Kampala Family Clinic

- Project Overview and Objectives
- Finance
- Operations
  - Six Steps to Great Marketing
- Information Technology
- Conclusion
Six Steps to Great Marketing

1. Market Research
   - Who are your customers?

2. Market Segmentation
   - What types of customers exist in your market?

3. Targeting
   - Which customer is most profitable and relevant to KFC?

4. Positioning
   - How to define KFC to attract the target customers?

5. 4 P’s
   - Actionable steps to communicate our positioning

6. Branding
   - Tying it all together: Be consistent!

Market Orientation - Customer is in the center, ALWAYS.
Step 1: Market Research

Motivation

- Without a good understanding of your market, you are operating in the dark
  - Know who your customers are and what they want
  - Know what your customers think of you
  - Know your competitors and what they are doing

Research methodology

- **Primary**: Interviews with the different players in the market
- **Secondary**: Articles, industry publications, existing research
Step 1: Market Research Sources

<table>
<thead>
<tr>
<th>Primary</th>
<th>Secondary</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Patients</td>
<td>• Research papers</td>
</tr>
<tr>
<td>• 19 patients: 11 women; 8 men</td>
<td></td>
</tr>
<tr>
<td>• Families and Individuals</td>
<td>• Newspaper and magazine articles</td>
</tr>
<tr>
<td>• Chronic and basic ailments, medical examinations</td>
<td>• Government reports</td>
</tr>
<tr>
<td>• Insurance Companies</td>
<td></td>
</tr>
<tr>
<td>• Jubilee Insurance</td>
<td></td>
</tr>
<tr>
<td>• MicroCare</td>
<td></td>
</tr>
<tr>
<td>• Competitors</td>
<td></td>
</tr>
<tr>
<td>• SAS Clinic</td>
<td></td>
</tr>
<tr>
<td>• Nsambya General Clinic</td>
<td></td>
</tr>
<tr>
<td>• Nsambya Hospital</td>
<td></td>
</tr>
</tbody>
</table>
### Step 1: Market Research

#### Private Health Care - Overview

<table>
<thead>
<tr>
<th>Patients</th>
<th>Payers (Insurance Companies)</th>
<th>Providers</th>
</tr>
</thead>
</table>
| • Emerging middle class  
  • Insured/Cash  
  • Private (45%) vs. Public (41%)  
  • Reasons for choosing provider:  
    • Location: 59%  
    • Technical skills: 26%  
    • Courtesy: 11%  
    • Cost: 11% | • 5% of population covered  
  • Mainly corporate organizations  
  • Limited number of clinics in network  
  • Concerns of fraud  
  • Many exclusions | • Intense competition  
  • Location-based  
  • Bigger and better centers (“one stop shops”)  
  • Consolidation of providers |
Step 1: Patient Interviews
Key Quotes

“Dr. David takes the time to find out exactly what I need”

“Dr. Docus is like a mother to me”

“Would like emergency care during the night”

“My daughter was sick in the middle of the night and KFC was not open”

“KFC shares your pain, which gives great comfort”

“They need a bigger facility”

“I don’t continue to go to other clinics because I am not familiar with the doctors”

“KFC cares about your life more than they care about your cash”

“Efficient and close”
Step 2: Customer Segmentation

- Segmenting ALL customers in the market into distinct groups with one or more common factors

- Segmentation methods
  - Demographic – Income, Gender, Payment type
  - Behavioral – When and why do people get medical treatment?
    - Each segment behaves differently when seeking medical care
    - Due to lack of data, cannot analyze this segmentation
    - Possible behavioral segmentation:
Step 2: Suggested Customer Segmentation

- Assumption: In Kampala, income level is a main determinant of behavior

- Demographic segmentation:
  - Income level
  - Age
  - Family status
  - Payment method

* Numbers are figurative to show potential segmentation.
## Step 2: Segmentation Definitions

<table>
<thead>
<tr>
<th>Segment</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Business Owners</strong></td>
<td>- Shop owners, entrepreneurs&lt;br&gt;- High income&lt;br&gt;- Mature&lt;br&gt;- Cash patients</td>
</tr>
<tr>
<td><strong>Corporate employees</strong></td>
<td>- Educated, ambitious&lt;br&gt;- Emerging middle class&lt;br&gt;- Ages 25-55&lt;br&gt;- Insured and cash patients</td>
</tr>
<tr>
<td><strong>Formally-employed</strong></td>
<td>- Small shop employees&lt;br&gt;- Mid-level income&lt;br&gt;- Ages 25-55&lt;br&gt;- Private scheme or cash patients</td>
</tr>
<tr>
<td><strong>Informally-employed</strong></td>
<td>- Low income&lt;br&gt;- Not age specific&lt;br&gt;- Cash patients</td>
</tr>
<tr>
<td><strong>Not employed</strong></td>
<td>- No income&lt;br&gt;- Not age specific&lt;br&gt;- Government healthcare treatment</td>
</tr>
</tbody>
</table>
Step 3: Targeting

- Target segment which is most profitable and relevant to KFC
  - Cash patients
  - Young couples and families

Revenue & Receivables by Payment Type

- Annual Revenue
- Accounts Receivables

<table>
<thead>
<tr>
<th>Payment Type</th>
<th>Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td></td>
</tr>
<tr>
<td>Cash</td>
<td></td>
</tr>
<tr>
<td>Private Schemes</td>
<td></td>
</tr>
<tr>
<td>Unclassified/Other</td>
<td></td>
</tr>
</tbody>
</table>
Step 3: Targeting

More cash patients

Family oriented and loyal

Target: Corporate employees
Formally-employed
(Ages: 20-40)
Step 4: Positioning

- Position KFC to attract target customers
- Analyze the 3C’s to find KFC’s unique offering

Find the gap within the current market and fill it!
### Step 4: Positioning – 3 C’s
Company, Customers, Competition

<table>
<thead>
<tr>
<th>Company</th>
<th>Customers</th>
<th>Competition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fast growth</td>
<td>Loyal</td>
<td>“Affordable quality”</td>
</tr>
<tr>
<td>Family</td>
<td>Price sensitive</td>
<td>One-stop shop</td>
</tr>
<tr>
<td>Personal</td>
<td>Want fast service</td>
<td>Emergency</td>
</tr>
<tr>
<td>Local</td>
<td>Lasting relationship</td>
<td>High-tech</td>
</tr>
<tr>
<td>Quality</td>
<td>Trusting</td>
<td>Numerous</td>
</tr>
<tr>
<td>Efficient</td>
<td></td>
<td>Consolidating</td>
</tr>
<tr>
<td>Limited service</td>
<td></td>
<td>More patients</td>
</tr>
<tr>
<td>Cramped</td>
<td></td>
<td>Bigger facilities</td>
</tr>
<tr>
<td>Limited by finances</td>
<td></td>
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</tbody>
</table>

**Market gap and our strength:** “Your health is our priority”
Step 4: Positioning: Key Words

- *Internal* keywords that describe KFC’s positioning
- Confirm that every one of KFC’s actions are consistent with the positioning
- Constantly communicate the positioning to the doctors and staff
Step 4: Positioning: Key Words
Step 5: 4 P’s
Actionable steps to communicate positioning

**Product**
- Features and capabilities
- Services
- Extending and planning product line

**Price**
- Premium or discount pricing
- Perceived value vs. at-cost

**Promotion**
- Integrated marketing communication
  - Media channels, word of mouth, special event, sponsorships

**Place**
- Distribution channels
- Location and space management
# Step 5: 4 P’s: Product

<table>
<thead>
<tr>
<th>Hours</th>
<th>Consultations</th>
</tr>
</thead>
<tbody>
<tr>
<td>• 8:30-21:00</td>
<td>• Walk-ins</td>
</tr>
<tr>
<td>• Add free emergency phone consultations during the night hours</td>
<td>• By phone</td>
</tr>
<tr>
<td>• Promote appointments</td>
<td>• Pharmacy</td>
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</tbody>
</table>

**Lab**
- Sufficient for basic tests
- Add new functionality: CD4 or HIV Elisa machine
Step 5: 4 P’s: Price

**Consultations**
- Price comparison:
  - SAS: 25K
  - Jubilee: 10-15K for small clinics; 25K for large clinics
  - MicroCare: 20-30K for urban clinics
  - KFC: 12-18K ➔ Affordable

**Lab**
- Consistent across different payment plans

**Medicine**
- Sharp differences across different payment plans (four drugs selected randomly)

<table>
<thead>
<tr>
<th></th>
<th>ARV: Combivir</th>
<th>Azithromycin (500mg cap)</th>
<th>Doxycycline (capsule)</th>
<th>Pregnancy Test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>820</td>
<td>5,300</td>
<td>50</td>
<td>7,000</td>
</tr>
<tr>
<td></td>
<td>820</td>
<td>2,300</td>
<td>50</td>
<td>7,000</td>
</tr>
<tr>
<td></td>
<td>820</td>
<td>4,000</td>
<td>50</td>
<td>7,000</td>
</tr>
<tr>
<td></td>
<td>820</td>
<td>3,870</td>
<td>28</td>
<td>1,440</td>
</tr>
</tbody>
</table>
Step 5: 4 P’s: Price: Suggestions

- Change price of consultations?
- Analyze prices across different payment methods to minimize errors and to reduce overhead
- Possible analyses:
  - Per medicine: Number of prescriptions vs. number of sales in a given week to understand if sales are lost due to price
  - Are there buying patterns for each patient type?
    - Which medicines are the most popular?
    - What are the amounts bought and at what frequency?
Step 5: 4 P’s: Promotion (1/2)

**KFC Outreach**
- Corporate lectures to promote the clinic and preventative treatment
- Connect with mid-sized organizations in the area

**Public Relations**
- Engage in press-worthy activities to stimulate articles and coverage
  - Community service day, sponsorships, donations to a church, mentorship program for under-privileged children

**Communication**
- Website: Include doctor schedules, appointment requests and other relevant messages
- Links to the KFC site from insurance companies’ websites
- New street sign with logo

**Operational promotions**
- Expedited services for appointment patients – in every queue, an “appointment patient” will move to the front
Step 5: 4 P’s: Promotion (2/2)

Customer Promotions

• Patient Referral Program: For every one friend a patient refers to the clinic, a gift will be given:
  • Discount on future services, medical examinations, cash, free air time

Sales Promotions and New Customer Acquisition

• Free service day: HIV-testing, consultations, medical examinations

Customer Retention and Satisfaction

• After every visit, email or SMS the patient to answer two short questions:
  • Rate your visit from 1-4
  • Rate the wait time from 1-4
  • If the answers are 2 or below, management should call and understand what the problem is and how to improve
  • Patient education about preventative treatment through brochures and medical examination
Step 5: 4 P’s: Place

- Optimize existing facility
  - Increase capacity utilization
  - Rent more rooms in current building
  - Move file cabinets upstairs
- Open more small clinics in the future?

Competitor: “Investing in more physical space is the last step because of the excess overhead involved”
### Step 6: Branding: Differentiation of the KFC Experience

<table>
<thead>
<tr>
<th>Personal Care</th>
<th>Guidance</th>
<th>Devotion</th>
</tr>
</thead>
</table>

- **Brand Equity = KFC – any other clinic**
  - Why would a patient be willing to pay for services at KFC over any other clinic?

- **Brand awareness**
  - When thinking of a clinic in Nsambya, do patients think of KFC?

- **Brand consistency**
  - Every touch point between KFC and its patients should be consistent with its branding
Six Steps to Great Marketing: Recommendations

- Perform market research to better understand your customers
- Target the most profitable patients
- Position KFC to best achieve your goals
- Analyze prices and run promotions which are consistent with your positioning