



ENTRE 510 Business Plan Project

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U-SURANCE

Insurance for the university students

Abstract

U-Surance incentivizes students to maintain a healthy lifestyle as well as offers a low cost health insurance with better coverage.

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Contents

Executive Summary.....	2
Industry Trends and Market Opportunity.....	2
Impact on Health Insurance Providers.....	2
Impact on Universities	3
Impact on Health Care Providers	3
Value proposition.....	3
Customer Segment	3
Rewards and Incentives	5
Key Activities.....	5
Go to Market Strategy	6
Phase I.....	6
Phase II.....	7
Customer Relationship.....	7
Key Partners.....	8
Key Resources and Needs	8
Financial Management	10
Cost Structure	10
Website & Platform Development.....	10
Marketing & Sales	10
Administration & Compliance.....	11
Revenue Streams	11
Conclusion.....	11
Appendix	12
Our Team	12
Assumptions that need to be tested further	13
Primary Research	13
Customer Interviews.....	13
Exhibits.....	14
Secondary Research.....	26
References	27

Executive Summary

Healthcare cost in the US is everyone's concern. Despite rising premiums, profit margins for insurance companies are not increasing proportionally. Future changes in health care regulations will have a multifaceted impact across the industry. Thirty-three percent of university students either do not have insurance coverage or have minimal coverage. Hypothesis testing suggests that university students are interested in participating in preventive care through maintaining their physical fitness if such acts are incentivized.

Business study and market research were conducted to analyze the feasibility of running a platform to incentivize university students to maintain their physical fitness and provide them with a better health insurance policy.

In doing so, key resources, key partners and key activities were identified that will allow the company to achieve economies of scale, reduce risk and acquire resources. University students between the age of 18 and 26 were identified as the target market that will be reached directly through sales representatives.

The first phase of the business starts with bootstrapping from six of its founding members and focuses its efforts on Website & Platform Development, Marketing & Sales, and Administration & Compliance. In the second phase, subscriptions to better insurance plans are provided to customers. Revenue in the first phase will be from transactional fees each time members purchase discounted consumer products. The revenue in the second phase will come from the commissions the company earns each time customers purchase a new policy. Research shows initial revenue projections in local markets could reach as much as \$449,400 to \$674,100.

By leveraging the founders' expertise in platform development, marketing and sales the company seeks to motivate a healthier lifestyle while considerably reducing health insurance costs.

Mission: To incentivize a healthier lifestyle for university students and offer lower health insurance costs, better coverage and easy access.

Industry Trends and Market Opportunity

The health insurance industry is arguably undergoing its largest transformation in the history. The changes in the health care will allow some companies to prosper while forcing others to disappear. Some experts believe that the industry today is like the telecom industry before deregulation (Albrecht, personal communication, February 8, 2013) while others believe that the industry is about to experience its largest transformation since WWII (Rickert, personal communication, February 28, 2013).

Impact on Health Insurance Providers

According to Deloitte Consulting Services (2011), the Affordable Care Act will force Insurance companies to spend 80 - 85% of premiums on health care expenses. This means that insurance companies would be forced to reduce expenses anywhere they can, including brokerage fees. Broker commissions are expected to reduce from 10-20% to 6-9%. Deloitte Consulting Services believes this will force the

insurance companies to focus only on their best insurance brokers, leading to consolidation within the insurance brokerage industry (2011).

In California, the NY Times predicts that premiums could rise by 20-26% in 2013 (January, 2013). Strikingly, even with the rising premiums, the insurance companies are not realizing significant gains. Over the last three years, the average profit margin for five of the ten largest insurance companies was 4.37% (Exhibit 1). Additionally, one insurance company capped its future profit margins to 2% and will refund anything above that to help justify an increase in premiums (Blue Shield's, 2011).

Impact on Universities

Even universities would be impacted by these changes. In order to offer affordable insurance options to students, many universities previously offered a skeleton version of health coverage. With the *Affordable Care Act*, a minimum standard has been set that is above what many universities currently offer. As a result, some universities are raising premiums while others are dropping plans entirely (Torres, 2012 and Sheehy, 2012).

Impact on Health Care Providers

Lastly, Accountable Care Organizations (ACO) will tie payments and funding to quality care metrics. Currently, doctors can treat almost anyone and get paid by the insurance companies. Going forward, the health-care professionals will get paid only if they meet specific metrics tied to treatment and quality, which will result in placing an emphasis on preventative care (Albrecht, personal communication, February 8, 2013).

Value proposition

TARGET SEGMENT

University students who are on a look out for better insurance programs, while also being health conscious and dedicated to regular physical activities.

Customer Segment

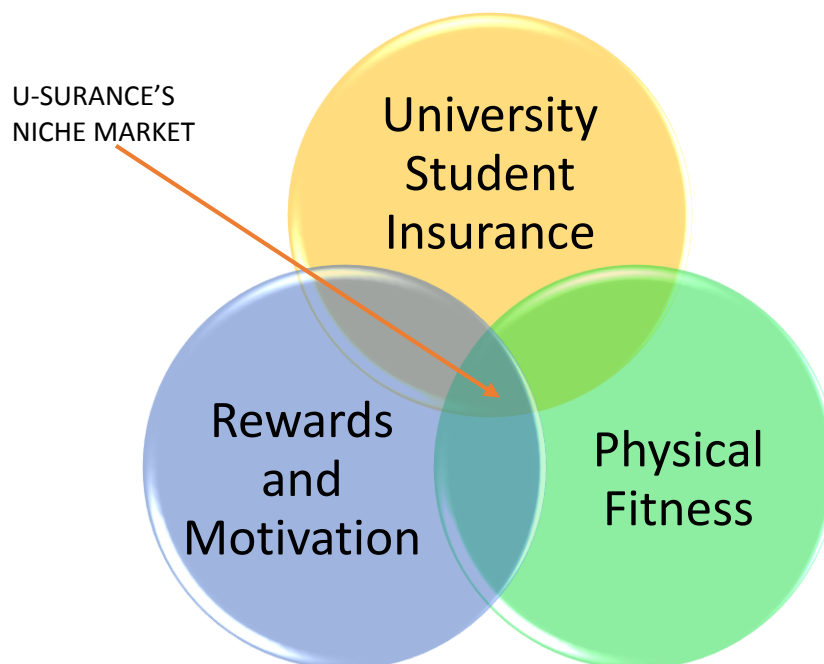
Recent demographic studies show the number of students at degree-granting institution is approximately 21 million. Currently, 67% of students are covered under their parents' employer-sponsored group plan, 20% are uninsured, 7% are covered under an individual program, which include university health insurance programs, and 6% are covered under public-health insurance programs (Block, 2013).

Typically, students can get the best coverage through their parent's health insurance. However, some of these programs do offer students ideal coverage when relocating out-of-state to attend school. College-provided health plans seem to be affordable and they only do a good job in handling immunizations and flu. According to a 2008 study by the Government Accountability office, 30% of colleges and universities require students to have health insurance as a condition of enrollment (Block, 2013).

The lack of current health insurance options for college students has created an opportunity for U-surance to provide a service to encourage students to maintain healthy life styles and enjoy lower insurance premiums.

Our target market is college students between the ages of 18 and 26 years and who exercise regularly. Statistics show that enrollment at universities increased 37 percent, from 15.3 million to 21.0 million between 2000 and 2011. The number of full-time students rose 45 percent, while the number of part-time students rose 26 percent (U.S. Department of Education, National Center for Education Statistics, 2012). This is a growing market U-surance can grow with. Just like credit card companies that issue credit cards to college students to encourage them to start early, U-surance wants students to keep using its services even after they graduate from college.

Another potential market is people who own self-track systems and already live with a healthy lifestyle. Even if these individuals are not college students, U-surance can reward them with retail discounts and lower health insurance costs.



PAIN POINT

The team conducted a survey to learn more about the current insurance environment and found that the university-offered health insurance is not very affordable and does not provide sufficient coverage (Survey & Results, EXHIBIT). Moreover, there is no opportunity to earn better insurance coverage or lower insurance premiums for individuals who live a healthy, active lifestyle.

Studies show that obesity is increased from 15% in 1976 to 34% in 2007 ("Wellness and Beyond," 2008). The estimated obesity costs for 2008 were \$147 billion ("Wellness and Beyond," 2008). Research has shown that obesity can lead to other health problems such as heart conditions, joint disorders, and hypertension. These ailments cost the industry \$95.6 billion, \$57 billion and \$74.4 billion respectively ("Wellness and Beyond," 2008). These high occurrences of health disorders and their associated costs have led people to become more health conscious, making physical fitness one of the top three health improvement programs ("Wellness and Beyond," 2008).

INCENTIVES DRIVEN BEHAVIOR

The team researched on how incentives could influence behavior and based on the findings, they discovered that there were several students who do not feel motivated enough to perform fitness activities, but would be willing to do so if incentivized with rewards (Survey & Results, Exhibit).

Further, the team also discovered a niche market of university students who wanted lower insurance premiums and better insurance coverage. The value proposition of the company is thus to offer these students exactly what they want in exchange for living an active lifestyle.

Rewards and Incentives

Research shows that small rewards are more effective in motivating the right behavior than large rewards (Benaroya, personal communication, February 7, 2013). There is a higher tendency to cheat and misrepresent data for acquiring the large rewards. Another observation is that long-term rewards also attract people if they seem achievable and offer them considerable benefits (Benaroya, personal communication, February 7, 2013). Based on this research the company plans to attract university students by offering them an initial set of rewards for smaller achievements.

Short-term Rewards

The initial set of rewards would be small rewards such as discounts in student popular categories such as:

- Textbooks
- Food/coffee
- Priority class scheduling/registration
- College sports/ games
- Tickets to Professional and entertainment based events
- Rent
- iTunes
- Gas
- ZipCar/FlexCars
- University merchandise/ fan gears

The idea of providing such rewards and incentives will attract price-elastic and health conscious students. A reasonable argument for them will be to demand for a more cost effective insurance plan as they are physically fit and will make fewer health claims.

Long-term Rewards

The long-term goal is to identify the users of the program who are more consistent with their physical activities over a considerable period of time and introduce them to lower cost insurance. To make this happen, U-surance will negotiate with insurance companies to provide them discounts in insurance premium.

Key Activities

Through the following key activities, the company seeks to offer the desired value proposition, reach markets, maintain customer relationships and earn revenues. We have simple steps for customers to get involved and rewarded in our program – Sign-up, Register your device/app, perform your regular fitness activities, Get Rewarded! To participate in the program the users need to sign up on the website and register with their health tracking band or a list of health tracking apps on the phone. The company's back-

end system tracks the physical activities each member performs and offer them discounts on consumer goods.

The company will also create a social side to this by awarding bonus points for referring friends to the program. This will raise the motivation to have their friends join them and support their workout plans and also explore other workout ideas by seeing what others are doing. The social networking element will accelerate the participation in the program and make it go viral among university students. Another factor about using social networks is to make physical fitness seem more fun and enjoyable.



Go to Market Strategy

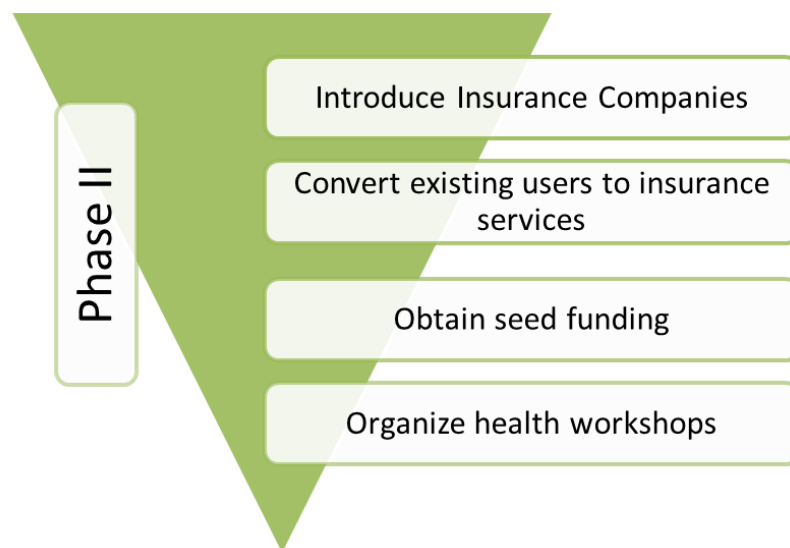
Phase I

In the first phase, the company seeks to build a platform to retrieve data from the band manufacturers, analyze them, determine the reward points for members and realize their reward from retailers. Testing platform and tuning the engine of growth will be an ongoing key activity. To recruit customers, the company will hire marketing staffs and concentrate its marketing activities targeted for UW registered students. The goal of phase I key activities is to recruit 10,000 members and prepare at least 10% of them to sign up for the phase II insurance service as well.



Phase II

Besides constantly improving operational platform and customer acquisition, key activities for phase II includes introduction of insurance services in the company's program and modification of business model thereof. Marketing efforts will be concentrated on encouraging/motivating existing members to sign up for insurance service and recruiting new customers as well. Obtain seed funds through either angel investors or venture capitalists will be another key activity of the company. The goal of phase II key activities is to expand up to three insurance companies, seek customers from all over the Washington state and identify additional ways to offer incentives. The company plans to organize health workshops in University of Washington where physical fitness of the members will be tested and awarded based on the criterion determined by health professionals.



Customer Relationship

The Marketing & Sales team will create and maintain the customer relationships. Some of the strategies that we will implement are guerilla marketing, setting up stalls at events, distributing brochures and word of mouth, which are proven effective and low cost options for attracting students.

The Marketing & Sales division will also invest in interacting with students to learn what features they may want to add to the program and the kind of incentives they value the most. This sort of feedback mechanism from our users will help both attract new customers and retain existing ones.

Another tool to connect with customers as the customer base increases would be via sending email alerts about how close they are to achieving their next reward and updates about what fitness activities their friends are doing. This will help improve the company connect with the users while also keeping them motivated to participate actively in our program. The company will also have a contact us section on our website through which our users can write feedback messages for us or ask questions.

Key Partners

Success of this U-surance rests heavily on the network of suppliers and partners that will allow the company to offer value to its customers. Identifying partners and establishing relationships with them allow the company to achieve economies of scale, risk reduction and resource acquisition. Self-tracking band manufacturers like NikeFuel, insurance companies, and retailers are the company's key partners. Further, friends and family for bootstrapping, angel investors and venture capitalists for future growth remain key partners in company's business model.

In the first phase, the company will establish partnership with band manufacturers which will track, record and analyze physical activities of our member students. The data they provide to the company are critical in assigning reward points to members which determine the amount of reward they receive from company's partner retailers. Likewise, the company will have partnership with retailers where customers get their benefits of being physically active. The company website serves as the interface between members and the company. Through the websites, students register to become a member, track their physical activity, get informed about reward points and purchase discounted consumer products. Continuous operation of the website and data security is essential for the success of the company. It (the company) also seeks to acquire seed funding through bootstrapping. Hence, the friends and family network of all the six co-founders are valuable partners to get this project started.

In the second phase, the company takes a new dimension by including cheaper health insurance policies for customers. Students who perform regular physical activities and remain physically fit are entitled for subscription to insurance policies at lower cost. As a result, the company would need to establish partnership with insurance companies as well. One key insurance partner might be SeeChange Health, an insurance service provider that is looking for ways to change its clients' behavior to keep them physically fit and thereby lower their insurance costs (Federer, 2013). Moreover, to embark into new dimension and also for a sustained growth, the company requires additional funds, which the company plans to generate from angel investors and venture capitalists who believe in the company's vision.

Channel

U-surance's sales strategy will be based on person-to-person contacts through referrals, direct mail, telemarketing and the Internet. In Phase I, the company will introduce the service to students through student organizations, social networks and campus press media. The website will allow students (members) who use the service to keep track of their fitness records and reward points. In Phase II, the sales team will contact potential prospects for insurance sales. The company will also partner with self-tracking system retailers to offer our service to their customers.

Key Resources and Needs

As mentioned earlier, for this Project to take off, the company needs to align with the right type of investors and funding resources to facilitate the different activities.

To optimize the throughput of what we intend to accomplish, the company will spread the project over two main phases and one Pre-Phase, as described below.

The company started out with Pre-Phase, which included all the major activities that laid the foundation of this project and enabled the founders to develop and refine the business plan. The group started off with coming up with an idea that was similar to current idea that the group intend to implement, and discussed this with many Entrepreneurs and Startup CEOs in Seattle who were familiar with the field of business in varying degrees. This allowed the group to gain significant perspective and enabled it to refine and develop the business plan and the chain of activities that needs to be followed.

This was simultaneously accompanied with performing primary and secondary research, which was performed by all the six founders in all the relevant fields which provided the group with the ingredient information in terms of feasibility and scope of all the intended activities, latitude of revenue, segment of target customers, and our business plan in general.

Towards the end of this phase, the founders were able to derive the measures in which the company would perform various activities in the two following Phases, and were able to project the cost estimation of the entire project till breakeven based on high degree of granularity of the data gathered in the Pre-Phase.

The First phase begins on March 18 and will run for 9 months until the end of December 2013. The main activities in this phase include recruiting retailers based on the Pre-Phase research, building the appropriate software platform that the customers can interact with, and acquire customer through extensive marketing at the University of Washington.

The company intends to fund this phase initially by bootstrapping, which will also take place in Phase I. The advantage here is that funds can be obtained by convincing capabilities and initial relationships alone. The amount of bootstrap funding is only a fraction of the total amount of money required for running the two phases, and hence would be easier to obtain, as compared to procuring money to meet the requirements for the two phases.

After the company builds the necessary infrastructure for the incipient business, it will begin testing the business model and make the refinements as necessary. The goal for this phase is to reach an initial customer base of 10,000 by December 2013. During the period of this phase, when the company has built sufficient credibility, which will be based on our state of resources and user base, the company shall seek out seed investors like Y-Combinator to fund our business further and meet our remaining future requirements, the amount being \$25,000 to \$50,000 (depending upon the bootstrapping amount left and the additional foreseeable needs that crop up). In addition to this, these types of investors will help the founders with training and networking, which will allow the founders to build a stronger base and broaden our reach further.

Towards the last four months of Phase 1, the company will start recruiting the right insurance companies, and prepare for the activities to be performed in the next phase (Phase 2).

The Second Phase shall begin in January 2014. In this phase, the company plans to introduce insurance companies into the business plan based on the research on them in Phase 1, with prime target being converting the current customers to insurance sales and expanding to other universities for more customers.

The company will start by partnering with one Insurance company and recruiting sales people. Although the primary objective is to convert the existing customers, the company will market the new product to

other people as well who come under the segment we are targeting. This will allow the company to expand to other universities in the Washington state, which will allow it meet our goal for Phase II.

During this time, the company will refine the business model and research more Insurance companies to decide with whom to partner. In the beginning of the last three months of this phase, the company aims to introduce a total of three insurance companies as partners to the customer base and develop the business model further in terms of scalability and the additional features that will be inherent to it.

Financial Management

Cost Structure

As previously mentioned, the company expects the industry to consolidate (Rickert, personal communication, February 28, 2013) and for insurance companies to reduce the commissions paid to brokers (Lambdin, P. & Shapurji, D. 2011). As a result, the company will need to have a low cost structure, which will allow it to take advantage of the changes in the industry. In order to complete Phase I of the business plan with limited capital, the six founders will play the roles outlined below without drawing a salary. Even with cheap labor, there will still be expenses the company needs to fund to complete Phase I and lay the groundwork for Phase II. There are three major areas where the company will focus its effort; Website & Platform Development, Marketing & Sales, and Administration & Compliance.

Website & Platform Development

The website will act as the primary point of interaction for all customers. This is where the customers will login, sync their self-tracking device to the system, view points, and purchase discounted consumer products. The team of web designers will make the website easy to navigate and place a focus on customer engagement. In addition, the front-end of the website, the company will have to develop a back-end platform that tracks fitness points and converts them into a single, universal measurement that customers can use for discounts on consumer products. This means the platform will have to sync with various self-tracking device manufacturers such as Nike, FitBit, and RunKeeper. This platform will be very similar to EveryMove, which was one of the companies consulted during the research of this plan. In order to accomplish this, the company will need to hire one engineer to assist the founding team with the development and maintenance of the site. The team expects the back-end development to incur most of the money allocated to this department.

Marketing & Sales

Within the marketing and sales team, there are two main objectives. The first objective is to get in front of students, educate them about the program, and encourage them to sign up on the website. The founding team will align itself with student organizations and set up informational booths at the beginning of each quarter in order to reach the student body. Additionally, the company plans to reach students at the University of Washington through social media marketing by linking a person's physical fitness accomplishments to his or her social profile.

The second objective for the Sales & Marketing team is to recruit retailers to offer discounts on the company's website. The team will recruit both local and online retailers that wish to market directly to

University of Washington students. Two of the founders will act as the lead in this department and coordinate part-time employees as needed.

Administration & Compliance

The last area of focus is the Administration & Compliance team. The main objective for this team in Phase I is to run the administration duties of the office and set up relationships with insurance companies. Once Phase I is complete, the relationships with the insurance companies will allow the company to offer discounted insurance to its customers. When brokering insurance, the company will need to make sure it is in compliance with the industry regulations. Additionally, the company will need someone who can monitor trends in the industry and help the company position itself to capitalize on any future changes. One of the founders will join an additional employee, who has insurance brokerage experience, to lead these efforts and build a launching platform for Phase 2.

Revenue Streams

The company will have two revenue streams, one of which is a loss leader and one of which will generate most of the company's profit. In order to attract customers, the company will offer discounts on consumer products. Each time customers purchase items through the website, the company earns a transactional fee from the retailer. The company expects the amount of money earned from this stream to be minimal but will help fund the operations.

The main revenue stream comes in Phase 2 when the company offers insurance to its customers. This means the company will act as an insurance broker and earn profit each time the customers purchase health insurance. Based on future industry changes, the company expects to earn 6-9% from each policy on a yearly basis (Lambdin, P. & Shapurji, D. 2011). The changes in the insurance industry are forcing universities to raise premiums and insurance companies to pay only their top brokers (Lambdin, P. & Shapurji, D. 2011 and Roy, A, 2012). The company has an opportunity to capitalize on these trends by having a lower cost structure and getting in front of students who need insurance. Over a five-year period, the average number of students who enrolled in University of Washington's undergraduate health plan, SHIP, was 3,745 (University of Washington, 2011). This represents the absolute highest number the company could attract within the target market. If the company is able to attract these students, it could earn as much as \$449,400 to \$674,100 (Exhibit)

Conclusion

U-Surance targets university students who perform fitness activities regularly and seek incentives to keep themselves motivated. It (the U-Surance) introduces them to a better health insurance plan with lower premiums owing to the fact that they have a record of physical fitness and hence file lesser claims. By leveraging the expertise in platform development and marketing and sales, the company will create awareness among university students, attract them to the website and award them with discounts on consumer products for regularly performing physical fitness activities. Their progress on fitness activities will be tracked through fitness tracking bands and apps. The users will be encouraged to refer others in their social network to the program, which facilitates both motivation and enjoyment. Once the company acquires a considerable number of customers and creates a track record of their consistent physical activities established, it will negotiate with insurance companies to offer them better insurance plans with

lower premiums. The relationships with retailers to provide discounts on consumer products; fitness tracking band manufacturers to integrate with our offering; and insurance companies to accelerate to higher revenues in the second phase, will be crucial.

The business model is based on various assumptions, which require periodic validation at different stages. The founders plan to consult with advisors and revisit the strategy based on data gathered about key assumptions. This will help pivoting with respect to target segments, revenue model or other areas to maximize customer base and associated profits. The company seeks to motivate a healthier lifestyle while considerably reducing insurance costs.

Appendix

Our Team

Aarti Bindlish is a Program Manager at Microsoft and has deep expertise in delivering products and services for a variety of applications. Previously, she gained extensive experience in Retail and Business growth at Amazon. She is passionate about market research, customer targeting and segmentation.

Abhigyan Kaustubh is a Graduate Student at University of Washington, Seattle, with Concentration in areas of Information Management and Technology Entrepreneurship. He got his Bachelor of Engineering degree in Computer Science from University of Mumbai. He has been Event Planner and the Head of Marketing and Sponsorship Teams during College Technical and Cultural festivals, and held the positions of cofounder and Board Member for the Computer Society of India (CSI) Student Chapter at his undergrad college.

Brijesh Sharma works as a Senior Engineer at Nepal Telecom and has several years of experience of running a mid-sized technology based organization. He is currently under Hubert H. Humphrey Fellowship Program at the UW, Evans School pursuing courses in the field of Technology Policy and Management. He is passionate in learning and contributing in the field of Innovation and Entrepreneurship.

Justin Warren has extensive experience in Project Management and Business Development. After traveling around managing the development large-scale construction projects for his employer, Justin decided to go back to school to earn his MBA. Recently, he got the entrepreneur spark and is now driven by the joy he receives when developing successful companies.

Raksha Viswanatha is an MBA student in the Foster School of Business at the University of Washington. She has an electronics and communication engineering degree from the PES Institute of Technology, Bangalore, India. She is currently working with Deurion as part of a University of Washington Center for Commercialization internship. Prior to that, she worked at EMC Corporation as a Software QA Engineer.

Ming Wen is senior graphic designer for a newspaper group. In this position, he manages regular publications and annual projects. Ming received a Bachelor of Arts degree from University of Washington. He is currently under TMBA program at University of Washington Bothell.

Assumptions that need to be tested further

During the company's research process, the founders made some assumptions. The company needs to test these assumptions need before any large amount of resources are invested. The assumptions are the following:

- a. No backlash from UW
- b. Company can find insurance company to offer lower rates
- c. Self-tracking device (bracelets and iPhone apps) will continue to be strong
- d. Students find enough value in the discount to become a member
- e. Student conversion into insurance customers

Fail to test these assumptions could cause substantial harm to the company's business model. The team needs to identify the best and fastest way to uncover the truth and mitigate the risk. The test could take numerous forms such as talking to customers or prospects (students), formal market research, surveys, talk to school board, and communicate with insurance companies. The first four assumptions need to be tested before phase one and the last assumption need to be tested before phase two.

Primary Research

Customer Interviews

"I haven't taken University Insurance. I work with Costco and it has a very very low premium with good coverage. Also, the UW premium is rather high..."

"Before coming here, we were told that International students need to buy UW insurance as part of the registration..it was kinda mandatory, and after that we have been on the same plan..which is ridiculously expensive!"

"..UW insurance premium is rather high. I have just visited the doctor once here, and despite the steep premiums we pay, I was charged with \$170 AFTER Insurance deductions. And that was just for seeing the doc for 10 minutes.."

"..No idea why they charge so much. The tuition is already on the higher side compared to other universities here...Most of my friends in other universities here pay not more than \$500 for the entire year..and they are from pretty good universities..I pay \$700 for each quarter..and I still need to shell out a load of money everytime a visit the medical center.."

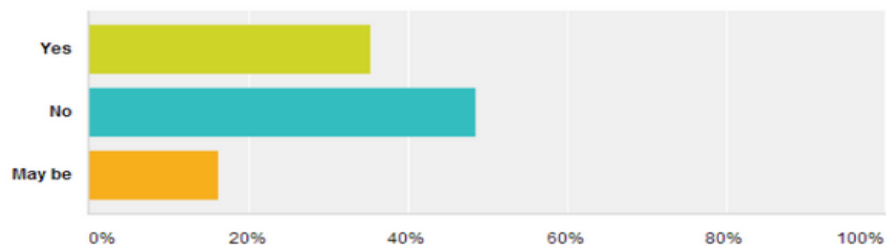
"..I am paying like \$700 every quarter for two years now..haven't visited the docs even once. Haha..in fact, it would be good if I fall sick once so that I can claim some of that money back.."

Exhibits

Survey 1

Do you feel reluctant to buy Video Game Consoles (XBox, Nintendo, Playstation etc.) for your child because you think it is not good for your child's physical health?

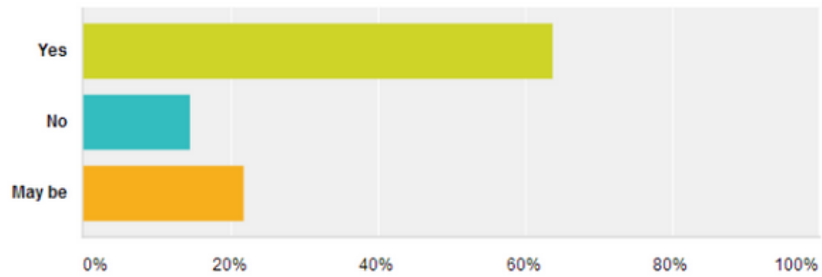
Answered: 68 Skipped: 1



Answer Choices	Responses
Yes	35.29% 24
No	48.53% 33
May be	16.18% 11
Total	68


Would you be more inclined to buy a Video Game Console if you felt that it would help make your child more physically fit?

Answered: 69 Skipped: 0



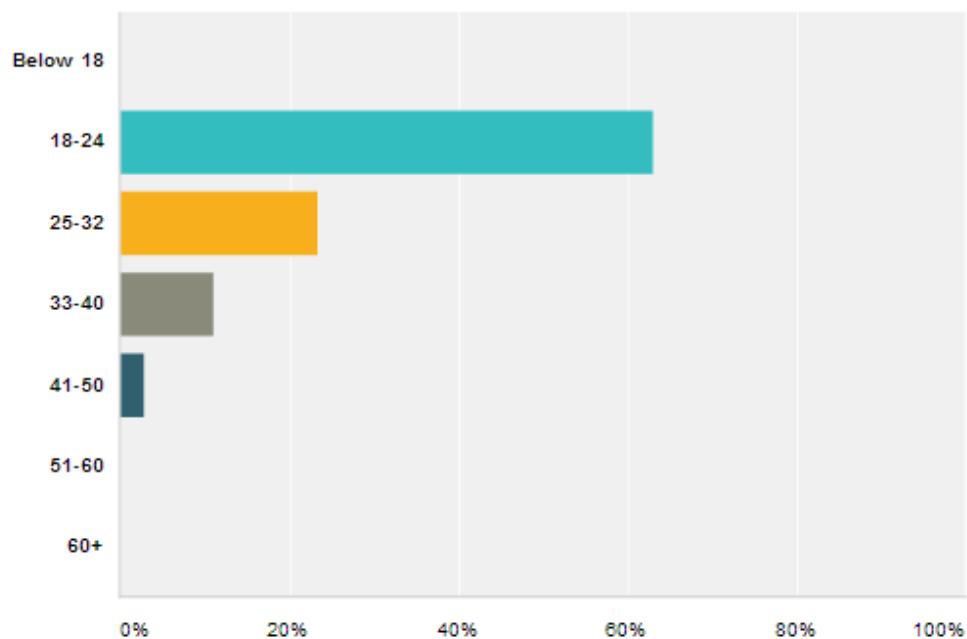
Answer Choices	Responses	
Yes	63.77%	44
No	14.49%	10
May be	21.74%	15
Total		69

Survey 2

TITLE	MODIFIED	RESPONSES	ACTIONS
Survey for Primary Research Created February, 19 2013	02/25/13	73	  

Q1: Which age range of the following encompasses your college years (Undergrad/ Grad) most accurately?

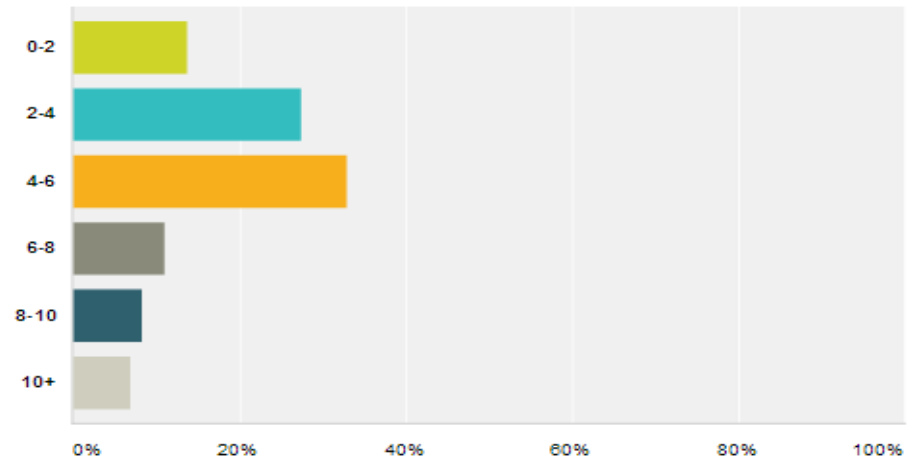
Answered: 73 Skipped: 0



Answer Choices	Responses	
Below 18	0%	0
18-24	63.01%	46
25-32	23.29%	17
33-40	10.96%	8
41-50	2.74%	2
51-60	0%	0
60+	0%	0
Total		73

Q2: On an average, how many hours per week do you/did you used to engage in physical exercise (during college years)?

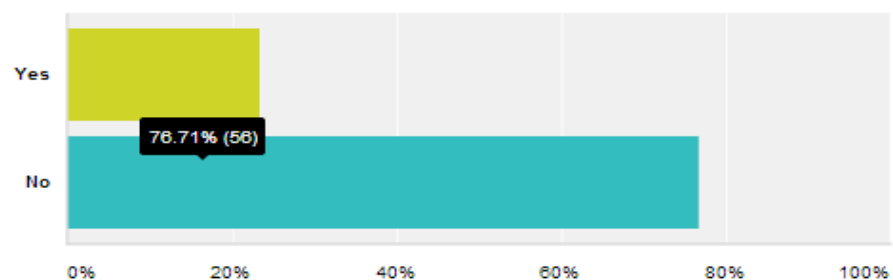
Answered: 73 Skipped: 0



Answer Choices	Responses
0-2	13.70% 10
2-4	27.40% 20
4-6	32.88% 24
6-8	10.96% 8
8-10	8.22% 6
10+	6.85% 5
Total	73

Q3: While you are/were attending college (undergrad/grad), do you/did you obtain health insurance offered by your college?

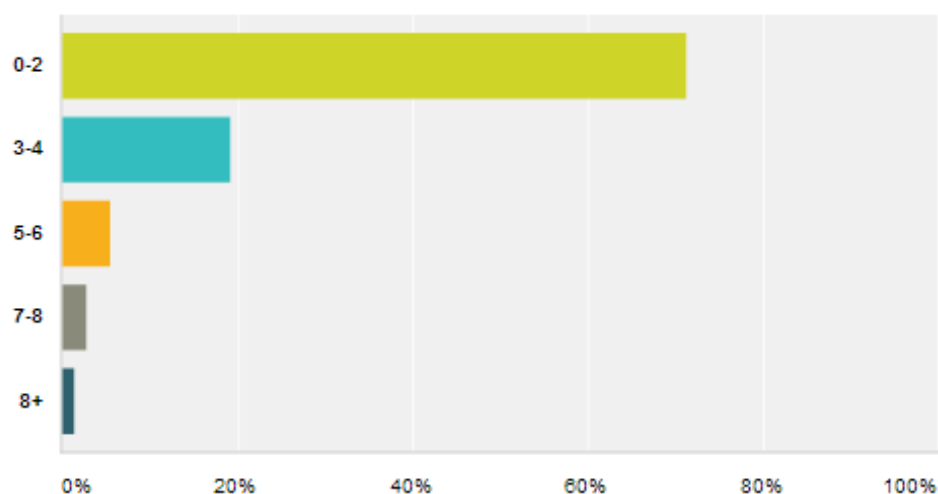
Answered: 73 Skipped: 0



Answer Choices	Responses
Yes	23.29% 17
No	76.71% 56
Total	73

Q4: During college years, how many times did you make a claim on your health insurance per year? (offered either by your university or some other agency)

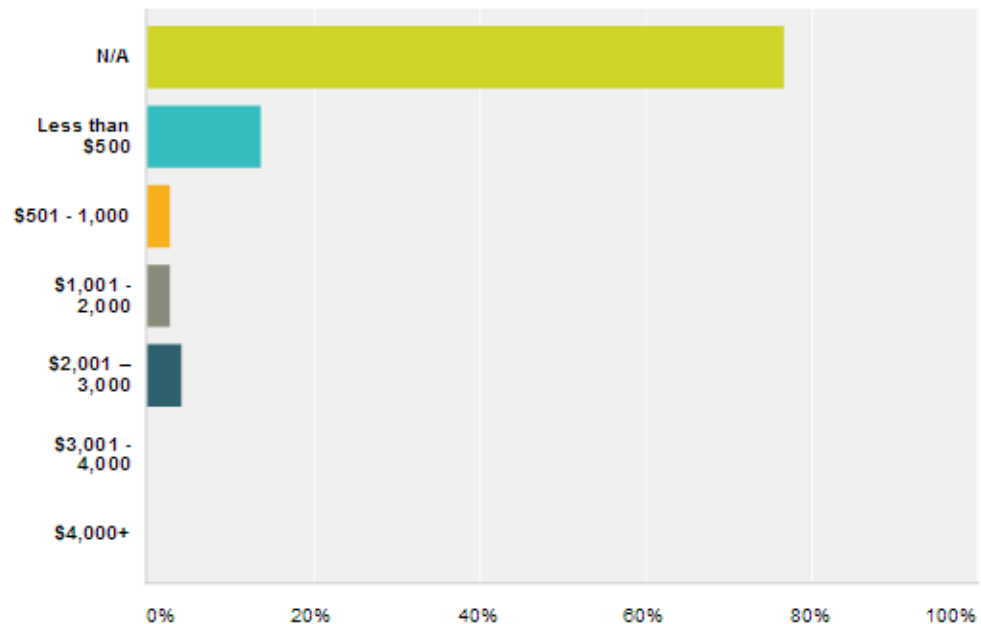
Answered: 73 Skipped: 0



Answer Choices	Responses	
0-2	71.23%	52
3-4	19.18%	14
5-6	5.48%	4
7-8	2.74%	2
8+	1.37%	1
Total		73

Q5: If you used the health insurance offered by your university, how much did you pay per year for the insurance policy?

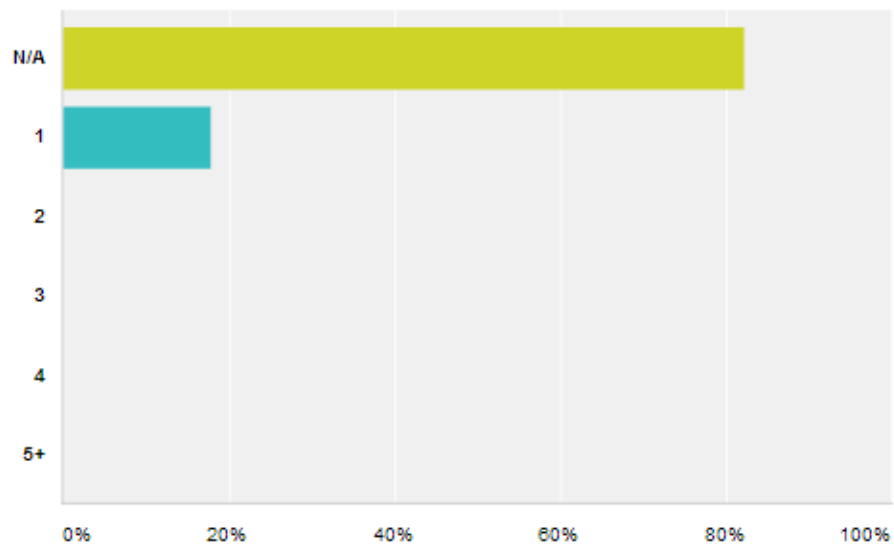
Answered: 73 Skipped: 0



Answer Choices	Responses	
N/A	76.71%	56
Less than \$500	13.70%	10
\$501 - 1,000	2.74%	2
\$1,001 - 2,000	2.74%	2
\$2,001 - 3,000	4.11%	3
\$3,001 - 4,000	0%	0
\$4,000+	0%	0
Total		73

Q6: If you used the medical insurance offered by your university, how many people were covered in your insurance policy, including you?

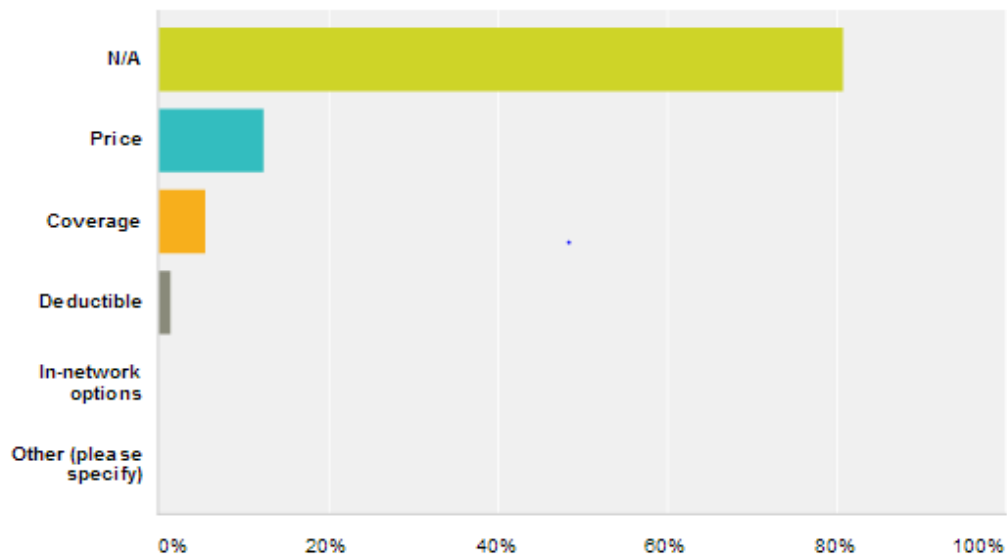
Answered: 73 Skipped: 0



Answer Choices	Responses	
N/A	82.19%	60
1	17.81%	13
2	0%	0
3	0%	0
4	0%	0
5+	0%	0
Total		73

Q7: If you used the health insurance offered by your university, what did you like the MOST about the policy offered ?

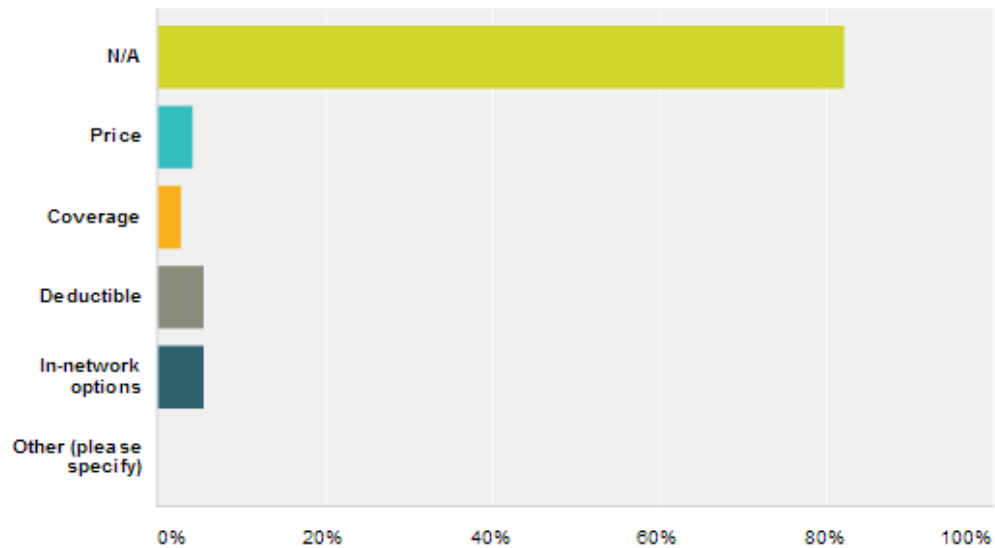
Answered: 73 Skipped: 0



Answer Choices	Responses	
N/A	80.82%	59
Price	12.33%	9
Coverage	5.48%	4
Deductible	1.37%	1
In-network options	0%	0
Other (please specify)	0%	0
Total		73

Q8: If you used the health insurance offered by your university, what did you like **LEAST about the policy offered?**

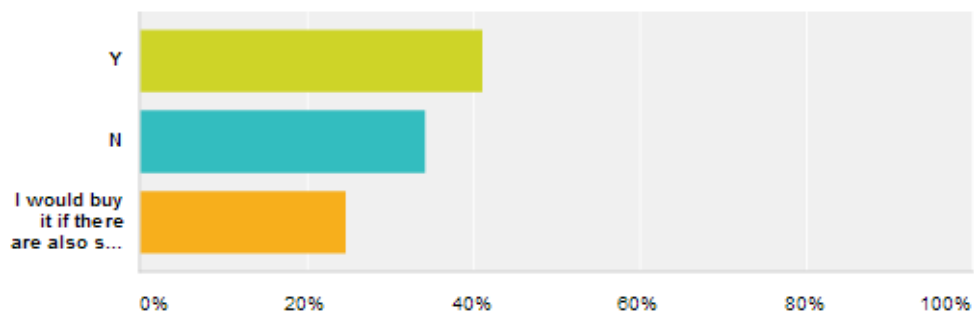
Answered: 73 Skipped: 0



Answer Choices	Responses	
N/A	82.19%	60
Price	4.11%	3
Coverage	2.74%	2
Deductible	5.48%	4
In-network options	5.48%	4
Other (please specify)	0%	0
Total		73

Q9: Assuming you do not currently own a self-tracking device that allows you to measure your physical activity in terms of number of calories burnt, would you be interested in buying such a device in the next 24 months (like Nike Fuelband, FitBit, Garmin Forerunner, etc.) ?

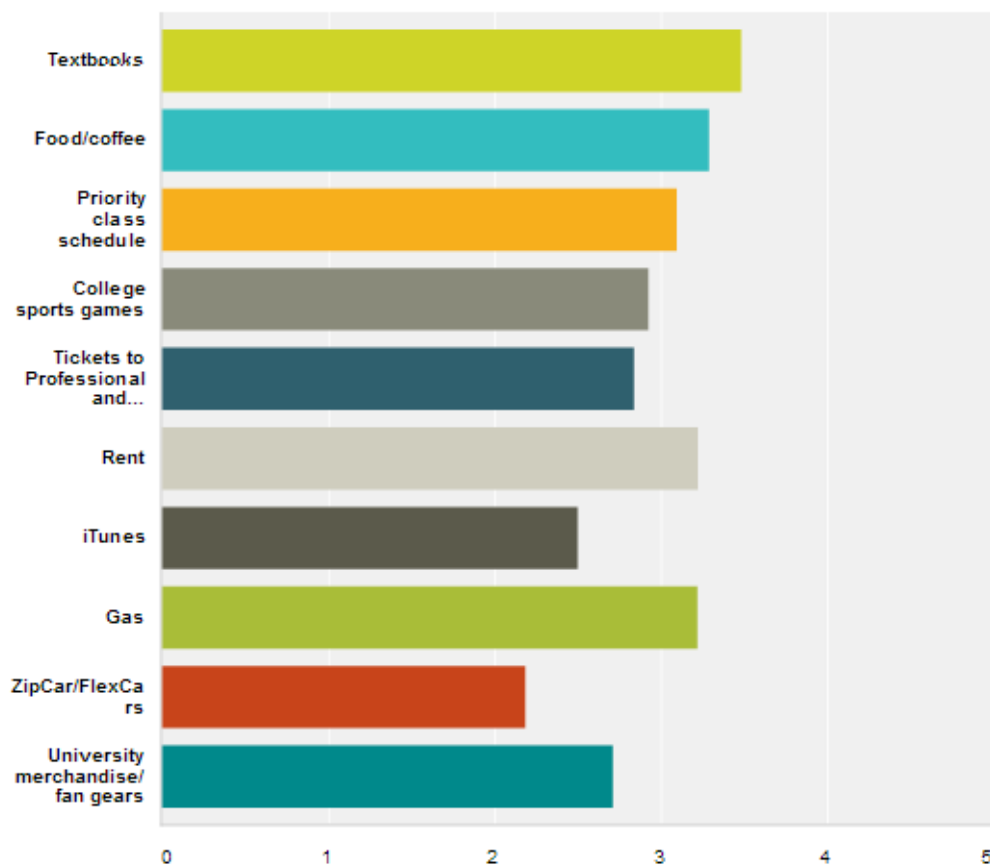
Answered: 73 Skipped: 0



Answer Choices	Responses
Y	41.10% 30
N	34.25% 25
I would buy it if there are also some other incentives associated with it than just fitness tracking.	24.66% 18
Total	73

Q10: If you received points for working out the same amount that you currently do, what types of incentives would you like to earn if you are/were attending university? Please indicate your order of preference for at least 5 of the mentioned things on which you would like to receive discounts (from left to right, with the rightmost indicating the most preferred):

Answered: 73 Skipped: 0



	(no label)	(no label)	(no label)	(no label)	(no label)	Total	Average Rating ▼
Textbooks	16.13% 10	8.06% 5	17.74% 11	27.42% 17	30.65% 19	62	3.48
Food/coffee	13.85% 9	20% 13	13.85% 9	27.69% 18	24.62% 16	65	3.29
Rent	16.13% 10	25.81% 16	8.06% 5	19.35% 12	30.65% 19	62	3.23
Gas	17.46% 11	17.46% 11	19.05% 12	17.46% 11	28.57% 18	63	3.22
Priority class schedule	23.08% 12	7.69% 4	26.92% 14	21.15% 11	21.15% 11	52	3.10
College sports games	22.22% 12	16.67% 9	22.22% 12	24.07% 13	14.81% 8	54	2.93
Tickets to Professional and entertainment events	20% 10	22% 11	22% 11	26% 13	10% 5	50	2.84
University merchandise/ fan gears	21.15% 11	25% 13	26.92% 14	15.38% 8	11.54% 6	52	2.71
iTunes	32.61% 15	21.74% 10	19.57% 9	15.22% 7	10.87% 5	46	2.50
ZipCar/FlexCars	39.53% 17	25.58% 11	16.28% 7	13.95% 6	4.65% 2	43	2.19

Secondary Research

The following table describes how our idea evolved during the primary and secondary research:

IDEA	SEGMENT	RESEARCH	CONCLUSION
1. Incentivizing Video Gamers to increase physical activity by pairing with the makers of the top video games and tracking the gamers' physical activities and awarding them points which will help them in winning new levels on their video games, and other financial discounts.**	Avid video gamers. (Ages from 10 to 40)	<ul style="list-style-type: none"> • Already too many big companies are into it. • Would also require pairing up with major game developing companies and expecting them to modify their product to incorporate our model. 	<ul style="list-style-type: none"> • Too many loopholes and assumptions. • Very little to offer to the gaming giants. • No economic feasibility. •
2. Tracking and increasing physical activity of employees of companies and rewarding them with lower health insurance premiums.	Employees of any major companies (Ages 21+, companies with more than 500 employees)	<ul style="list-style-type: none"> • Alcohol, depression, drug addiction is where employers lose a lot of productivity from their employees. • Changing behavior of people is very difficult. 	<ul style="list-style-type: none"> • Quantified self is good (especially on the Westcoast) but the market is not sustainable. • Employers are more concerned about the main reasons for loss of productivity, rather than secondary reasons that may diminish productivity.
3. Current Idea- Tracking and increasing physical activities of college students by incentivizing them by giving out various discounts on select products preferred by the majority of students, and later on providing the opportunity to gain health insurance premium benefits by buying insurance through us, instead of the university insurance.(We would be partnering with Insurance companies**)	College Students (Ages 18 to 35 years old)	<ul style="list-style-type: none"> • Over 94% of college students maintain a Facebook profile, hence would provide great marketing opportunities. • Commission for brokers is undergoing a change. from 10-20% down to 6-9% • 30% of colleges require students to have health insurance • 2/3 covered by parent's plan, which may not travel well to universities in other states. • College plan typically offer scaled down plans. 	<ul style="list-style-type: none"> • Best business idea yet. • Is a 2 phase process for establishing foundations, with revenue starting from 3 months into phase 1 itself. • Financially sustainable. • Short breakeven time (By the end of phase 2).

			<ul style="list-style-type: none">• The students on university insurance are not happy with the amount of premium they have to pay***.• Possible backlash from the Universities (UW).• Insurance companies would be hesitant to pair up with us as we would be rivaling their partnership with universities, which is a very lucrative market for them at present.• The initial financials for the business can be done by bootstrapping/ or Y Combinator type seeding (preferred).	
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