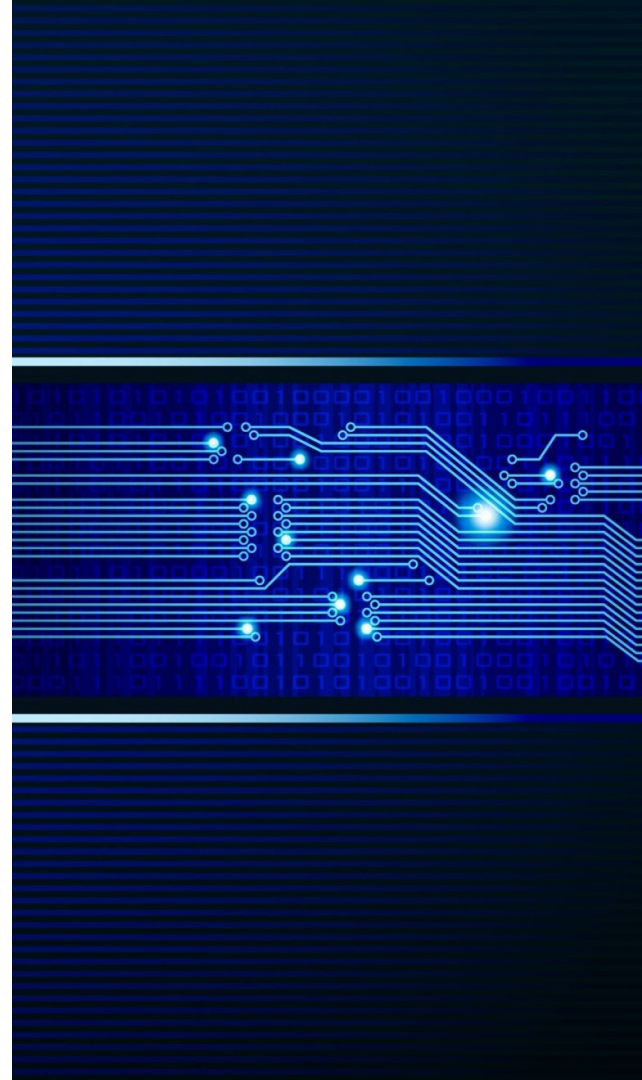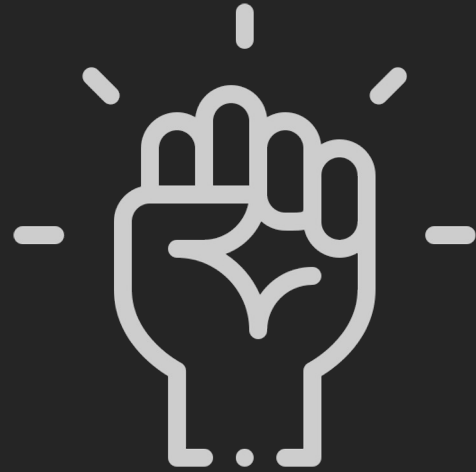# Digital Care Clinic

Case Study
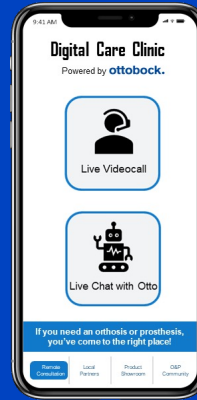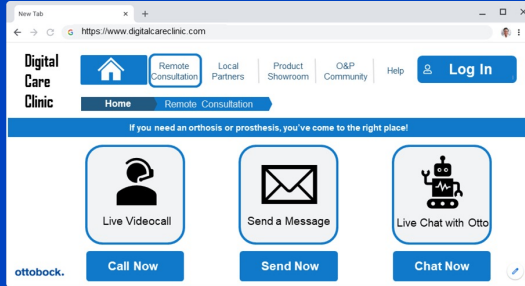
By Dr. Andreas T. Bachmeier, MBA

Motivation

Provide a **centralized point of contact** for patients looking for medical assistance and treatment **online**!

Be the *Doctolib* of your specific industry! Take over the **patient referral** and funnel patients to **partner doctor's offices** for optimal treatment with your company's solutions like **Booking.com** did in the hotel industry!

Summary

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**

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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.

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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

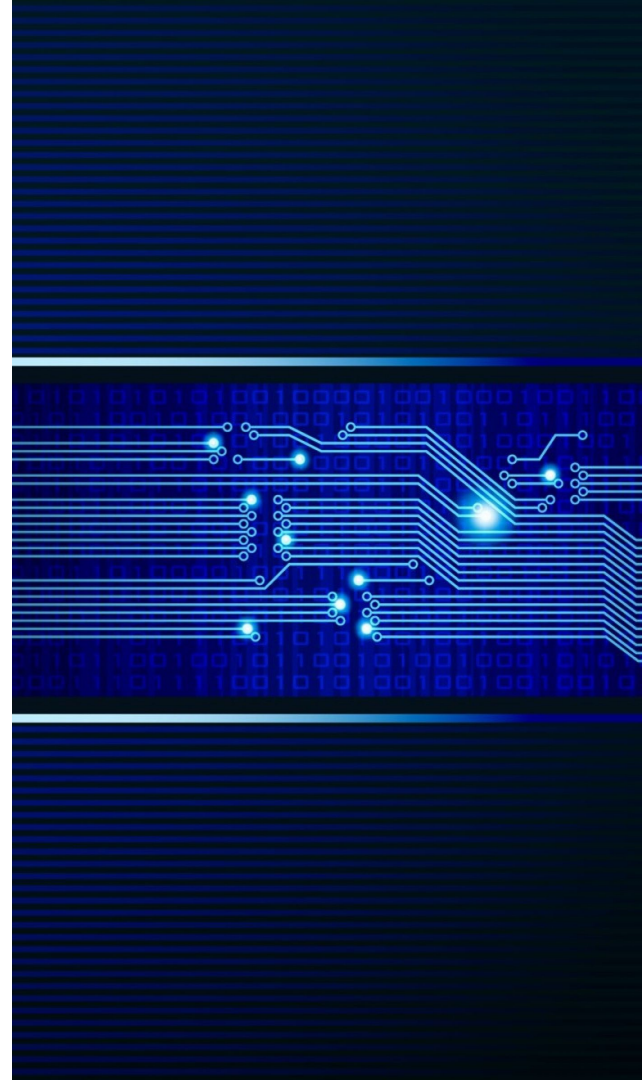Reliable, fast and worry-free user journey for initial and repeated supply of an orthosis or prosthesis

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

Personality

Feeling — Thinking

Egoistic — Altruistic

Introvert — Extrovert

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 statisfied. He likes to use online services to safe time and reduce stress.

Motivations

Power

Growth

Achievement

Skills

Tech & Analytics

Leadership

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

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Persona Canvas

NEGATIVE TRENDS
Negative trends from the environment

- Limited time at the doctor
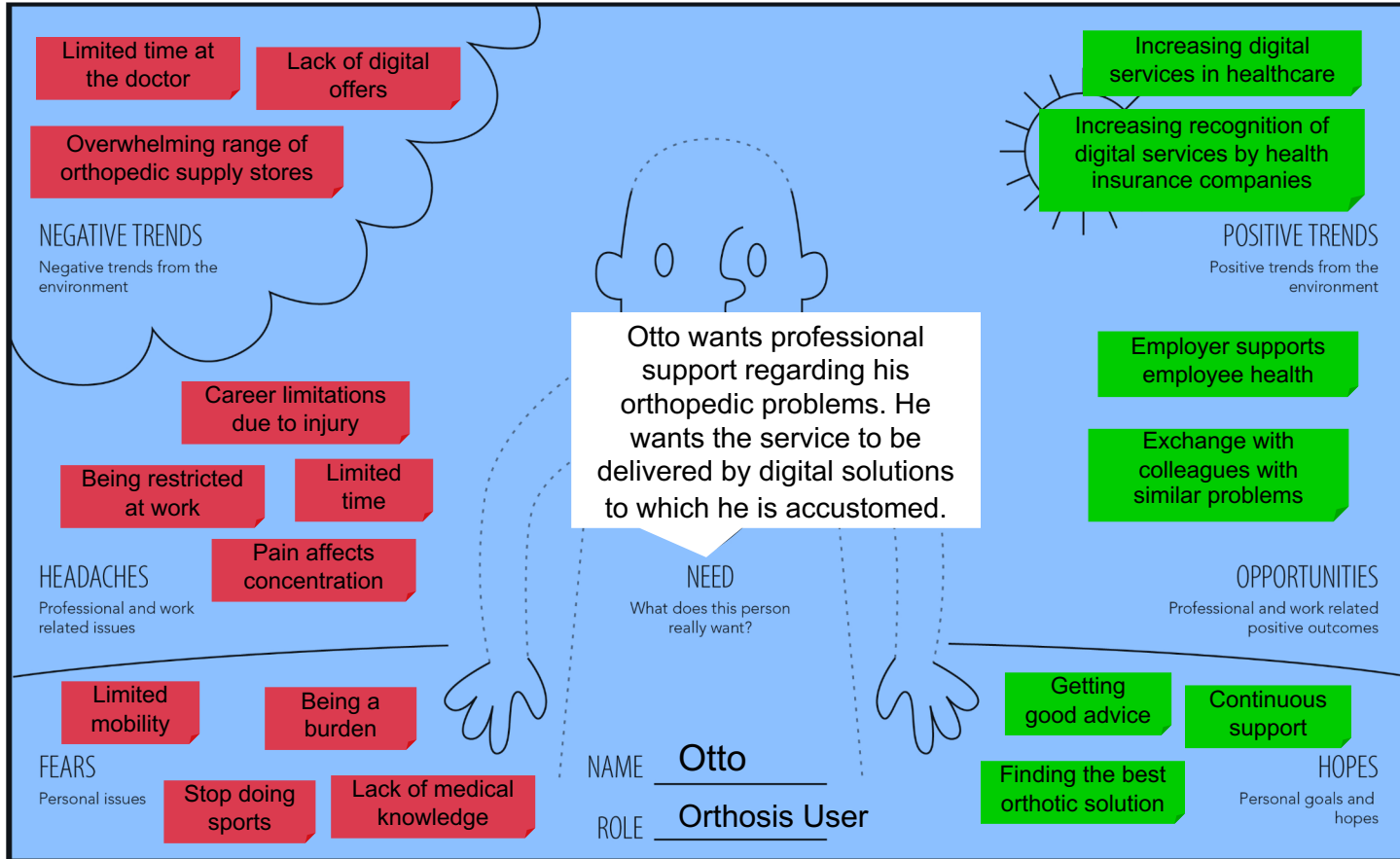- Lack of digital offers
- Overwhelming range of orthopedic supply stores

HEADACHES
Professional and work related issues

- Career limitations due to injury
- Being restricted at work
- Limited time
- Pain affects concentration

FEARS
Personal issues

- Limited mobility
- Being a burden
- Stop doing sports
- Lack of medical knowledge

NEED
What does this person really want?

Otto wants professional support regarding his orthopedic problems. He wants the service to be delivered by digital solutions to which he is accustomed.

NAME: **Otto**

ROLE: **Orthosis User**

POSITIVE TRENDS
Positive trends from the environment

- Increasing digital services in healthcare
- Increasing recognition of digital services by health insurance companies
- Employer supports employee health
- Exchange with colleagues with similar problems

OPPORTUNITIES
Professional and work related positive outcomes

HOPES
Personal goals and hopes

- Getting good advice
- Continuous support
- Finding the best orthotic solution

BY **DESIGNABETTERBUSINESS**.COM

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User Journey

Medical Prescription

AWARENESS	CONSIDERATION	ACQUISITION	SERVICE	LOYALTY

Status quo

POSITIVE | NEGATIVE

- **1** The user wants to obtain a prosthesis or orthosis and does not know where to start
- **2** The user does not find a solution and visits a local orthopedic supply store to get support
- **3** The user gets an O&P product based on the seller feedback
- **4** The user is supported by the OEM and supply store
- **5** The user is not engaged regularly and may choose a competitive product

Digital Care Clinic

POSITIVE | NEGATIVE

- **1** The user contacts the Digital Care Clinic and is advised immediately
- **2** The user gets an appointment and visits the best suited partner shortly after
- **3** The user gets an O&P product based on the seller feedback
- **4** The user is supported by the OEM and supply store
- **5** The user is regularly engaged and returns due to the exceptional service

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User Value Proposition

Social Value

Reviews and interactions with existing users

Functional Value

Intuitive O&P supply and initial point of contact with continuous engagement

Symbolic Value

Superior service experience to accompany state-of-the-art products

Economic Value

Time + cost savings and accelerated O&P supply

Emotional Value

Patients feel well cared for by continuous expert support

Customer Value

1
2
3
4
5

"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

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Solution

Digital Care Clinic
by Ottobock

Remote Expert Consultation

Instant chat or video call for support

Feature 1

Partner Mediation

Immediate referral to the best suited local partner

Feature 2

Most prominent features
→ to be validated with customer

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**

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Solution Mockup

Digital Care Clinic by Ottobock

Mobile App

Web Application

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Solution Microservice Architecture

Digital Care Clinic by Ottobock

Clients

Microservices
(Own or Third- Party)

Database

Mobile App

Web App

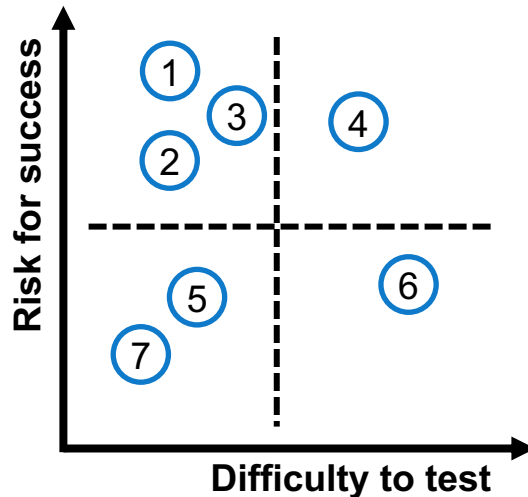**API Gateway**

Authentication

CMS

Chatbot

Payments

Forms

⋮

Frontend: Vue.js and Typescript
Operations: Azure Cloud, Docker, Kubernetes, Helm

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

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Assumptions

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

Risk for success

Difficulty to test

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

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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
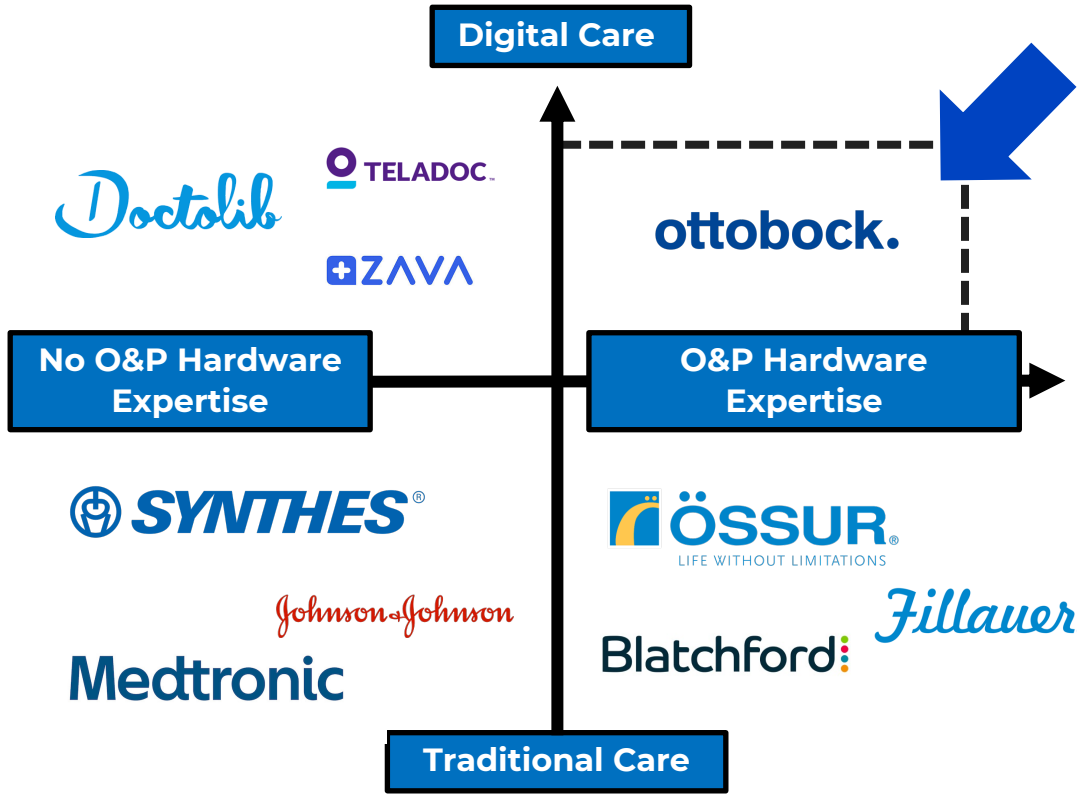
Minimum Viable Product Options

Email MVP
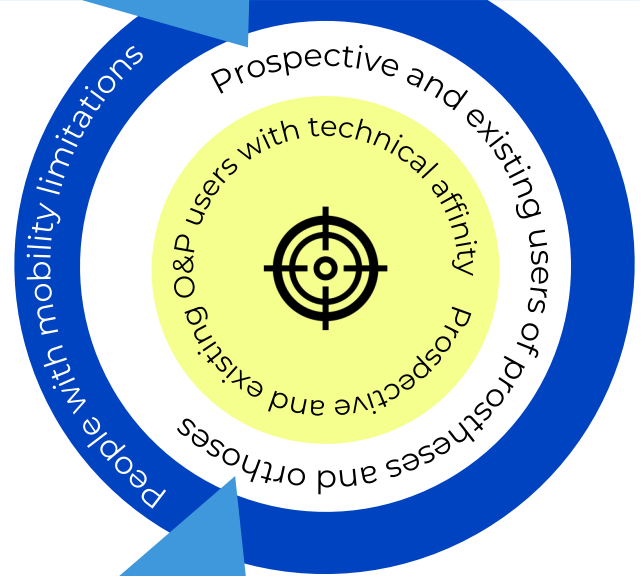Fake Landing Page
Explainer MVP
One Feature App

→ Quantitative Data

Validation Interviews with Customers

→ Qualitative Data
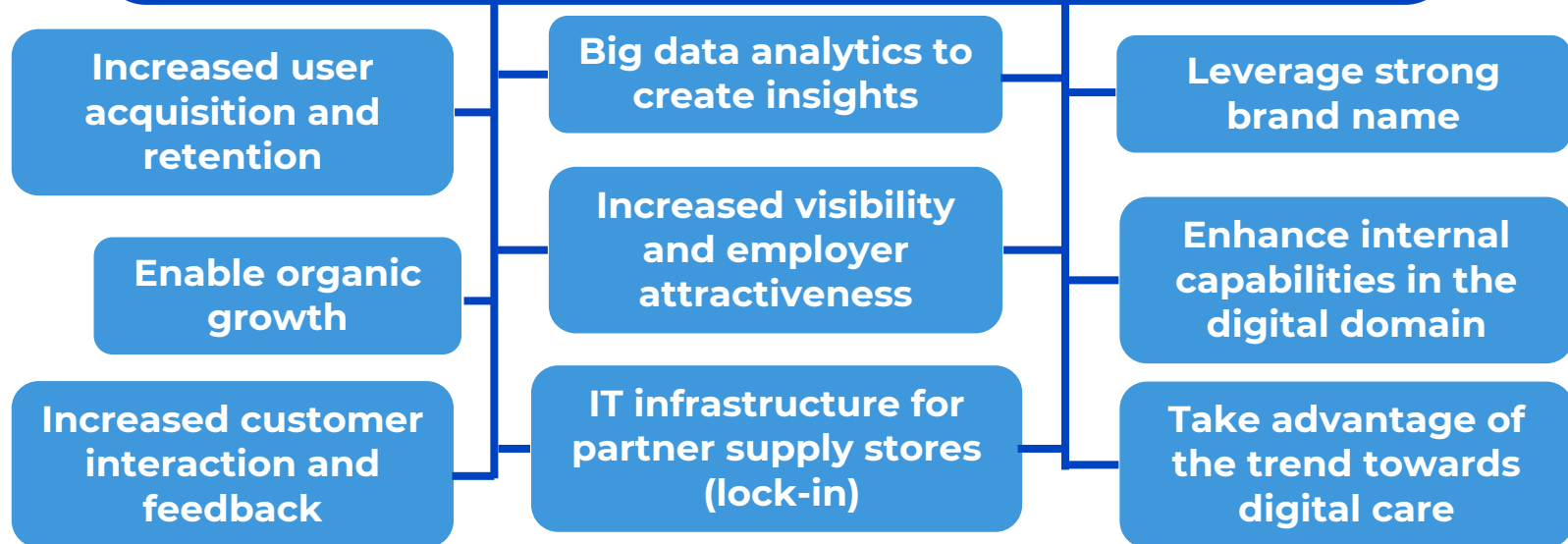
Positioning & Target Market

Digital Care

TELADOC.

Doctolib

ZAVA

ottobock.

No O&P Hardware Expertise

O&P Hardware Expertise

SYNTHES®

ÖSSUR.
LIFE WITHOUT LIMITATIONS

Johnson&Johnson

Fillauer

Medtronic

Blatchford

Traditional Care

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

people with mobility limitations

Prospective and existing users of prostheses and orthoses

Prospective and existing O&P users with technical affinity

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

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Strategic Considerations

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

Increased user acquisition and retention

Enable organic growth

Increased customer interaction and feedback

Big data analytics to create insights

Increased visibility and employer attractiveness

IT infrastructure for partner supply stores (lock-in)

Leverage strong brand name

Enhance internal capabilities in the digital domain

Take advantage of the trend towards digital care

Business Model

Monthly | 1 Year (-15%)

Best Value

Free
€0/mo

Basic Features

Sign Up!

Premium
€15/mo

All Premium Features included!
Unlimited number of consultations!

SIGN UP

FREE MIUM

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.
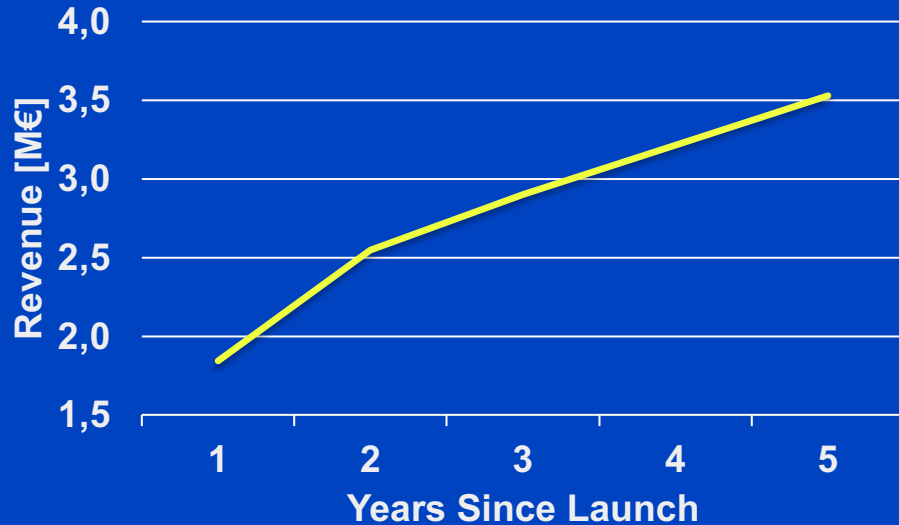→ **Direct revenue from the service & indirect revenue increase**

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**

Most promising

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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

| Monthly | 1 Year (-15%) | 2 Years (-30%) |

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

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Thank you!

Dr. Andreas T. Bachmeier, MBA

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+491629503868

All information contained in this presentation is based upon limited information obtained from the Ottobock website, an available interview with Güngör Kara (Visionäre 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.