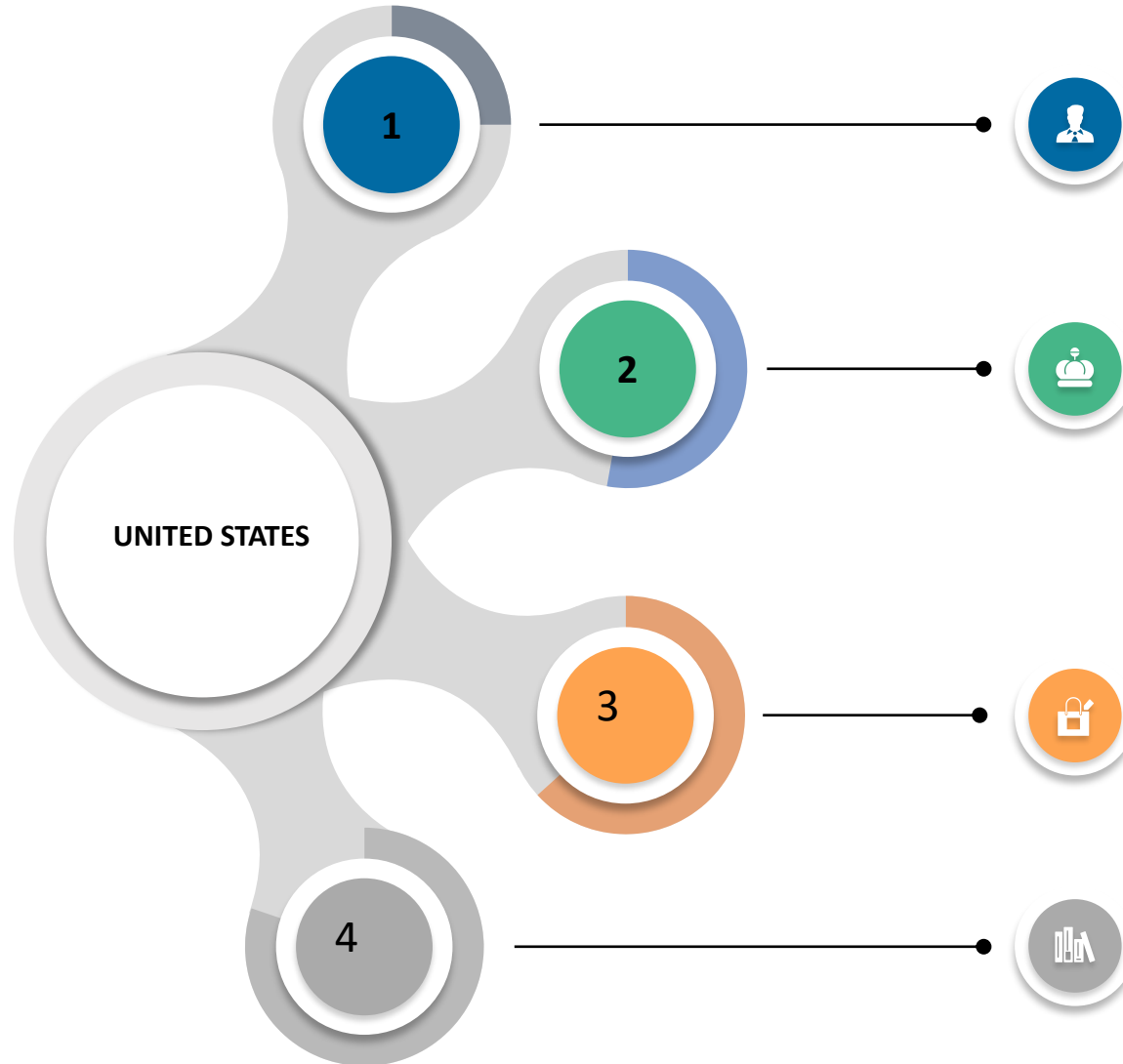


1. There are nearly 17149 hospitals and clinics in Latin America. The average health expenditure (as a percentage of GDP) of Latin American countries is 6.7%. 40% of **hospitals** in **Latin America** had an **EMR** solution in place

2. A report from Research and Markets indicates that the Latin American EMR market is forecast to grow at a rate of 7.15% between the years 2014 and 2019. And the market is strong across the region.

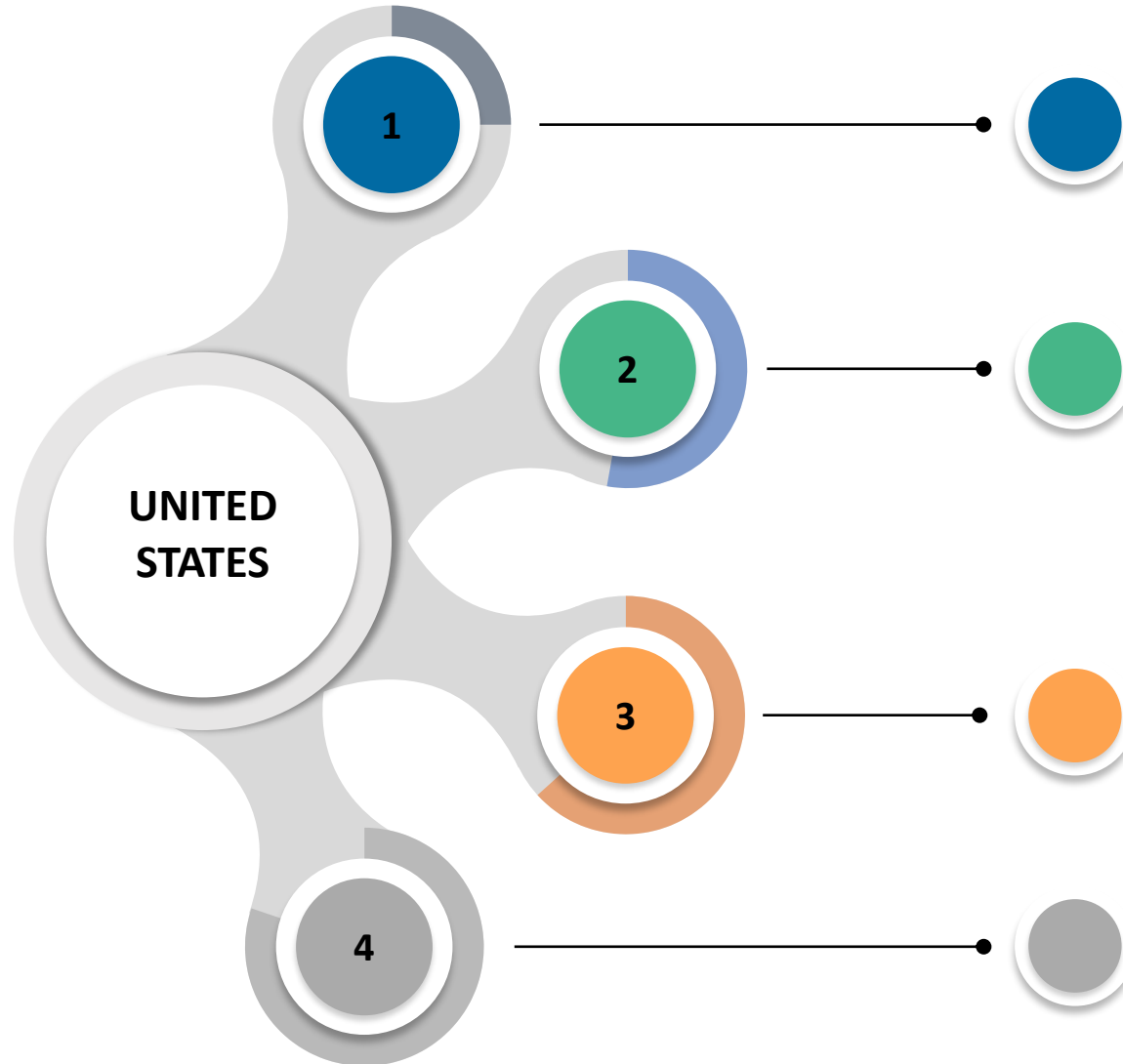
3. Mexico, one of Latin America's early EMR adopters in 2004, now has rates between 25 and 50 percent for EMR in its primary and secondary care facilities; like Brazil, Mexico has set strict EMR adoption timelines through 2020

4. Bolivia (18%) and Argentina (17%) and a number of other countries in Latin America still have significant room to improve when it comes to EMR penetration in their hospitals and facilities



- Total number of all US hospitals : 6200
- Guesstimating small clinics and specialist practitioners ~80%: 4960. Electronic Medical Record (EMR) is targeting these.
- People suffering from chronic diseases: 40%
- People suffering from Orthopaedic, Gynaecology and Paediatric Diseases: 20%
- This makes Market entry a viable option for this sector. Thus **EMR Version 1** (Chronic Diseases) is most fit here.
- EMR software can be targeted to reach the remaining as the demand is much higher than supply





### COMPETITOR ANALYSIS:

Out of small clinical units, ONLY 1.5% of total clinics had a comprehensive Electronics Record System. This market is widely untapped.

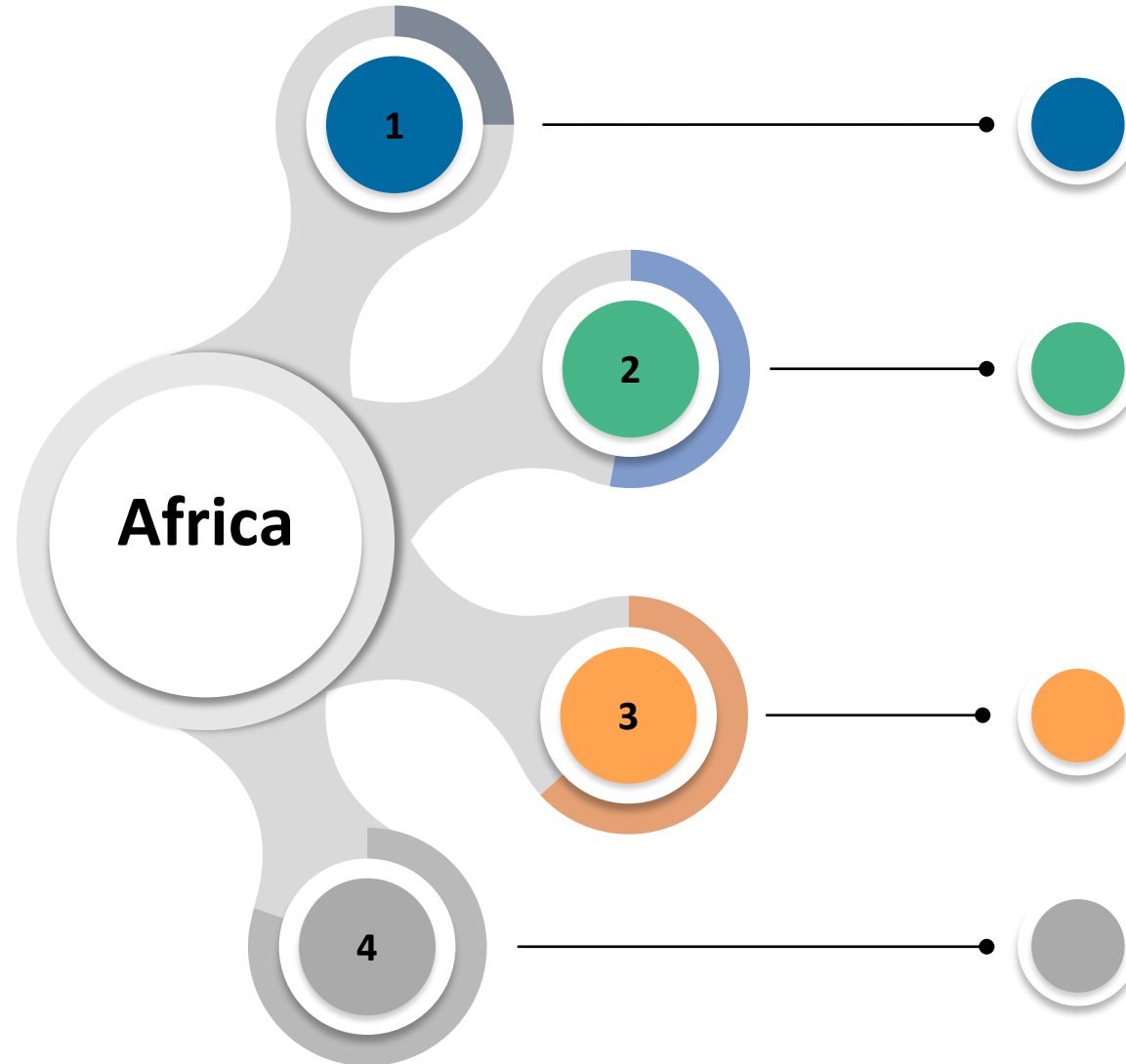
EMR can be easily implemented as there is less competition in this regard.

### ROADMAP:

- 1) Gain market entry
- 2) Consolidate Market Position in proposed clinics
- 3) Be a market leaders in long run by providing affordable and easy-to-use medical electronic Software.



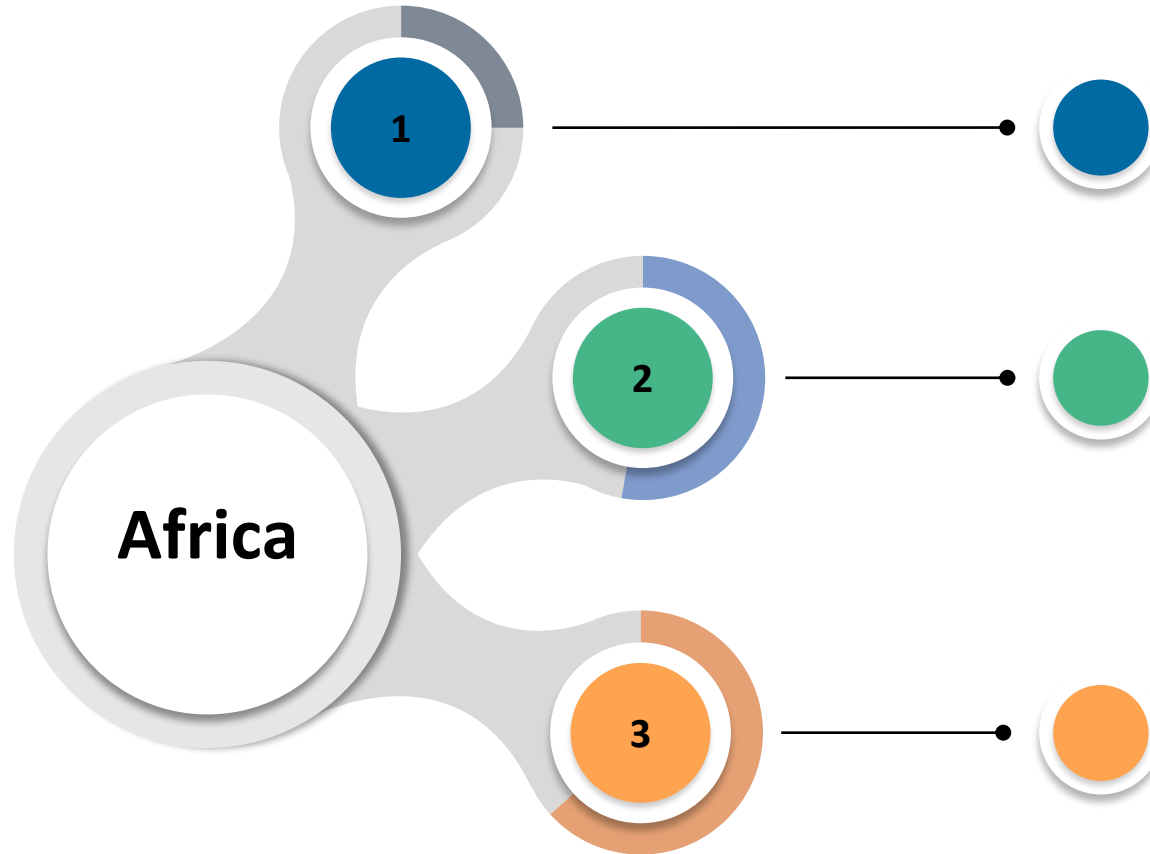
# Africa



- In Africa, there is a shortage of hospitals and physicians with just 979 hospitals<sup>[1]</sup> and an estimated 1 Doctor for every 5000 people.
- This causes Hospitals to be filled with more patients than they are equipped to handle.
- This makes EMR software very useful, allowing hospitals to more efficiently manage patients and allowing Doctors to quickly check the status of each patient.
- Competition in this space is low with only newer companies in the market which allows easy market entry but also shows that there is acceptance of the product in the market.



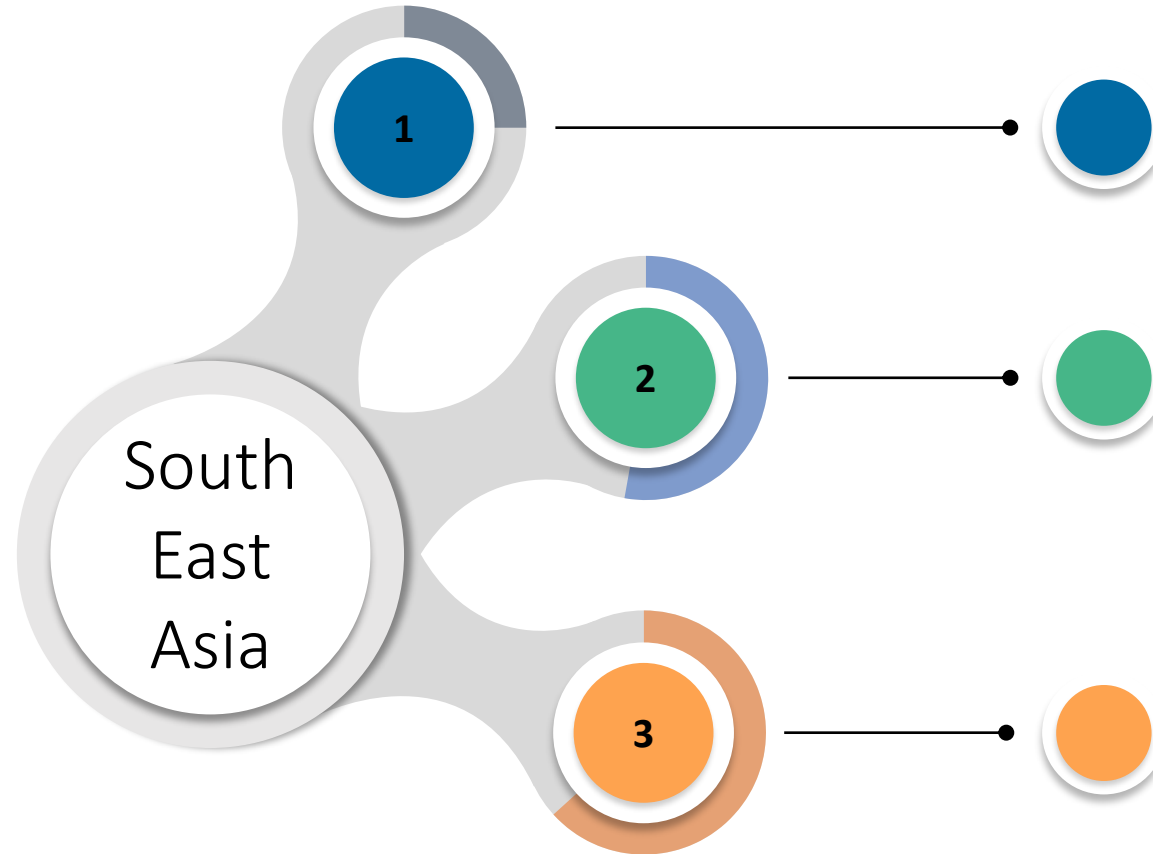
# Africa



- A WHO study projected that 23% of all deaths in Africa were due to chronic diseases.<sup>[2]</sup>
- EMR implementation allows Doctors to easily monitor patients conditions which can lead to a faster response to changes in a patient which will reduce deaths to such chronic diseases.
- Version 2 of the software is not as favored in Africa because Orthopedic and Gynecology services are not as developed in a large part of the region.



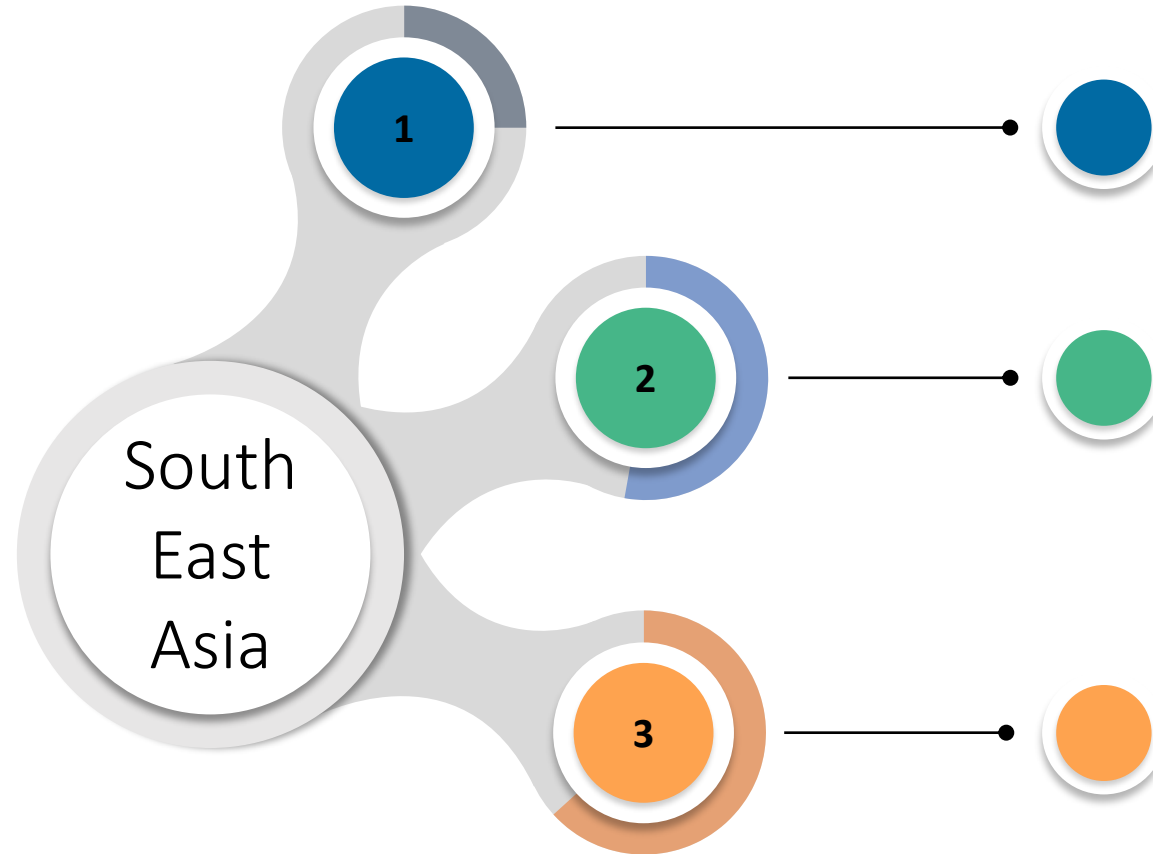
# South East Asia



- In developed areas of South East Asia such as Singapore there is adoption of EMR in great numbers.
- In developing countries there is large scope for implementation of EMR since many deaths are reported due to misplacement of medical records<sup>[3]</sup> which could easily be prevented with an EMR system in place.
- Singapore has a National Electronic Health Record system, so it is a good idea to gain a foothold in other South East Asian countries if they plan to follow suit.



# South East Asia



- Cardiovascular diseases, chronic respiratory diseases, diabetes and cancer are top killers in the South-East Asia Region, claiming an estimated 8.5 million lives each year.<sup>[4]</sup>
- EMR systems help monitor these chronic diseases and will help in reducing these numbers.
- Version 2 of the Software is also a good export to South East Asia since there is a more developed Pediatric, Gynecology and Orthopedic structure there.



# TIMELINE PLANNING

## Q-1

We can start by listing the company in the specific country and hiring people to accelerate our work .



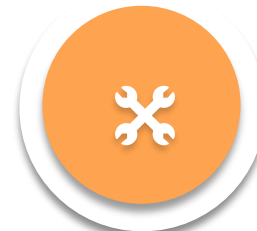
## Q-3

Now we will send our employees clinic to clinic explaining about the software and market the product.



## Q-2

We can conduct programs and conferences for clinical doctors to mark our existence in that country.



## Q-4

As EMR will decrease the mortality rate in upcoming future by reducing the number of deaths of poor people . So each hospital will try to accommodate the software thus capturing the market.



# MARKET EXPANSION STRATEGY

# STRATEGIES:

- Due to relatively lower Socio-Economic conditions, **GUERILLA MARKETING** is suitable as it is a cheap and unconventional way of marketing and resonates among the masses.
- Cause marketing: Local activists can be contacted and can spread the idea of EMR providing better health care facilities at affordable rates.
- **EVENT MARKETING**: Specialized NH agents can do experiential marketing of EMR by organizing campaigns and contacting doctors of different clinics and pitching the product.
- In developed countries like US, EMR can be launched to the practitioners and clinics as a product which will greatly reduce their workload
- **GETTING SURVEYS**: Survey of the EMR product can be conducted at regular intervals and appropriate changes can be made time to time to increase customer delight and satisfaction.
- **WEBINARS**: Can be conducted inviting doctors and practitioners as they offer more value than sales pitch.
- **SOCIAL MEDIA MARKETING**: Building high-performing website is crucial as it is a company's most prized asset in marketing.





# MARKET DEMOGRAPHICS

**US**: world's wealthiest economy with diverse economy and relatively large population

**MARKETING STRATEGIES DEPLOYED**: Guerrilla Marketing (B2B), Cause Marketing, Event Marketing, Social Media Marketing, Viral Marketing

**Africa**: less diverse socio-economic background, relatively poor average economy

**MARKETING STRATEGIES DEPLOYED**: Cause Marketing, Event Marketing, conducting webinars, etc

**SOUTH EAST ASIA**: Divided into regions of high and low economy with more or less diverse social background

**MARKETING STRATEGIES DEPLOYED**: Social media, viral, digital marketing in areas of greater reach and Cause, Event Marketing elsewhere



MARKETING DEMOGRAPHICS



# New Features EMR

- In developed markets where clinics and hospitals already have an EMR system in place, some unique features are needed to enter the market.

- Integration of EMR systems with other tech developments like smart watches which track fitness can lead to even better and faster diagnosis of any potential health issues.



New Features

- In the future this could be used to prescribe medicines to the patients even before they are aware of their symptoms.

# Market Demographics

Average Socio-Economic, Cultural Factors in:

- US: world's wealthiest economy with diverse economy and relatively large population

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- Africa: less diverse socio-economic background, relatively poor average economy

MARKETING STRATEGIES DEPLOYED: Cause Marketing, Event Marketing, conducting webinars, etc

- SOUTH EAST ASIA: Divided into regions of high and low economy with more or less diverse social background

MARKETING STRATEGIES DEPLOYED: Social media, viral, digital marketing in areas of greater reach and Cause, Event Marketing elsewhere

# Appendix

- [1][https://www.who.int/gpsc/5may/registration\\_update/en/](https://www.who.int/gpsc/5may/registration_update/en/)
  - [2][https://www.who.int/chp/chronic\\_disease\\_report/media/AFRO.pdf](https://www.who.int/chp/chronic_disease_report/media/AFRO.pdf)
  - [3]<https://web.stanford.edu/group/sjph/cgi-bin/sjphsite/electronic-medical-record-systems-in-rural-south-east-asia/>
  - [4]<https://www.who.int/nmh/ncd-tools/who-regions-south-east-asia/en/>
1. <https://qz.com/india/587550/how-an-indian-doctor-built-a-billion-dollar-company-by-making-heart-surgeries-affordable/>
  2. <https://www.narayanahealth.org/sites/default/files/download/InvestorPresentation-May2019.pdf>