New business model for "cardiovascular disease prevention"

Cardiovascular diseases have been the number one cause of death in Germany for years. In 2011, 200.000 women and 150.000 men died as a consequence of this type of disease. This is more than 40% of all deaths. The tendency is still increasing. More than 90% of all these cases are 65 years or older. The top three causes of cardiovascular disease are:

- High cholesterol level, caused by bad nutrition.
- High blood pressure, caused by excessive alcohol consumption.
- Narrowed vasculature, caused by extensive smoking.

Cardiovascular diseases are malicious. Root causes like extensive smoking are often applied for years until symptoms occur. When symptoms of typical diseases like heart attack occur, treatments and therapies are expensive, time-consuming and very painful for the patients (surgeries). Chances of success are low, even if modern medical treatments or technologies are applied. Fall-backs are common results. The treatment costs in 2012 in Germany increased to 37 Billion Euro. The costs for treatment of women are 30% higher than the costs of treatments of men. In all, the costs for treatments are a significant cost factor within the German health system.

Cardiovascular diseases are surprisingly easy to prevent: The life style must be changed early, e.g. to give up on smoking, adapt nutrition and increase engagement in sports.

In the past, the union of governmental health insurance companies (Verbände der gesetzlichen Krankenversicherung – GKV) was not very successful by applying classical, isolated awareness campaigns. Market research on these awareness campaigns revealed, that the assured are aware of the information delivered by the campaigns, but did not engage or took related actions to care for themselves.

The GKV expects a further increase of cardiovascular disease and is therefore planning to launch new campaigns and initiatives. The planned campaigns aim to reduce the number of deaths already in the first year to the level of the previous year. Up to now, the death rate increased by 3% per annum. In addition to pure, classical awareness measures (Mailing, Flyer, TV, radio etc.), the GKV announced a competition to develop digital concepts to achieve the above goals. Because of the missing experience with digital tactics at GKV, it is the objective to engage innovative startups to develop proposals for digital concepts and measures. The GKV will then evaluate and assess the incoming proposals. The winner of this competition will be asked to implement the concept (with partners). The implementation will be funded.

The creativity is not restricted by special frame conditions. Nevertheless the GKV defines the following requirements for incoming digital concepts and delivers the following data as a foundation for calculations:

- The digital concept should foresee a platform, which offers patients and potential patients to register and login.
- The users of the platform could use a broad set of information. The information is available in various formats like texts, pictures, videos etc. This information is either



provided by the GKV (free of charge) or by third parties (charged). The platform offers accounting and fulfillment.

- The platform offers patients access to a database of consultants (lifestyle coaches, personal trainer, nutritionists). The consultation could be booked by the patients via the platform. The GKV certifies consultants and therefore cares for a high level of reliability and quality.
- The consultants could promote themselves or their companies. With this the platform offers the consultants a forum to better connect to and engage with potential customers.
- All users of the platform could use social media features to get in touch with each other or report about their treatments and diseases and exchange information.
- As a first step, the platform should be made available in one big city and target the most promising customer segments to ensure success and limit the costs. In case of success, the platform is rolled out.

The data in the appendix should be considered to choose the right target settings.

Your Task:

Please assume that you are asked by the GKV to provide a concept and the implementation of the platform. Please proceed with the following steps:

- Further detail the functional concept of the above mentioned platform. Especially
 define those features that could be used to raise the interest and engage users as
 well as those features, to be used as chargeable services. Finally specify the
 functions for users, who want to exchange information and experiences (social
 media) and give feedback on a certain service. Describe and quantify the
 mechanisms to reach the financial goals.
- Identify the segment of the market, used for the pilot. Identify the most suitable leverage points within the buying process of the patients from the market defined previously. Develop a suitable segmentation grid and determine the most promising segment of patients and potential patients.
- Expand the scope beyond classical awareness tactic measures and additionally suggest digital awareness tactics and define a multichannel marketing strategy on campaign level as well as a roadmap for implementation. Also take into consideration the increasing use of mobile devices to access platforms and e-commerce shops.



<u>Appendix</u>

nach Altersgruppen von bis unter Jahren								
Insgesamt	82 314,9	82 217,8	82 002,4	81 802,3	81 751,6	81 843,7		
unter 6	4 245,2	4 192,3	4 154,1	4 117,3	4 099,6	4 089,7		
6 bis 15	7 196,2	7 089,4	6 985,0	6 905,3	6 841,6	6 742,4		
15 bis 25	9 610,6	9 498,5	9 379,5	9 251,5	9 136,4	9 040,4		
25 bis 45	23 319,0	22 896,6	22 353,3	21 818,3	21 387,6	21 081,8		
45 bis 65	21 644,6	22 022,3	22 401,5	22 808,0	23 442,2	24 008,9		
65 und mehr	16 299,3	16 518,7	16 729,0	16 901,7	16 844,3	16 880,6		

(population in Germany by age in 1000)

Altersgruppen	Mitteilungen in sozialen Netzwerken, Foren, Blogs oder Chaträumen einstellen	Informationen über Waren und Dienstleistungen	Internet-Banking/Online-Banking			
	Angaben in %					
Insgesamt	42	88	50			
10 bis 15 Jahre	59	59	(3)			
16 bis 24 Jahre	86	85	38			
25 bis 44 Jahre	50	94	69			
45 bis 64 Jahre	21	91	49			
65 Jahre und älter	7	84	43			

(usage of internet in Germany by age in %)

Geschlecht	Mitteilungen in sozialen Netzwerken, Foren, Blogs oder Chaträumen einstellen	Suche nach Informationen über Waren und Dienstleistungen	Internet-Banking/ Online-Banking			
	Angaben in %					
Insgesamt	42	88	50			
Weiblich	42	87	48			
Männlich	43	90	53			

(usage of internet in Germany by gender in %)

All data in the above tables are taken from the website of the Federal Statistical Office of Germany (Statistischen Bundesamtes, www.destatis.de).

