# Customer Segments

\*\*Who\*\* are they and \*\*why\*\* would they buy?

\*\*Pains:\*\* Customer problem or need

\*\*Gains:\*\* Customer solution

> Different customer segments are different targets for us, though they may have slight overlapping features. And we try to focus and cover the most important ones of them, maybe simultaneously by one product.

### Segment A

- \*\*[Who]\*\* Alcoholics who want to remain anonymous in their treatment.

- \*\*[Why]\*\* The alcoholic patient dropout rate is 76% in hospital and rehab. The number one reason is privacy as these people do not want to be seen in a rehab center or alcoholic treatment hospital. People who get alcoholism suffer a lot, and usually they don't want anyone else to find out these facts, especially celebrities, who are seriously concerned about their reputation. Celebrities' going to the hospital or rehab center for treatment could always be discovered by reporters or ordinary people, then it won't be secrets any more among the society, which is quite harmful to the treatment process because patients have got negative feelings about themselves and the treatment itself. Even not famous people who get alcoholism will not be pleased when anyone except his/ her parents is talking about his/ her passive life, which is an important cause of people dropping the alcoholism therapy.

So, it is important to keep the whole cure process anonymous, even the doctors or therapists do not know exactly who the patients are. All the doctors or therapists care about are the information of the physical and psychological symptoms of the patients' body as well as their medical history.

### Segment B

- \*\*[Who]\*\* Alcoholics who are not rich enough to see a good doctor or alcohol use disorder therapist.

- \*\*[Why]\*\* Nowadays, Effective and valid treatments are usually expensive. Rich people are capable to explore different possibilities to regain new lives, but poor ones are not. Majority of hospitals are for profits, and only county hospitals could be non-profit. They cannot go to expensive profit-making hospitals or even go for non-hospital rehab residential treatment. An example is Cliffside Malibu, which guarantees the treatment works and costs over 73,000 dollars a month, while Four Seasons costs about 40,000 dollars. Celebrities go there for help maybe because it works better than going to the hospitals. Middle- or lower-income immoderate drinkers tend to abstain completely, or to drink heavily. When they get addicted to alcohol, their lives are ruined since they have no available money to ask a doctor for help or no insurance cover. (Of course there is still one way to go, the AA 12-step method)

So, decreasing the cost of the therapy is necessary for poor alcoholic patients to afford it.

### Segment C

- \*\*[Who]\*\* Alcoholics who have no idea where to find a certificated therapist for their alcoholism.

- \*\*[Why]\*\* Cases exist that people spend a lot of money on useless treatment provided by irresponsible rehab center. Poor people are fucked by addictions. Many recovery/ treatment center do kickbacks and don't treat patients well, even some of the patients died after their family paid a lot of money because the centers' negative acts.

So, it would be promising for desperate patients or families to have a platform that connects the qualified doctors and them.

### Segment D

- \*\*[Who]\*\* Alcoholics who cannot persist the rehab program.

- \*\*[Why]\*\* About 80% of people with an alcohol use disorder will relapse within the first year of sobriety. It requires a long term solution rather than a short one. One of the reasons for high alcoholism therapy dropout rate is inconvenience. People who have a disease still need to work, especially when it is the early stage of alcoholism. In the meantime, alcoholics need to see the doctors or therapists several times in a month or even in a week because of the self-control malfunction. Alcoholic patients need to be supervised and reminded in some way. It takes patients large amount of time to commute from home to hospital. Since a course of treatment may last for months or longer, it becomes really difficult for patients to hold on to get sobriety eventually, especially for businessmen or entertainment celebrities, who are always in a busy condition or live in no fixed homes.

So, it may become workable and sustainable when the treatment between patients and doctors could be processed nearly anywhere and anytime.

# Value Proposition

# Channel

How communicates with customer segments to deliver a value proposition?

• Raising awareness among customers about product

Mobile phone conversation maximizes privacy and convenience, making it easier for patients who can remain anonymous to stay long enough for their treatment of alcohol disorder. A software app could connect everyone, regardless of location, to access medical treatment to help them quit drinking.

• Helping customers evaluate a company’s value propositions

In our app, there will be a function in which patients can rate the app.

• Allowing customers to purchase specific products and services

After matching with a specific doctor, patients can purchase different plans, such as a course of treatment, real-time online consulting (phone calls) and not prompt asking questions.

Prescribed medication can be delivered to their patients’ home or picked up at a local pharmacy.

• Providing post-purchase customer support

Invite customers to give feedback of the effects of their treatment or share their experience of getting treated and encourage them to become the outstanding leader of the mutual-help group.

# Customer Relationship

• Customer acquisition

We recommend our products to doctors and teach them to create their profiles on the website and invite their patients to use the website. Publish the app on the app store.

• Customer retention

A treatment calendar:

1) remind the patients of promptly reporting their conditions of illness on the website

2) inform patients’ information to their corresponding doctors to review, which indirectly encouraging them to keep treatment.

• Boosting sales

Contact mutual-help groups to combine professional treatment of doctors with spiritual treatment (12 steps).

# Key Activities

### R&D, expected functions:

a. We will develop a mobile app and a website whose users are doctors and patients.

b. We have the database to store all users’ information. The doctors’ information includes their education background, their current position and working place, their previous working experience, their charging range, their area (which means a specific patient type) of expertise and etc. The patients’ information includes their age, their gender, their job, their reasons for drinking, their insurance plans, their acceptable consumption level and etc. The doctors’ information will be displayed on the app so that all patients can select and have a basic idea of who is advising them. While the information of patients will only be stored in database and will not be displayed publicly. Patient users may choose a nickname for themselves when registering an account.

c. We can match an ideal doctor for a specific patient. According to the information stored in our database, we can match them by charges standard, patient’s type and drinking reasons. With more and more ratings given by patients in our app, we can collect those data and sort out which specific type of patients rate highest for this doctor, so that we can recommend this doctor to a similar patient next time.

d. Process of setting charges. Both patients and doctors have an expected charges range when registering an account. They will discuss about the specific amounts of fees according to the situation of this patient and make agreements with each other.

e. Text mining. With more and more messages being sent between doctors and patients in our app, we can store all those data for mining which specific ways have better influence on patients, or what kind of advice do doctors usually give under a specific situation (so that we can have text recommendations when doctors type).

f. Social network. We may cooperate with A.A. and gather their members as our potential users. Details will be discussed later.

### Advertising

Cooperate with hospitals, doctors and organizations like A.A. to advertise our product. Cost may be generated for rewarding them.

### Cooperation with insurance company and A.A. fellowship

We may first talk to insurance companies and see if their insurance plan can cover the cost of seeing a doctor via our app. We may also talk to anti-addiction organizations like A.A. We will discuss more details about A.A. in value proposition part.

### Teach doctors to use our app

Including how to register an official verified account, and convince them the personal data they give to our app will never be disclosed.

# Key Resources

The key resources of our plan are Engineers who are good at mobile and web development, engineers who have the advanced natural language processing, and machine learning skills.

1. Mobile and web development engineers:

Our product is presented as an android APP and webpage, which could be used anywhere and anytime to pair the doctors and patients. Thus the design and testing of web application should require human resources, especially the software developers who have the skills in developing the frontend and backend mobile Application and webpage.

2. Text mining and machine learning engineers

Besides the paring application, we also need text mining to discover relevant information in text by transforming the text into data that can be used for further analysis. Text mining accomplishes this by using a variety of analysis methodologies; natural language processing and machine learning technologies. By using the text mining, we can analyze the habit of the patients and doctors, to make improvement of the paring process. In addition, we can help the doctors to make a better more precise diagnosis by mining the large amount of patients’ data. This could highly improve our users’ experiences for both doctors and patients. Therefor we need engineers who have the experience in data analysis and machine learning technologies. These engineers could highly improve the value of our applications, which may hit the market by our intelligent pairing and recommendation systems.

Reference:

1. https://www.niaaa.nih.gov/alcohol-health/overview-alcohol-consumption/alcohol-use-disorders

2. https://www.slideshare.net/RockHealth/the-entrepreneurs-guide-to-hospital-partnerships/27-Target\_appropriatehospital\_system\_Study\_hospitalstructureprocesses

3. https://www.aa.org/pages/en\_US/what-is-aa

4. http://addictionblog.org/FAQ/insurance/does-health-insurance-cover-alcohol-abuse-treatment-or-rehab/

5. https://www.therecoveryvillage.com/insurance/much-rehab-cost-insurance/#gref

# Key Partnership

The key partnership of our plan involves Hospitals, Alcoholics Anonymous (institutes) , Insurance Company.

1. Healthcare Providers:

Problem drinking that becomes severe is given the medical diagnosis of “alcohol use disorder” or AUD. AUD is a chronic relapsing brain disease characterized by compulsive alcohol use, loss of control over alcohol intake, and a negative emotional state when not using. An estimated 16 million people in the United States have AUD. Approximately 6.2 percent or 15.1 million adults in the United States ages 18 and older had AUD in 2015. This includes 9.8 million men and 5.3 million women. Adolescents can be diagnosed with AUD as well, and in 2015, an estimated 623,000 adolescents ages 12–17 had AUD. [Ref1]

Hospitals could help us have access to customers, i.e. patients and doctors. The solution is to connect as many patients as possible to healthcare providers. The startup will keep a partnership with several hospitals and health plans for their treatment. The Entrepreneur's Guide to Hospital Partnerships provides a useful guide for us to keep the relationship with hospitals [Ref2]:

2. Alcoholics Anonymous:(2million people, anonymous, willing to control their drinking habit): access to customers

Alcoholics Anonymous is an international fellowship of men and women who have had a drinking problem. It is nonprofessional, self-supporting, multiracial, apolitical, and available almost everywhere. There are no age or education requirements. Membership is open to anyone who wants to do something about his or her drinking problem.. These people who are the members of AA is highly our target customers for the following reasons: [Ref3]

\*\*(1)\*\* The number of AA member are huge, which close to 2 million people worldwide are members of AA as of 2016. This means that we have a large customer market.

\*\*(2)\*\* The AA member are those who have the willing to change and control their drink habit which are willing to consult the doctor for professional guidance. This is because according to AA's 2014 membership survey, 27% of members have been sober less than one year, 24% have 1–5 years sober, 13% have 5–10 years, 14% have 10–20 years, and 22% have more than 20 years sober.

\*\*(3)\*\* AA members is as their statement claims that everyone is association is anonymous, so they want to have a private treatment from the professional doctors but are afraid be tracked by other people. So they are in need of our product which could pair them with doctors in a private way.

3. Insurance Company(Money and resources)

Most people’s health insurance policies will not cover all alcohol abuse treatment or rehab expenses. Typically, you’ll still have some out-of-pocket costs.[Ref4]

The costs of a rehab program vary widely by the type of treatment center, and whether you do an inpatient or outpatient program. Some recovery options, such as programs from non-profit health centers, are entirely free while luxury centers for celebrities might cost up to $80,000 a month. Most standard drug treatment centers fall somewhere in the middle, from $2,000 to $25,000 a month. [Ref5]

The cost varies depending on location, length, and what’s included. For example, a recovery center with a view of the beach and an Olympic-sized pool is going to be more expensive than one in a suburb town with regular amenities.

Since we provide a private way via technology to match patients and doctors, professional health experts in a private, accessible, convenient. Instead of having to visit a clinic, the patients can work with a doctor, and therapist, over their mobile phone. It is much cheaper and more efficient making it attractive for health insurance to cover the cost of service. This could reduce people’s cost and make them are more willing to use our product. In the meantime the Insurance Company could also cover the treatment because of the low price.

# Cost Structure

### Fixed Costs

Since we have to implemented a web application and a mobile application, we need a server to interact with mobile application and we also have to deploy our web application directly on a server. Hence, the first and the most important cost for our business is the cost of cloud server. The cost of cloud server depends on how many active users we will have. Since we don’t have a lot of users at first, we don’t need to buy a high-performance server which costs a lot. When more and more users start to use our service and application, and flow become larger and larger, we have to update our server. For example, to increase the number of servers, some act as load balancer to distribute requests, some act as cache to store some static resources. To buy separate databases to store increasing user information, or to use CDN service. But, now, since it’s a MVP, we don’t think about those things.

### Variable Costs

The first cost will be the cost of transportation to have conversation with different hospitals, different doctors, different organizations like AA, different centers and so on. Since it’s hard to decide how many interviews or conversations we will have, how many are valid, this will be a variable cost.

The second, since we have to give some rewarding to those organization including AA or professional centers to advertise our products, maybe this will be another variable cost. But this can be done negotiation, since we also can offer benefits to them.

We think our business is still a value-based business which is not cost-based.

# Revenue

According to Customer Segments and value proposition, there are 4 types of customers that are willing to pay for our customer, including patients who ask for convenience, privacy, lower price and lack of methods to find certificated therapist. To solve this problem, we offer features like doctor matching, online medicine store, social networking.

For doctor matching, our solution in value proposition is to match a patient with a doctor basing on their preferences privately, and make treatment directly online to make it easier and more convenient to proceed. In this business model, its’ a customer to customer ecommerce. A customer, who is a doctor in our case, sells service, which is treatment of alcoholic disorder, to another customer, who is a patient. This personal transaction makes it more convenient and private to customers who need this and buy this service. And our site act as intermediary who match doctors with customers, and we get amount of money from fees or commissions charged to doctors as our incoming. Since there exist competition among doctors and there is no physical room for treatment, users can pay at a lower price.

For online medicine store, after every diagnosis made by doctors, patient will get the prescription from the doctor and it can be sent to medicine store we cooperated with online directly in our platform to buy drugs legally. Compared to the previous one, this is a business to customer ecommerce, drug store or drug company sell their product which focuses on alcoholic disorder to customers. Since we cooperated with drug company or drug store, they pay us a percentage of every sell, we offer them a new place to sell their drugs. Meanwhile, users are happy with online shopping and convenience of “buying directly”, the sale of drugs can increase which can give us more benefit.

For social networking, since we replace traditional community like AA with a more efficient platform for patients to contact with each other. The idea case is that when we gather enough users, we can cooperate with some drug companies or centers to make ads about them and get ads fee for this.