



# SkyAlert

Entry into the US Market

*W201 Spring18 | Section 1 | Week 15 | Group Project*

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*How should **SkyAlert**  
enter the US market?*

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# What SkyAlert Needs to Know



Who to **target** for customer acquisition?



How to **persuade** the target group?



How to **leverage** community networks?

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*Who should **SkyAlert**  
target for customer  
acquisition?*





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## The Low-Income Demographic

According to FEMA, 78% of Americans earning less than \$25,000 have not taken any steps to prepare for natural disasters, citing cost as the barrier.

*However, the only cost of using SkyAlert's app is the cost of smartphone ownership, which 67% of lower income people already do.*

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# The Low-Income Demographic

*The poor are disproportionately hurt by natural disasters.*

Poverty is a major factor in increasing disaster vulnerability:

- Sub-optimal locations and types of residences
  - Lower quality of construction
  - Fewer options for evacuation
  - Less access to insurance and health care
  - Less savings to spend on recovery
  - Little representation in the decision-making processes about allocation of disaster preparedness and response resources
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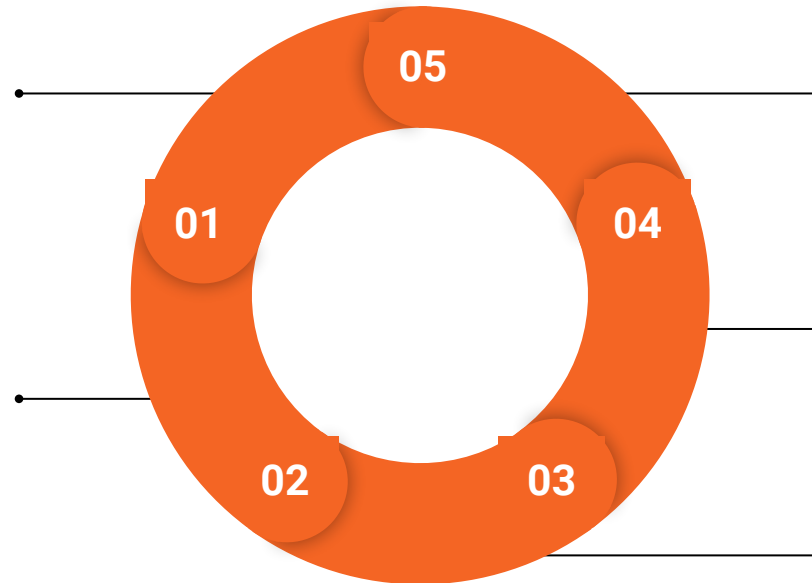


# The Opportunity

*Socially responsible business is good business.*

Focus on a marginalized group that is currently disengaged from disaster preparedness efforts.

Address their cost sensitivity with a free service using a technology many already possess.



Appeal to “impact” investors.

Position SkyAlert as the earthquake early warning app that is seeking to empower the disadvantaged through providing access to information.

Contribute to the social good.

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*How can the low-income  
demographic be  
persuaded to use  
SkyAlert?*







# Effective Strategies for Persuasion

Existing research suggests that the following strategies can be effective:

1. Use **small-group discussions** to deliver education.
  2. Use **community leaders** to deliver education.
  3. Provide a **hands-on learning** experience.
  4. Use **targeted materials** with a limited set of prioritized information.
  5. **Partner with government and local welfare organizations** in programs focused on the target group.
  6. **Focus on smaller, neighborhood venues** for outreach.
  7. Encourage participants to **involve their relatives or friends**; word-of-mouth recommendations are heavily relied upon.
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# Potential Challenges

- The group constantly faces other, **more immediate issues due to poverty.**
  - About one-third of the group **do not have smartphones.**
  - **Lack of access to information** and awareness about how alerts can save from the risks of losing life or assets.
  - Many **do not believe in emergency alerts** or announcements, in general the risk perception tends to be below if the awareness increases.
  - Even if the perceived cost barrier is overcome, the group may **not want to invest their time.**
  - Inherent human **biases toward underinvestment in protection** against low-probability, high-consequence events.
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*How can **SkyAlert**  
leverage community  
networks?*





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# Community Involvement

- Build relationships with individuals who can influence others in their communities.
  - Participate in community preparedness planning, outreach, and training events.
  - Seek partnerships with complementary organizations, such as emergency response non-profits.
  - Collaborate with social networks, including workplaces, schools, and faith-based organizations.
  - Engage actively in social media.
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# The Research Plan

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## Hypothesis

SkyAlert can achieve significant market penetration by focusing on reaching lower-income groups, and can leverage its marketing resources through outreach to communities rather than individuals.



# Research Questions



1. What messaging should SkyAlert use to inform and persuade lower-income individuals to use earthquake early warning systems to better prepare for earthquakes?
2. How can these individuals' communities be leveraged by SkyAlert to prompt earthquake preparedness action (e.g. downloading the app) among their members?

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# Research Design

The preliminary research design will address the following:

- Study Population
    - Validated, precise definition of “low-income”.
    - Identification of areas in which to conduct research (using median income by zip code).
    - Determination of appropriate sample size.
    - Estimation of number of approaches required to achieve sample size (i.e. estimated response rate).
  - Data Collection
    - Method(s) to Deploy Surveys/Questionnaires
  - Total Cost of Research
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# Research Question 1

What messaging should SkyAlert use to inform and persuade lower-income individuals to use earthquake early warning systems to better prepare for earthquakes?

1. Provide information about what earthquake early warning (EEW) systems are.
  2. Solicit responses to statements such as the following:
    - EEW offers a new and effective way to engage in earthquake preparedness.
    - EEW empowers individuals to take measures to protect themselves.
    - The time that EEW gives users to prepare is extremely valuable.
    - The EEW app is easy, quick, and free to use.
  3. Share and solicit responses to insights from earthquake survivors who used EEW apps in Mexico, Japan, and elsewhere.
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## Research Question 2

How can these individuals' communities be leveraged by SkyAlert to prompt earthquake preparedness action (e.g. downloading the app) among their members?

Ask questions such as the following:

1. What community groups are you involved with?
  2. What recommendations or advice have you received from these groups that you have followed?
  3. What recommendations or advice have you received from these groups that you have NOT followed?
  4. If these groups were to recommend EEW, would you be likely to follow the recommendation?
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# Risk Management

- Validate that the research supports the approach.
- Ensure that data from the research is complete and strong.
- Strong, explicit ethics policies.
- Double-confirmation of recommended individuals, groups, events, etc. to ensure their legitimacy.

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# The Results

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*What will we give to  
SkyAlert?*

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Our project will provide a comprehensive set of resources for SkyAlert to use in its marketing and ad campaigns and, more importantly, for its community involvement efforts in low-income neighborhoods throughout the West Coast. These resources will include:

1. **Analysis:** An analysis of the research results.
  2. **Community Outreach Lists:** Lists of community groups, events, and individuals to target first.
  3. **Messaging Guidelines:** Guidelines for appropriate and persuasive messaging when approaching the community groups and individuals in these communities.
  4. **Things to Avoid:** A cheat sheet of things to avoid in messaging and community involvement.
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*And what can **SkyAlert**  
do with it?*

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The results of our research will give SkyAlert the ability to **persuade individuals and community groups** in low-income areas to download and use the SkyAlert app as a first step on their journey towards emergency preparedness.

SkyAlert will be able to **aid vulnerable low-income groups** effectively, and **bring communities together** in their efforts to prepare for a disastrous earthquake scenario.

Based on this, SkyAlert will be able to **attract investors** based on its dedication to the greater social good.

And most importantly, SkyAlert will be able to make a **strong first push into the US West Coast region**, opening up opportunities for more user adoption and the ability to help more people.

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*And what's next?*

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# Further Questions

- Will this initial penetration in the low-income demographic translate well to other demographics? Or will SkyAlert need to take a different approach?
  - Which group or demographic should SkyAlert target next?
  - Which additional features would attract the most new users and/or give SkyAlert the best advantage in the market?
  - How can SkyAlert ensure user retention in the absence of a major earthquake?
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