

D.4.7 Business Plan



Gamified Collaborative Platform for the Promotion of Sustainable Care and Independent Assisted Living

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EXECUTIVE SUMMARY

This deliverable “**MyMate Business Plan**” defines the commercial exploitation strategy baseline which will guide the business planning process. In this document a business model and commercial strategy are developed. This will act as the baseline for the development of the full business plan as the project progresses.

The methodology for the development of **MyMate** Business Plan has been drafted taking into account two fundamental principles:

- The use of the Business Model Canvas has been beneficial for the identification of the essential elements forming the **MyMate** business model. The Business Model Canvas consists of nine building blocks, allowing to investigate how the model will deliver the value proposition (Customer segments, Customer relationships and channels), will create the value proposition (key partners, key activities and key resources), and will capture the value proposition (cost structure and revenue streams);
- Following the need of assessing the market interest for a service characterized by a high degree of innovation, a strong market-oriented approach was adopted to tackle such urgency.

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1. INTRODUCTION

The development and implementation of the **MyMate** exploitation and business plan involves a range of tasks carried out as part of the WP4, in the project work plan. The work to be carried out is the responsibility of the Commercial Impact & Exploitation Coordinator, appointed by partner Singular Logic.

The consortium’s approach to exploitation is to focus resources on the development of the business plan so that the consortium can best position the **MyMate** solution for future growth and profitability.

The following diagram, (Figure 1), provides an overview of the exploitation approach which is broken down further using the Business Model Canvass for business model generation. This will be outlined in section 4 below.



Figure 1 - **MyMate** Exploitation Approach

From the outset of the project, the consortium has established the **MyMate** Commercial Interest Advisory Group (CIAG). The CIAG comprises representatives of the major stakeholders who have expressed their interest in having recourse to such a solution. They see the potential that the **MyMate** solution could have on improving their competitiveness in their spheres of operations.

It is critical for the long-term business success that the exploitation efforts and the development of the business plan are evolving in the right direction. To ensure that this is the case, the industry representatives in the CIAG advise and guide the exploitation team in reviewing the operational plans and reviewing the teams output.

2. PROJECT OVERVIEW

The vision in project **MyMate** is to develop an innovative ICT based solution that aims to apply a gamification approach to create a network of motivated, healthy, agile elderly volunteers for assisting elderly people. The **MyMate** solution will:

Reconciles increased demand with limited resources – As the AAL Call text highlights, the demographic trends are well researched and underline the need for ideas and initiatives that offer more than increased efficiencies in the use of finite resources. Novel approaches must be explored that can anticipate future trends in demand.

Increases and facilitates the supply of formal and informal care for older adults – On the supply side, the **MyMate** solution offers an approach to facilitating formal care by increasing the supply of informal carers and strengthening the collaboration between formal and informal carers so that formal care resources can be used more efficiently. By increasing informal care resources through building a network of healthy elderly volunteers, the **MyMate** approach will contribute to active aging and in so doing ease the pressure in demand for formal care in the future.

Reduces the demand for care through prevention and self-management – The **MyMate** approach is to create an environment in which elderly people help each other and derive benefit from doing so.

Supports the shift towards better care at home and in the community – The **MyMate** initiative is conceived as an approach to support “care in the community programmes” in which elderly individuals are subject to individually tailored care plans, designed and managed by care managers so that the elderly person under care can remain can live independent lives in the comfort of their own homes. The challenge is to support such a shift in an evolving climate of increasing demand but decreasing resources.

3. THE BUSINESS MODEL CANVAS

3.1 Customer Segments

MyMate will create value for the care centers of the local authorities that could benefit from the use of the platform but currently are under increasing pressure to improve the quality of care they provide in a market in which the means at their disposal are not keeping pace with the demand. The most important customers would be care centers, official government authorities responsible for elderly programs and municipal authorities responsible for similar programs.

3.2 Value Propositions

The **MyMate** project is intended to be positioned on the European market. It will distinguish itself – within the current market – not only for the innovation level that it introduces in the field of “tools” supporting the elderly care offering from the government – but also in terms of its delivery model. With respect to the latter aspect, the approach that will be adopted for the commercialization of the project will be oriented to the “care” and enhancement of the relationships between users and official carers. In order to pursue a similar approach, the potential customers will be supported in the process of adoption and use of such platform. The analogy between “potential customer” and “pilot” also guarantees – in addition to being able to effectively oversee the relationships with potential customers – also, – similarly to what occurred for the pilots – the success of the activities related to the project implementation and use. The latter aspect also allows to benefit over time from positive “references” for the project by satisfied customers, such as to progressively increase the reference market and, subsequently, the likelihood of success of the initiative. Regarding the market entry strategy, as already suggested within the sustainability plan, this will be prudential and conservative, in order to avoid a radical change of industrial partners’ business models involved in the commercialization of such platform.

3.3 Channels

In light of the *value proposition* of the initiative, for which it is suggested to adopt a prudential and conservative strategy, the channel to proceed with the distribution of the **MyMate** platform is the direct one. In fact, to present, the partners use direct distribution channels. Such distribution method expects customers to be reached without the

involvement of intermediaries, but directly by the producer. Brainstorm's commercial operations, led by a Commercial Director, is organised by geographical region with sales and business development teams for each region. In some regions, the company has dedicated operations on the ground and where this is not the case, Brainstorm operates through a network of authorised dealers. The commercial operations are also supported by a technical support team and a marketing function. In most cases, with some notable exceptions in markets where the company has a leading position, the company has single authorised dealers in each country in which it operates. **MyMate** will be exploited following the same commercial channels that Brainstorm is successfully using for its product portfolio around the world. The well-established commercial channels for Brainstorm's products will be also used for **MyMate**. This will represent a strength in the commercial success of **MyMate**.

3.4 Customer Relationship

Our customers are expecting personal assistance during the sale, implementation and assistance processes. A tight contact with the customer will be necessary to use **MyMate**. We'll need to train the customers and assist them during the first months of the use of the system. The reseller will have enough technical capacity to set up **MyMate**, train the customer and offer assistance. For specific assistance and more complex unforeseen assistance, Brainstorm will bring the support department to assist the customer. This model is working well with large and medium broadcasters and we expect this model works for the small creative industries. This approach is cost effective and it is very well integrated with the business model through the Brainstorm's resellers that are the key agents in the relationship with the customer.

3.5 Revenue Streams

The revenues expected from the commercialization of the **MyMate** platform have been identified to cover incurred costs and achieve a 30% margin. The price policy that will be adopted will expect:

- the payment of an annual fee for the use of the platform, in line with the preferences expressed in the context of the Market Analysis;
- a constant price over time. In this way, a customer will always pay the same annual fee, regardless of the purchase year of the platform (1st, 2nd, or 3rd year of the initiative), for support and version updates.

3.6 Key Resources

The key resources are: a powerful technology provider, well positioned in the market, with a recognised brand, very well established distribution channels and with an efficient post-sales and support department. Brainstorm has these key resources and will contribute with these important and required assets. It is also important to count on academic partners that can guarantee and certificate that the final product has high technical quality and it is well adopted by the final users. Last but not the least, we also have key resources in TV channels and educational organizations that have implemented and validated **MyMate** and that will be the case studies for the further exploitation of the system. This will be used as an important commercial asset.

3.7 Key Activities

There are technical key activities related to the software improvement. Brainstorm is always working on improving their product portfolio with an important development team that ensure new releases of products every year with more functionalities and improvements. This activity will be necessary for **MyMate**. There's also a dedicated sales department in Brainstorm that maintain close relationships with the re-sellers around the world. It is necessary to promote **MyMate** in the distribution and re-sellers network in order to engage them in their sales actions. In addition, Brainstorm will introduce **MyMate** in other key activity that is the presentation of Brainstorm's products in large fairs like NAB – Las Vegas or IBC – Amsterdam among others. This will create and maintain the relationship with current and potential customers.

3.8 Key Partnerships

The key partners are the **MyMate** project partners that will validate the new product and contribute to the testing of all the hypothesis that will be established for the business model, also checking if the model will be repeatable and scalable. The key suppliers will be the international network of resellers of Brainstorm Multimedia that will be in charge of commercialise the **MyMate** platform with the other products from Brainstorm. **MyMate** will cover a market segment that Brainstorm re-sellers want to access that is local authority's care organizations. **MyMate** will make possible to access to this market segment.

3.9 Cost Structure

MyMate will be a low-cost platform – system, so the project structure will be focused on minimizing cost in order to be reflected in the final price to be paid by the consumer. The cost structure is, basically, fixed cost because we will be developing and exploiting a software application adapted to the customer’s need. The most important cost is the “development” including programming, support, development of new releases and implementation. Major part of sales costs is derived to re-sellers. The assumption for which the implementation / delivery of the **MyMate** platform for customers will be similar to that used for the pilots, allows us to benefit from certain information thanks to which it is possible to identify a cost structure “faithful” to the one that will be borne for the commercialization of such Service. This information refers to the nature of the activity and of the related effort, in terms of professional and economic resources used to conduct pilots within the project. In this sense, the cost structure concerning the commercialization of the **MyMate** platform – net of any changes – will be close to that borne to carry out the pilots during the **MyMate** project. Starting from this information (effort and pilot costs), further investigations have been carried out, in order to integrate the activities deriving from conducting the pilot with those that will be necessary for the commercialization of the **MyMate** platform (i.e. promotional activities, distribution).

4. CONCLUSIONS AND FUTURE ACTIONS

This deliverable sets out the baseline on which the development of the **MyMate** Business Plan will be based. The approach has been to use the well-established process model called the Business Model Canvas to guide the consortium's thinking. Using this process model, a range of critical questions relating to 9 core building sections to Business Model Generation have been mentioned.

The focus in the months ahead will be to explore these building blocks in greater detail and compile a coherent business plan.