<u>Chow Watchers Business</u> Plan

Yun Ping Tseng Chris Umeki Amy Zhong

Executive Summary

Our website is a user-friendly solution to obesity in domesticated dogs. Our objective is to create a convenient platform to raise awareness and provide information and awareness to dog owners about obesity and dog health. We plan on partnering with brands of healthy dog food and veterinarians to both market this website and offer them exposure on our website. For dog owner's with dogs at an unhealthy weight, we also offer a weight watcher app that guides dog owners who need to track his or her dog's weight and gradually progress to a healthier weight.

This year the pet industry is projected to take in \$63 billion, up more than 25% from 2010 according to the American Pet Product Association (APPA). These numbers are due to dog owners' willingness to put their dog in the optimal healthy environment. We hope to tap into these growth trends and introduce our product into the market as the industry is rapidly expanding.

We must demonstrate the added benefit and convenience of a website that provides dog owners with valuable health information, statistics, and advice to keep their pets healthy. Dogs are man's best friend, and we hope to provide a platform that ensures the health of loved pets.

Product and Services

More than half of U.S dogs and cats are overweight or obese, according to a May 2014 survey by the Association for Pet Obesity Prevention. Roughly 53% of dogs are overweight or obese. This causes dogs to be susceptible to conditions such as arthritis, bladder/urinary tract disease, low thyroid hormone production, diabetes, heart failure, and chronic kidney disease.

We have developed a website that will not only let dog owners know how their dogs compare with other dogs in terms of weight, but also provide advice and next steps

to take to ensure the health of the dog. For example, the website will provide information about popular brands of dog food that will benefit the dog's health, as well as contact information and locations of veterinarians.

For dogs outside of the healthy region, the website will propose the user to download an application that guides the dog owner with steps and milestones to gradually bring the dog to a healthy weight. This app will be free. Guidance will include amount of distance walked, brands of food, and other techniques and advice based on the weight of the dog.

Current Status

Currently, we have fully implemented the website that provides users information about how their dogs compare with the average. We have also implemented almost all of the content of the pages. As of now, we only have the datasets of 10 popular breeds. We have currently inputted random popular healthy dog food brands on the result pages. We have also created a mockup of the homepage of the app that will help guide dog owners to bring their dogs to a healthy weight. However, in the future we will partner with specific food brands to gain revenue from advertisement.

Key Partnerships

Chow Watchers will look to maintain strong partnerships with food brands for exposure and possibility of revenue. We will also aim to maintain strong relationships with some veterinarians for proper resources and advice through the website and application.

<u>Industry Analysis</u>

This year the pet industry is projected to take in \$63 billion, up more than 25% from 2010 according to the American Pet Product Association (APPA). Webmd.com and

Myfitnesspal.org, websites that solve the same problem for humans, are among the top 5 sites in the Health category, according to Amazon Alexa analytics.

Industry Rivalry

There is no obvious industry rivalry, but there is indirect competition, which is pet owners opting to simply visit the veterinarian instead of using a website to check the weight of their dog and the next steps. Another source of indirect competition is some dog owners' unwillingness to spend extra time and money on their pets.

Market Analysis

According to the ASPCA, approximately 78 million dogs are owned in the United States; approximately 44% of all households in the United States have a dog. Of these dog owners, 18.7% reported not taking their dog or dogs to the veterinarian in 2011, up from 17.3% in 2006. 24% of dog owners agreed that they would only visit the veterinarian if their dog was sick. However, new data from Nationwide, a national provider of pet insurance, found that insurance claims for conditions and diseases related to pet obesity rose by 10 percent over the past two years. These growth trends indicate a stronger market for our website due to the rise in pet obesity and rising unwillingness for dog owners to visit veterinarians. We are seeking to decrease the numbers of dogs with unhealthy weights by providing an accessible website with advice for the dog owners.

Current methods

Currently, there is advice regarding dog obesity around the internet. However, there is no app that guides owners to gradually bringing their dog to a healthy weight. We believe that gradual transition to more exercise and healthier dietary styles is the optimal strategy to bring a dog to its healthy weight, not dramatically decreasing the meals of the dog. Our website encourages this, and our application guides the dog owner.

Competitors

There is a similar website that can tell dog owners if their dog is underweight or overweight. It is a section of PetMD; however, this weight calculator is broken, and doesn't provide advice on what next steps to take if the dog is at an unhealthy weight. We hope to be ahead of the competition and be able to effectively provide dog owners with the resources to help their dogs get to a healthy weight.

Barrier to Entry

One barrier to entry may be product differentiation. We are not providing any new information that can't be found elsewhere on the internet, but we are providing dog owners a more accessible and convenient platform to use to tackle the pet obesity problem. Hence, a barrier to entry is also recognition of the website and application. This can be solved by partnering with veterinarians to suggest this website to pet owners during checkups, or partnering with animal hospitals who may be willing to get the website on people's radar.

Start-up Costs

There are very few start-up costs for this website. On a standard shared hosting plan, we can expect to pay around \$90 to \$150 per year. For Android apps, developer fees can range from free up to matching the Apple App Store fee of \$99/year. Google Play has a one-time fee of \$25. Hence, our startup costs will only be around \$200 - \$250 a year.

Revenue Drivers

The main driver for revenue would be through advertising through partnership with food brands. We would partner with food brands with the purpose of providing a healthier alternative for dog food. On our website and application, we would provide

direct links to purchase healthier food options for dogs, and we would propose to obtain a percentage of this purchase.

Marketing Strategy

We plan to market this website first to veterinarians who would be willing to give our website more exposure to their clients. Our marketing strategy will mostly be based off of the relationship between pet owners and their dogs, and the willingness of pet owners to wish for the happiness of their dogs.

Future Plans

In the future, we plan on extending our website and application to all domesticated animals. This would entail changing the theme of our website, and making it more centered on general domesticated animals. In addition, we plan to provide more features on our application and fully develop the application.