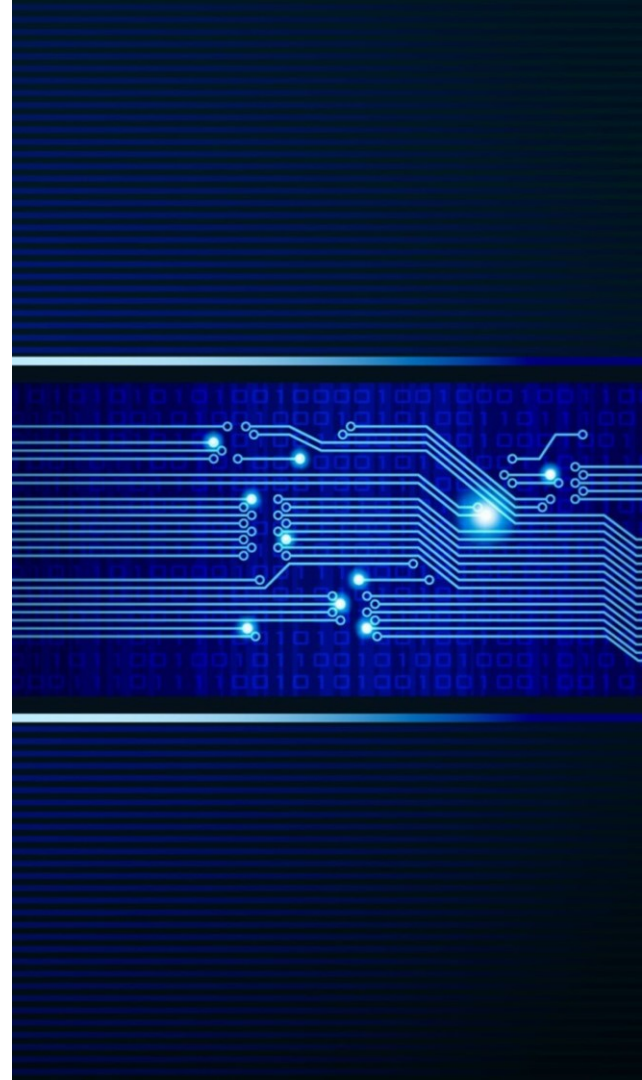


Digital Care Clinic

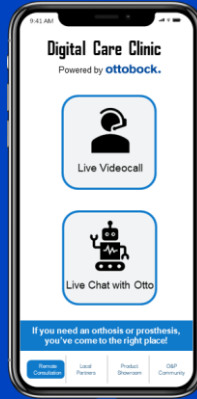
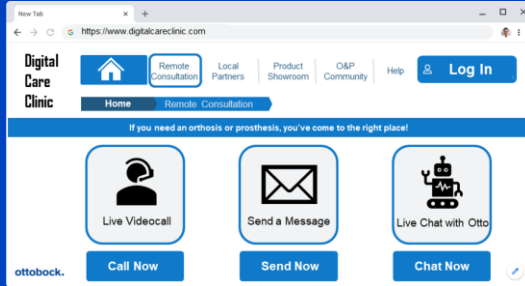
by Ottobock

Case Study

By Dr. Andreas T. Bachmeier, MBA



Summary



IDEA: Digital Care Clinic

Support of O&P users and supply stores via digital care platform: **Attract and retain users to increase satisfaction and boost profit**

SITUATION

- O&P users are unsatisfied with existing traditional service offerings
- Orthopedic supply stores lack a modern IT infrastructure and digital service offerings

QUESTIONS

- How to support users to enable a fast and worry-free orthosis or prosthesis supply process?
- How to enable O&P supply stores to provide modern digital services to their customers?

SOLUTION

Digital Care Clinic

- SaaS offering via web and mobile application
 - Offer continuous digital support to O&P users
 - Provide modern digital infrastructure to O&P supply stores
- **Become the Doctolib of the O&P industry**

“I use a knee brace regularly and was lost when getting it the first time.”

Exploratory User interview

Fabian Saal interviewed by Dr. Andreas Bachmeier

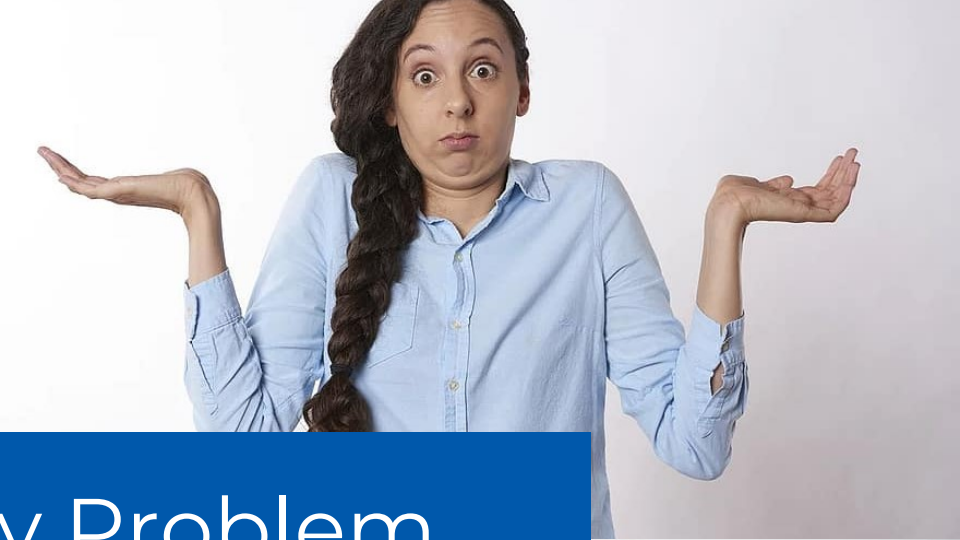
Fabian (31) uses a **knee brace for physical** activities since his **third cruciate ligament tear** for stabilization of his impaired knee. He received his first brace after the **recommendation of his orthopedist**. After the prescription of the brace, Fabian **felt lost and did not know what options are available and which kind of brace would suit him best**. He therefore conducted research on the internet, which was **difficult** as he did not have any prior knowledge in the O&P domain. He **felt discouraged** and went to the **local orthopedic supply store** to get advice. The **service was not satisfying**. He thus visited **another store** to get a second opinion and finally received his brace after a significant struggle.



Regular Orthosis User

Insights

- 1)** No online information platform and consultation service for prospective users of orthoses or prostheses available.
- 2)** Patients feel discouraged and lost during the selection process.
- 3)** The duration to initial supply is long.



The Supply Problem



Current situation



Time-consuming and nerve-wracking process to get an orthosis or prosthesis, especially for the first time.
Immediate guidance is missing. → **“Supply Problem”**

Unmet needs

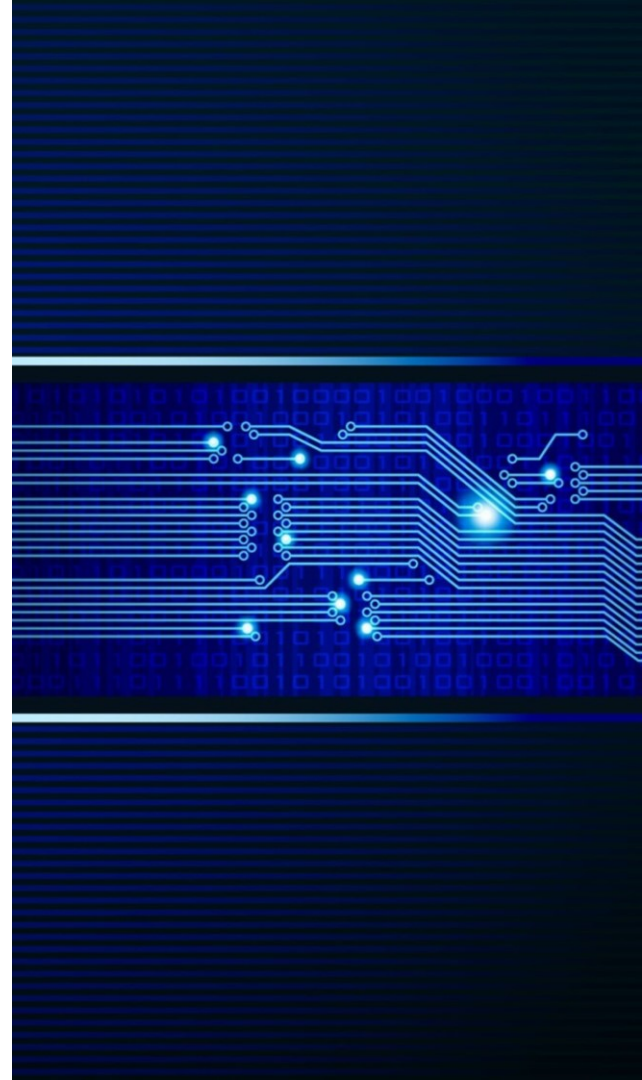


Reliable, fast and worry-free user journey for initial and repeated supply of an orthosis or prosthesis

Solution



Central contact point and digital end-to-end care right from initial indication to first and repeated supply of orthoses or prostheses → **“Digital Care Clinic”**





Vision

**“Worry-free and fast
O&P supply for every
future and existing
patient enabled with
digital services”**

Digital Care Clinic

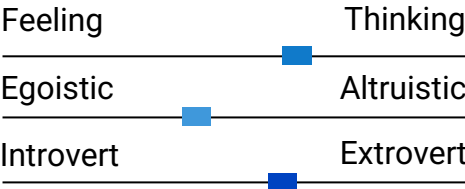
Customer Persona



Name:
Otto Bock
Age:
30
Education:
Degree in Engineering
Occupation:
Product Manager

“My health is important to me. So, I want intuitive and efficient professional support while using modern tools!”

Personality



Goals

Otto wants to focus on his career and advance to a senior position at his company. As compensation, he is very active in sports.

Frustrations

A knee injury limits him in everyday life. He cannot get support from online services as he is used to and must invest a lot of time.

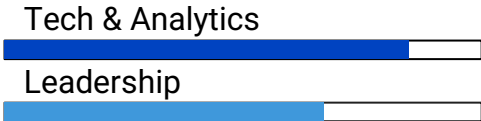
Bio

Otto injured his knee. To continue doing sports, his physician recommended an orthosis. After researching various options and visiting multiple stores, he received an orthosis with which he is currently not satisfied. He likes to use online services to save time and reduce stress.

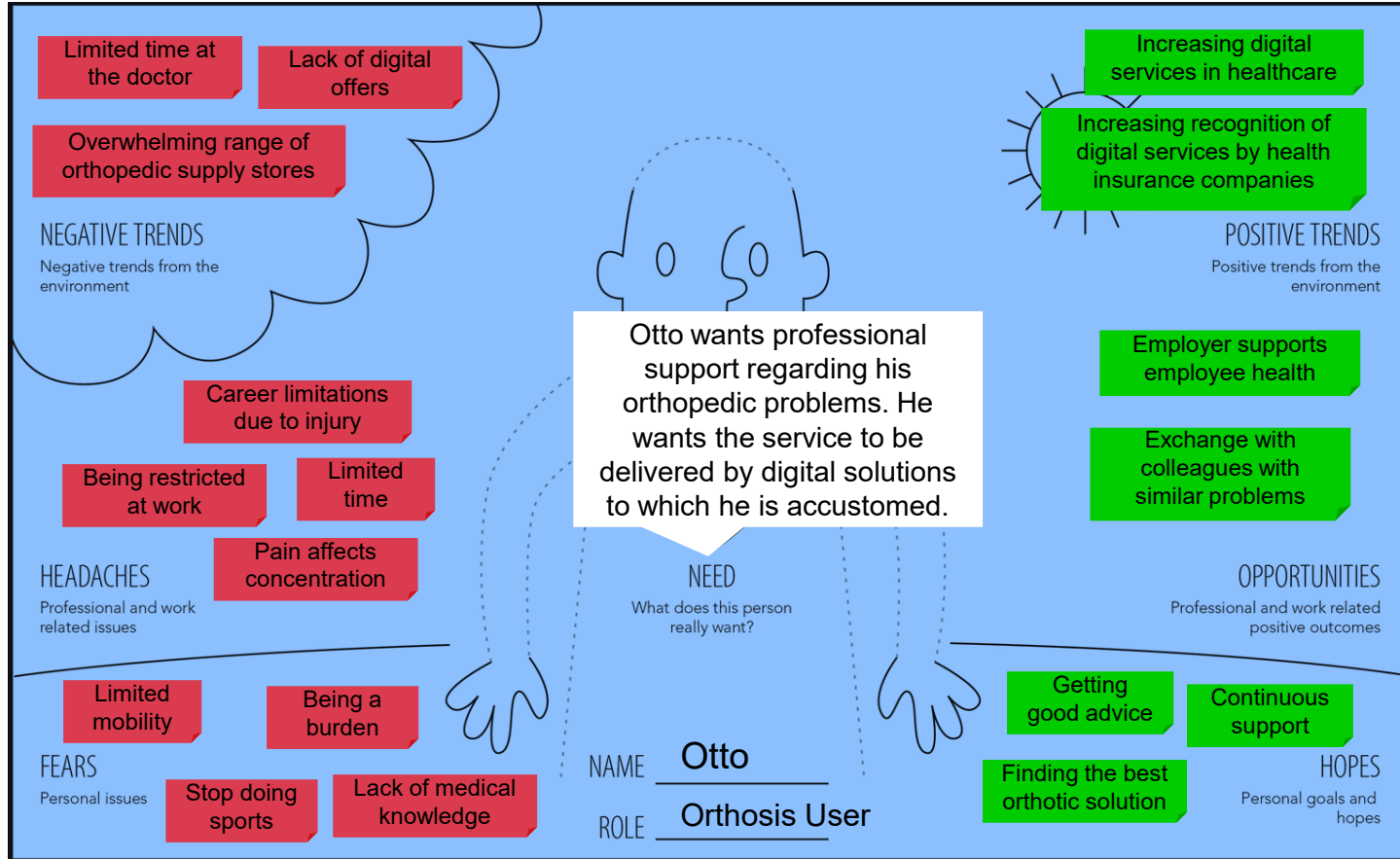
Motivations



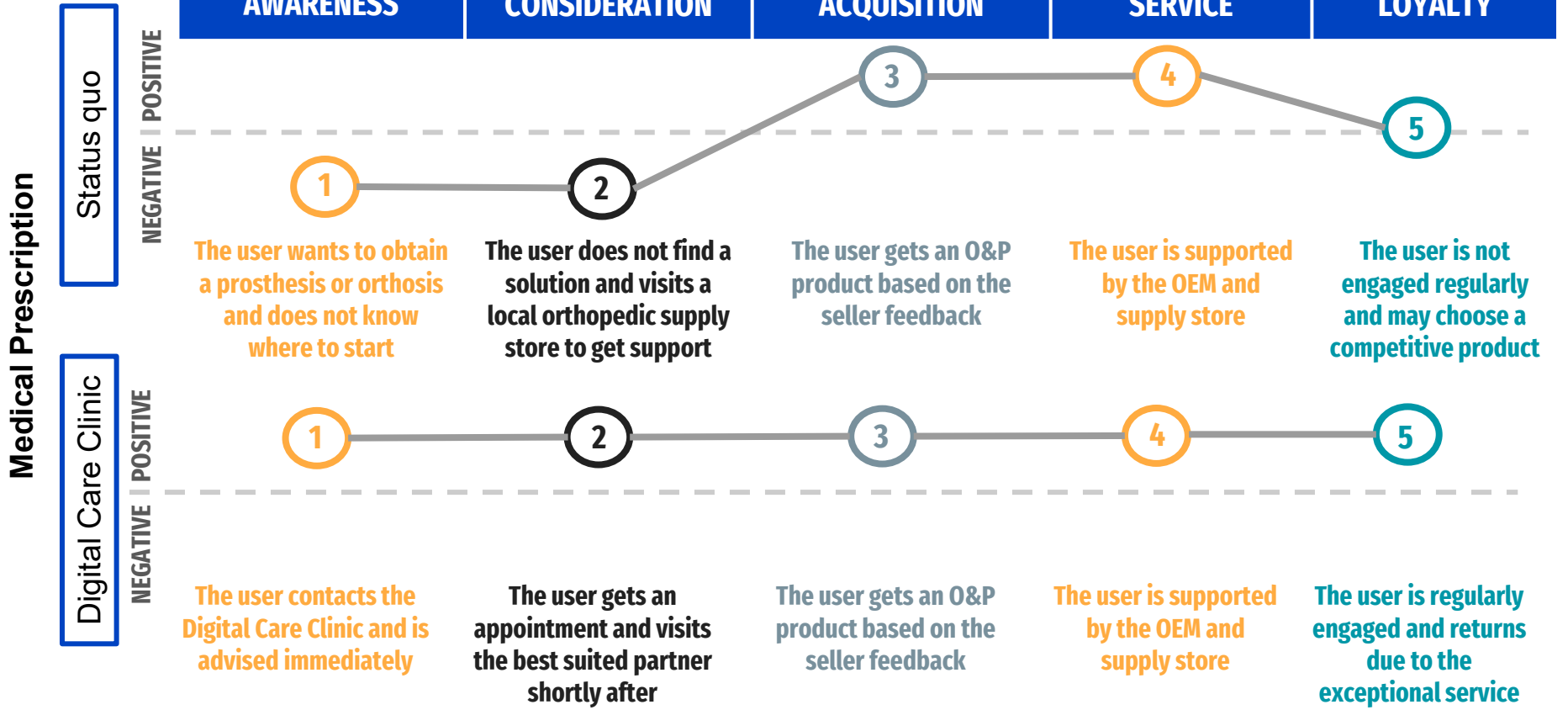
Skills



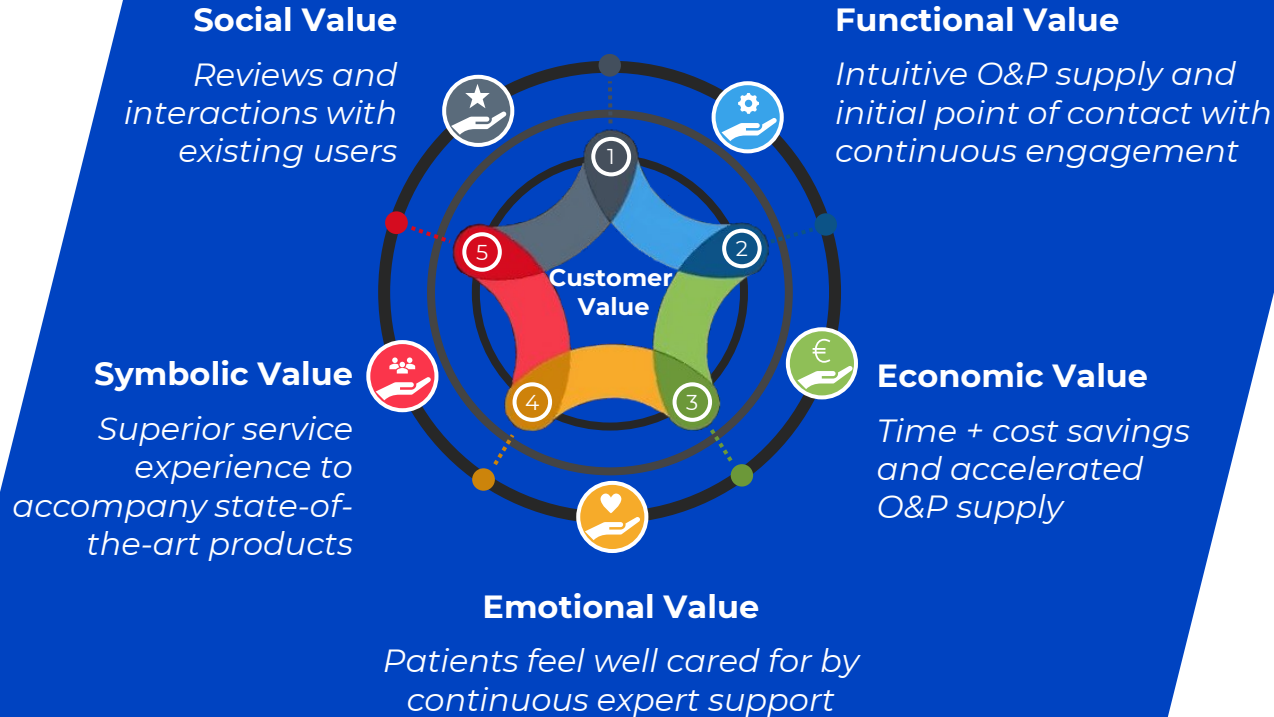
Persona Canvas



User Journey



User Value Proposition



“With our digital solutions and services, we at Ottobock enable a worry-free and quick journey to get the best possible orthotic or prosthetic solution for you!

Together with us you can focus on what really matters. Your mobility!”

Digital Care Clinic



Product

**“Web and native app
for an end-to-end
patient care offering
continuous support &
engagement as well
as integration of local
partners”**

Solution

Digital Care Clinic by Ottobock

Digital Care
Clinic

Most prominent
features
→ to be validated
with customer

Remote Expert Consultation



Instant chat or video call for support

Feature 1

Partner Mediation



Immediate referral to the best suited local partner

Feature 2

Product Showroom



Virtual display of O&P products with descriptions

Feature 3

O&P Community



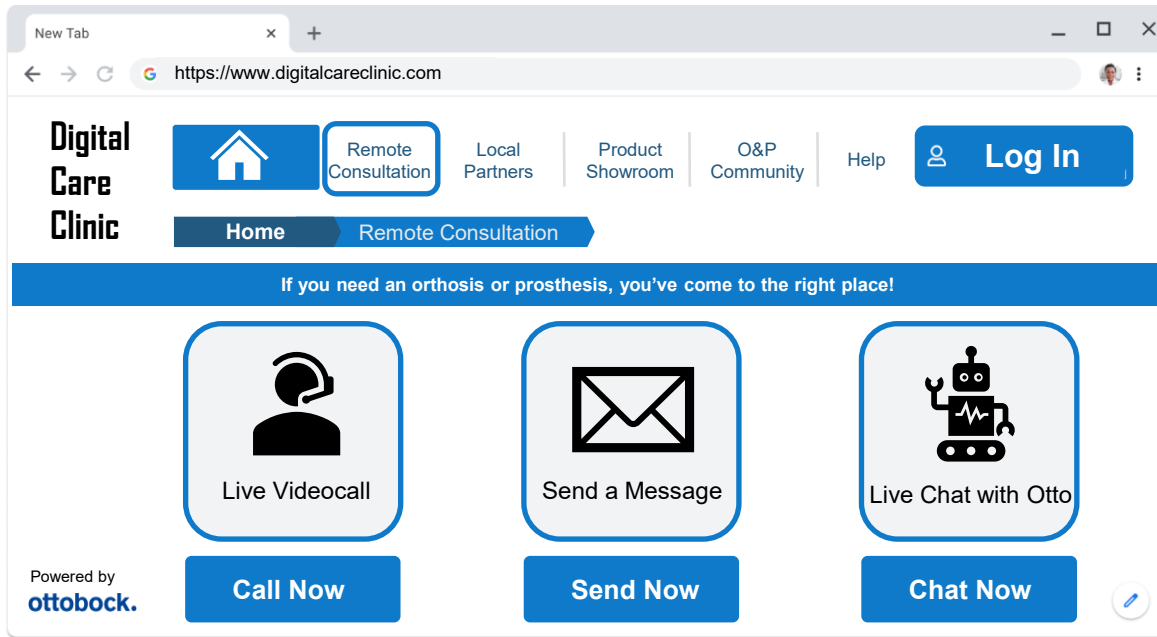
Online community to exchange reviews and tips

Feature 4

→ Enabled via **Software as a Service**

Solution Mockup

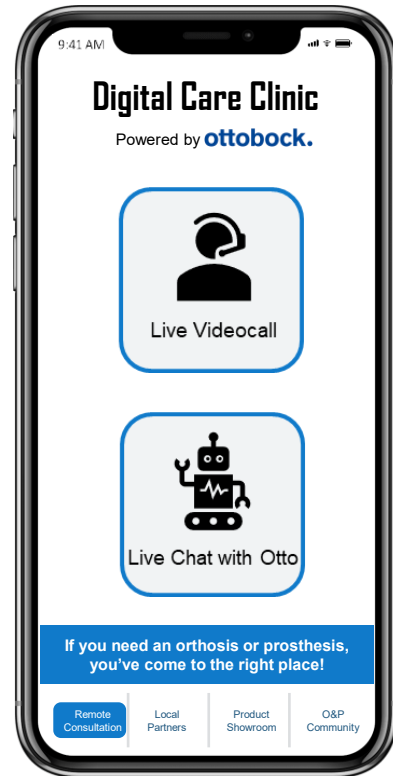
Digital Care Clinic
by Ottobock



Web Application

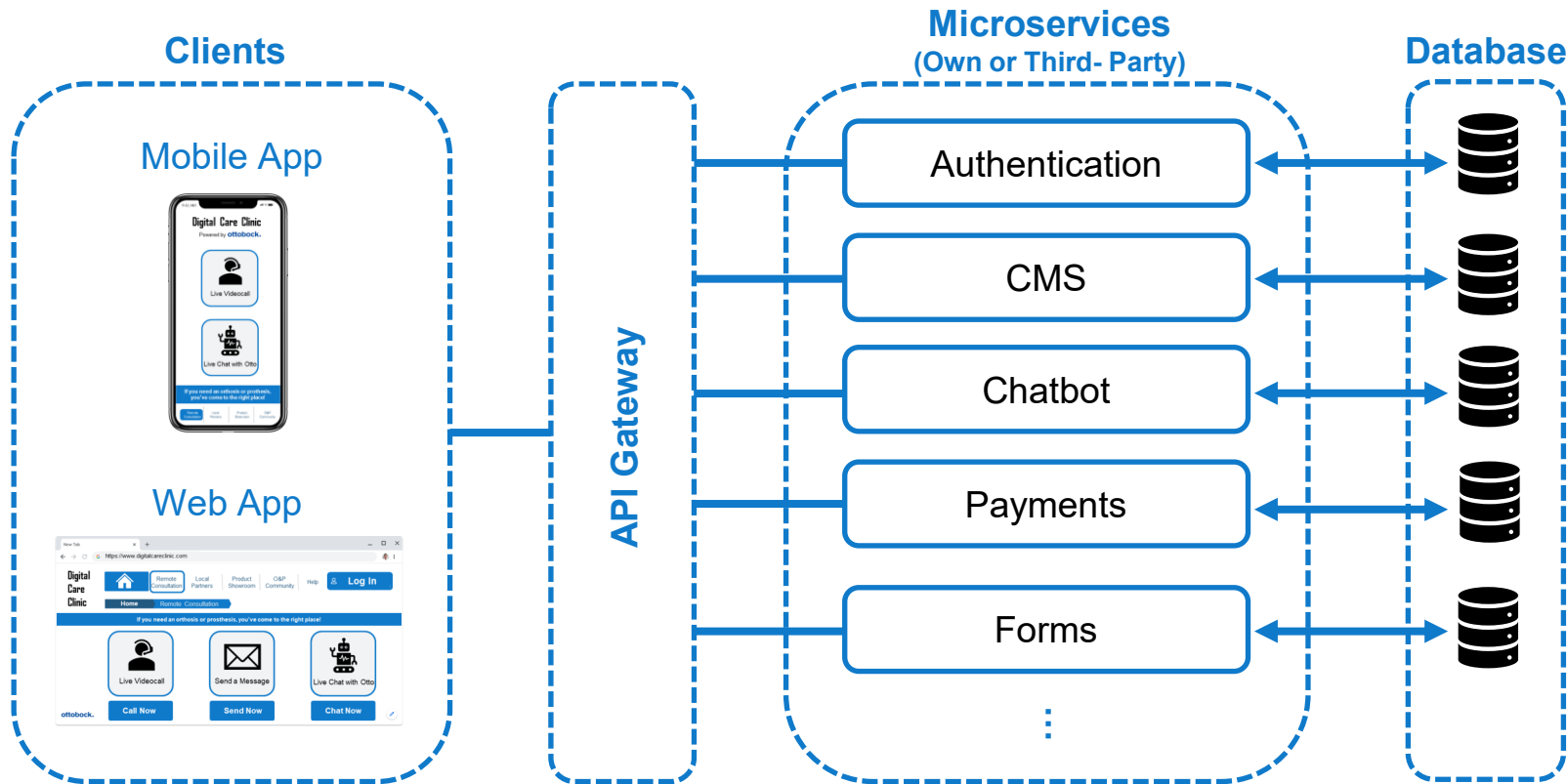


Mobile App



Solution Microservice Architecture

Digital Care Clinic
by Ottobock



Frontend: Vue.js and Typescript

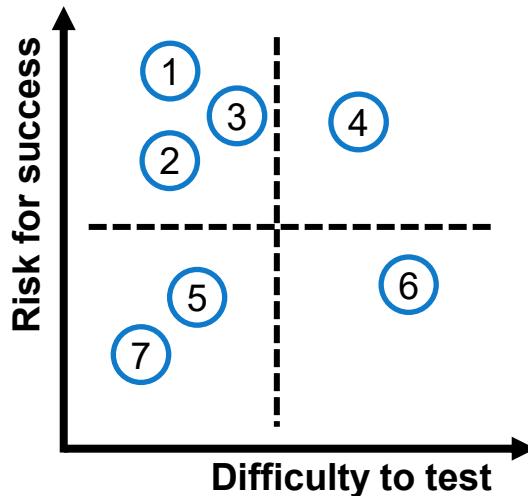
Operations: Azure Cloud, Docker, Kubernetes, Helm

Backend: Java/Spring Boot/JPA and
Typescript, ElasticSearch, MariaDB

Assumptions

In order for the Digital Care Clinic to be successful the following assumptions must be true:

1. The user is not satisfied with traditional support while selecting an O&P product
2. The user wants additional professional support
3. The user looks for help online and considers the Digital Care Clinic
4. The user wants/ is able to use a web or mobile application to receive support
5. A quick and worry-free supply with an O&P product matters to the user
6. Continuous engagement via the web/mobile platform appeals to the user
7. The user will sign up on the platform and pay for the service



Assumptions to focus on first:

- 1) The user is not satisfied with traditional support while selecting an O&P product
- 2) The user wants additional professional support
- 3) The user looks for help online and considers the Digital Care Clinic

Hypothesis and Testing



Main hypothesis

Prospective or existing O&P users with an age of 18 to 45 will look for additional help online and consider the Digital Care Clinic because they are not satisfied with the traditional (offline) service.



Minimum Criteria for Success

Validation Metrics to assess interest in the service (kickofflabs)

- Ad click-through rate >2%
→ % of clicks on ads
- Conversion rate >20%
→ % of visitors signing up
- Viral Boost >20%
→ % of leads due to referrals

Potential future metrics once service is established:

Growth

- Monthly active users
- Monthly new users

Engagement

- Multiple logins per week
- # of consultations per month
- # of messages sent
- # of product views

Digital Care
Clinic



Minimum Viable Product Options

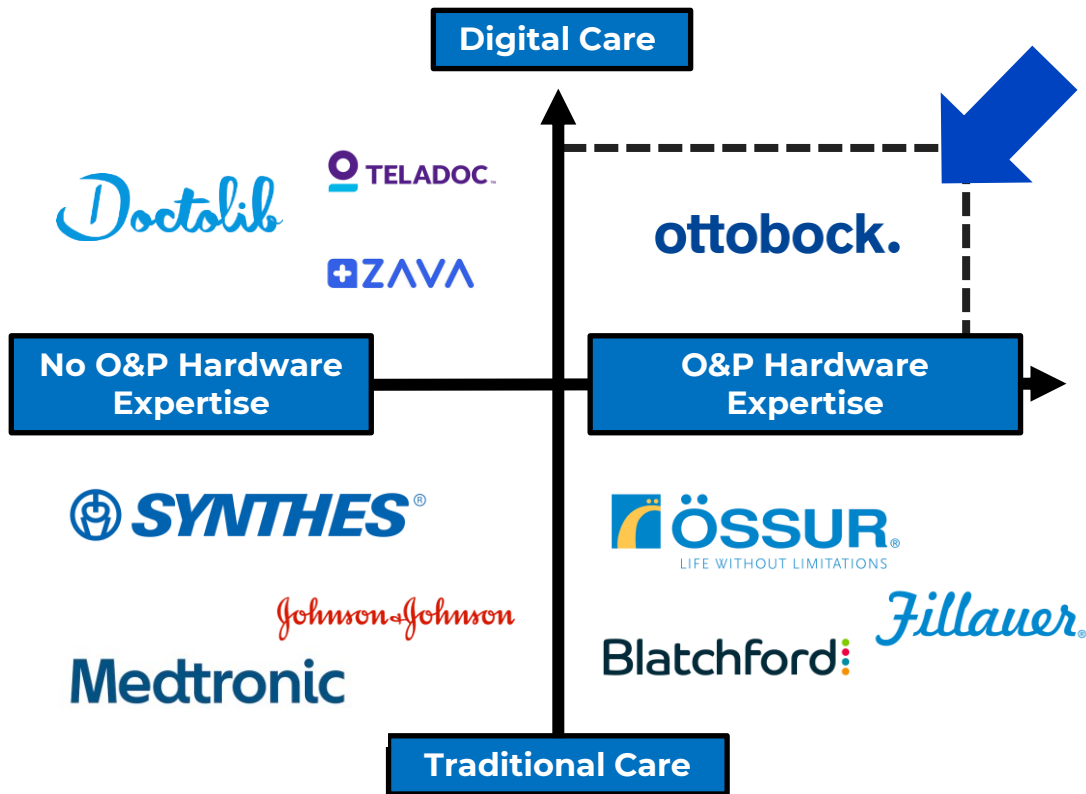
Email MVP
Fake Landing Page
Explainer MVP
One Feature App

→ Quantitative Data

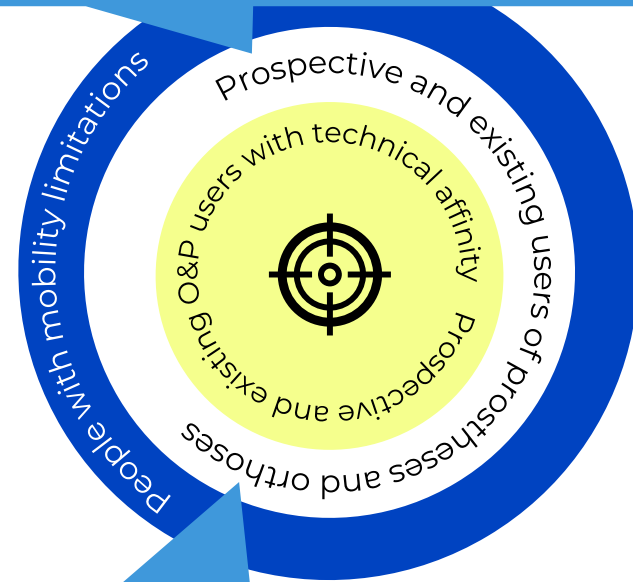
Validation Interviews with Customers

→ Qualitative Data

Positioning & Target Market



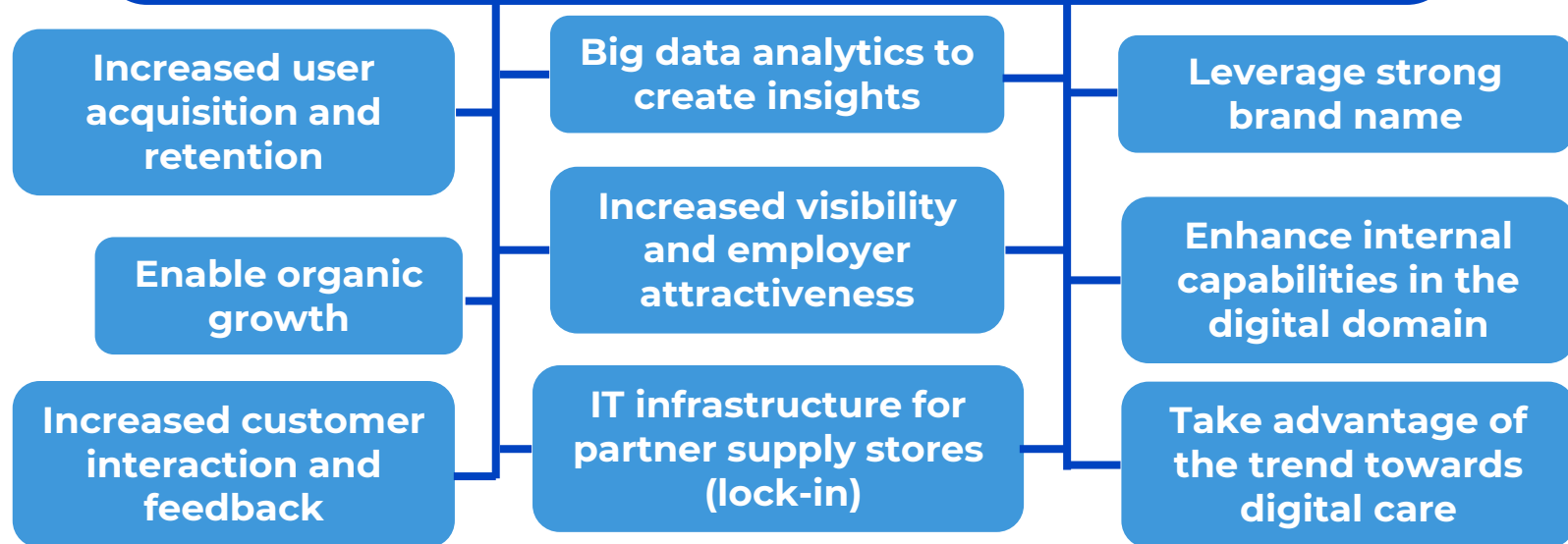
0.5% of any population globally requires prostheses and orthoses and rehabilitation treatment → **35 to 40 million** people globally (WHO)



Prosthetics and orthotics market size of **USD 6.11 billion in 2020**
CAGR of 4.2% from 2021 to 2028
 (Source: Grand View Research)

Strategic Considerations

Enter a blue ocean by providing customized digital care to a specific market segment, the O&P industry!



Business Model



A) Free Subscription

Private users do not pay for the service. Ottobock profits indirectly by attracting new customers and retaining existing ones for its O&P products.

→ Indirect revenue increase



B) Freemium Model Value-based pricing

Private users register for the service free of charge. The user pays a subscription fee for premium features. Ottobock profits directly and indirectly from the service.

→ Direct revenue from the service & indirect revenue increase

Most promising

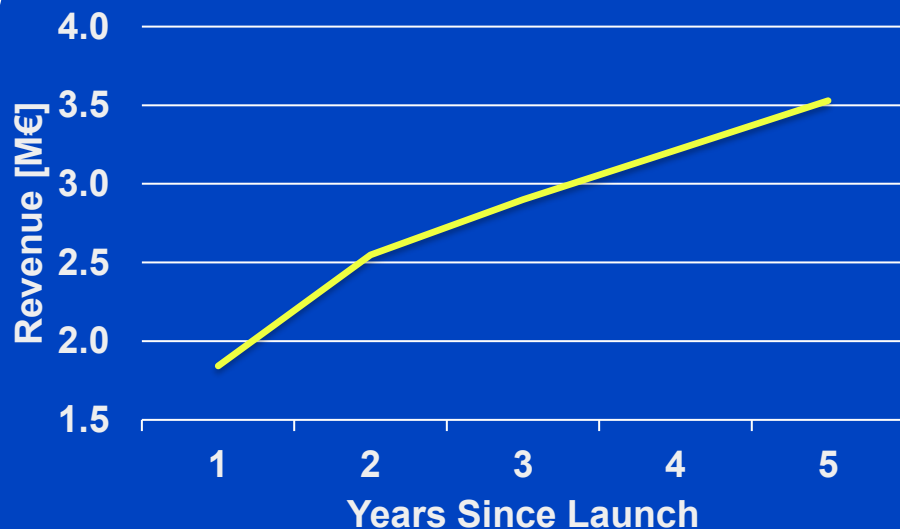


C) Paid Subscription Value-based pricing

Private users registering for the service need to pay a subscription fee. Ottobock profits directly and indirectly from the service.

→ Direct revenue from the service & indirect revenue increase

Direct Revenue Projection EU + US (Freemium Model)



Key Assumptions

- 0.5% of population require O&P products (WHO)
- 35% of people in age group 18 to 45 (Statista)
- **1.4 M potential users (EU+US)**
- Premium subscription rate of 15% (Payments Journal)
- 15€/mo subscription fee
- Customer annual acquisition rate of 10% with 1% increase yoy
- Customer annual retention rate of 15% (Apptentive) with 1% increase yoy
- New customers pay 6 months per year on average

Outlook

The presentation focused on the target group of prospective and existing users of orthoses or prostheses in the age group 18 to 45. Older or younger users might be targeted via their family members.

The second target group is business customers. The Digital Care Clinic could offer a digital infrastructure to orthopedic supply stores (main customers of Ottobock) and boost client numbers. For this service, the stores pay a recurring (monthly / yearly) subscription fee.

Hence, the Digital Care Clinic offers the possibility to attract and retain more O&P users and transfer them to partner supply stores. Multiple recurring revenue streams are possible!

Potential Benefits of the Digital Care Clinic:

- End-to-end care for the O&P user to increase satisfaction
- Improved IT infrastructure and more clients for supply stores
- Strong position of Ottobock in digital care and increased profit margin

Exemplary Business Plans

The image shows a comparison of three business plans: Platinum, Gold, and Bronze. At the top, there are three tabs: 'Monthly', '1 Year (-15%)', and '2 Years (-30%)'. The 'Gold' plan is highlighted with a red 'Best Value' banner. Each plan lists its price per month, the number of operators it supports, and the included features (CRM Integration, SSL Security, and Groups). Each plan also has a 'Sign Up!' button.

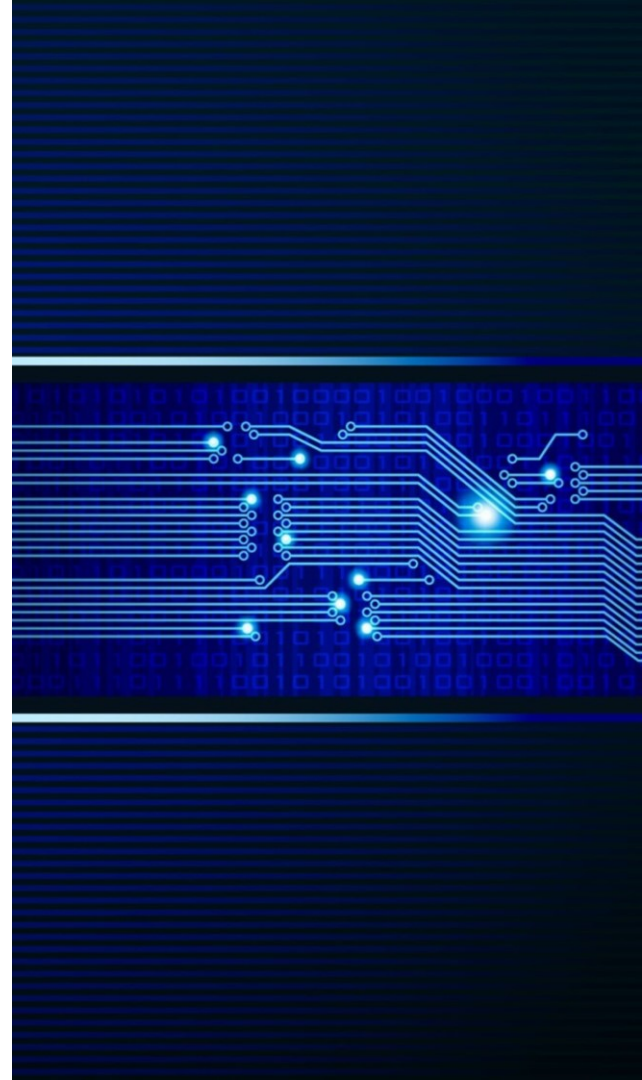
Plan	Price	Operators	Features	Button
Platinum	€199/mo	Up to 8 Operators	CRM Integration, SSL Security, Groups	Sign Up!
Gold (Best Value)	€159/mo	Up to 4 Operators	CRM Integration, SSL Security	SIGN UP
Bronze	€100/mo	1 Operator		Sign Up!

Digital Care Clinic

Thank you!

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All information contained in this presentation is based upon limited information obtained from the Ottobock website, an available interview with G ng r Kara (Vision re der Gesundheit 07/2020), a telephone call with Ivana Simovic and multiple online resources as well as a single user interview.

To validate the stated assumptions, further information, in-depth market research and interviews with key internal and external stakeholders as well as multiple customers / users are necessary.

