

# Kampala Family Clinic

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

# Six Steps to Great Marketing

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# Step 1: Market Research

## Motivation

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- ▶ 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

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## Primary

- Patients
  - 19 patients: 11 women; 8 men
  - Families and Individuals
  - Chronic and basic ailments, medical examinations
- Insurance Companies
  - Jubilee Insurance
  - MicroCare
- Competitors
  - SAS Clinic
  - Nsambya General Clinic
  - Nsambya Hospital

## Secondary

- Research papers
- Newspaper and magazine articles
- Government reports

# Step 1: Market Research

## Private Health Care - Overview

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### Patients

- Emerging middle class
- Insured/Cash
- Private (45%) vs. Public (41%)
- Reasons for choosing provider:
  - Location: 59%
  - Technical skills: 26%
  - Courtesy: 11%
  - Cost: 11%

### Payers (Insurance Companies)

- **5%** of population covered
- Mainly corporate organizations
- Limited number of clinics in network
- Concerns of fraud
- Many exclusions

### Providers

- Intense competition
- Location-based
- Bigger and better centers (“one stop shops”)
- Consolidation of providers

# Step 1: Patient Interviews

## Key Quotes

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“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”

“Efficient and close”

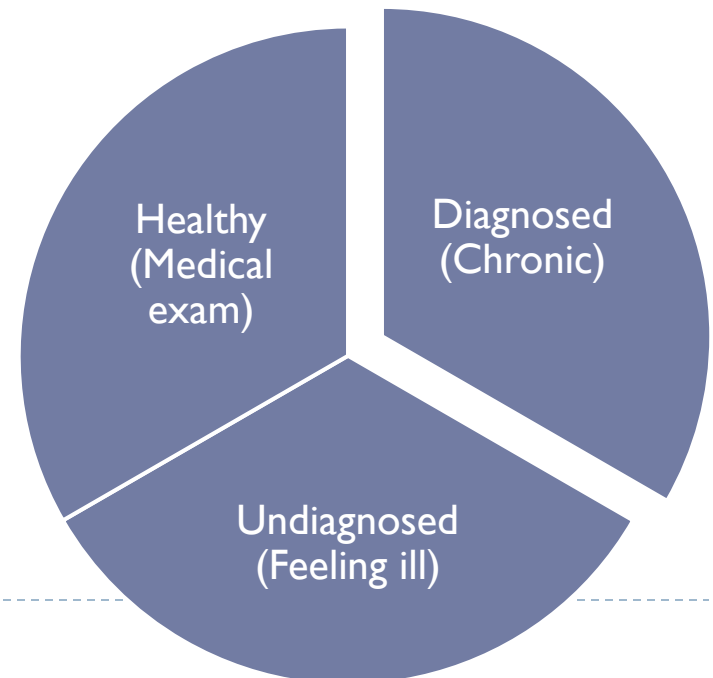
“I don't continue to go to other clinics because I am not familiar with the doctors”

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

## Step 2: Customer Segmentation

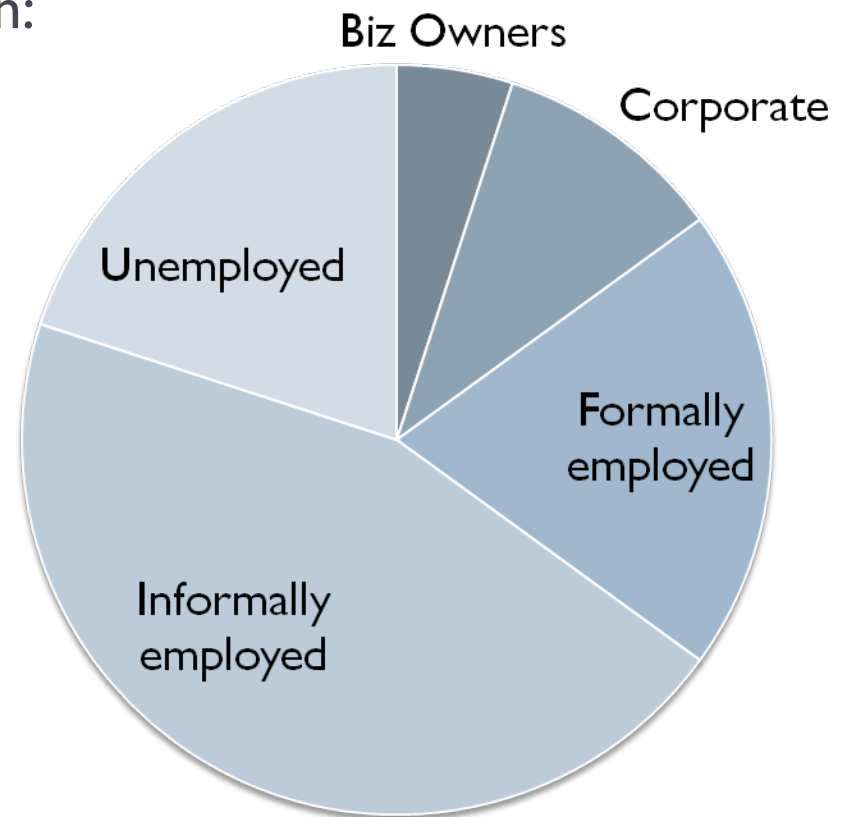
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- ▶ Segmenting ALL customers in the market into distinct groups with one or more common factors
- ▶ Segmentation methods
  - ▶ Demographic – Income, Gender, Payment type
  - ▶ Behavioral – When and why do people get medical treatment?
    - ▶ Each 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.



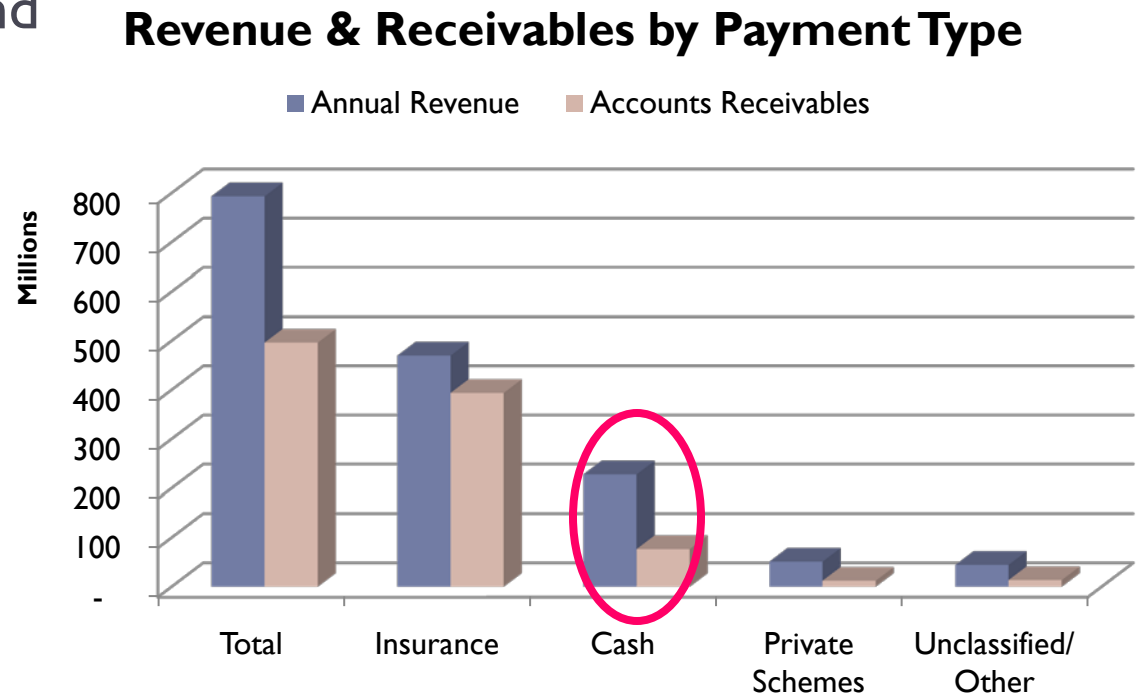
# Step 2: Segmentation Definitions

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Business Owners	<ul style="list-style-type: none"><li>• Shop owners, entrepreneurs</li><li>• High income</li><li>• Mature</li><li>• Cash patients</li></ul>
Corporate employees	<ul style="list-style-type: none"><li>• Educated, ambitious</li><li>• Emerging middle class</li><li>• Ages 25-55</li><li>• Insured and cash patients</li></ul>
Formally-employed	<ul style="list-style-type: none"><li>• Small shop employees</li><li>• Mid-level income</li><li>• Ages 25-55</li><li>• Private scheme or cash patients</li></ul>
Informally-employed	<ul style="list-style-type: none"><li>• Low income</li><li>• Not age specific</li><li>• Cash patients</li></ul>
Not employed	<ul style="list-style-type: none"><li>• No income</li><li>• Not age specific</li><li>• Government healthcare treatment</li></ul>

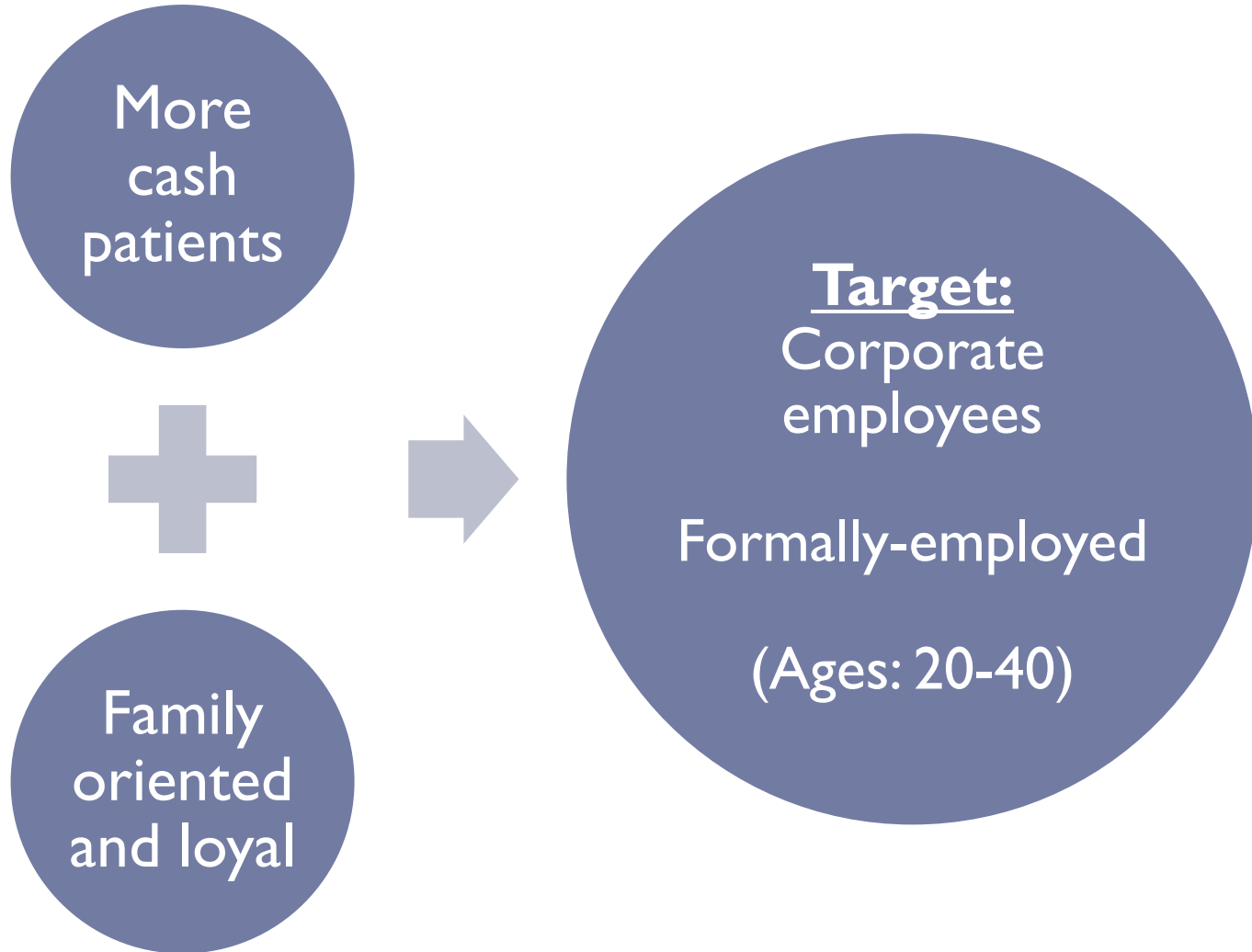
# Step 3: Targeting

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



# Step 3: Targeting

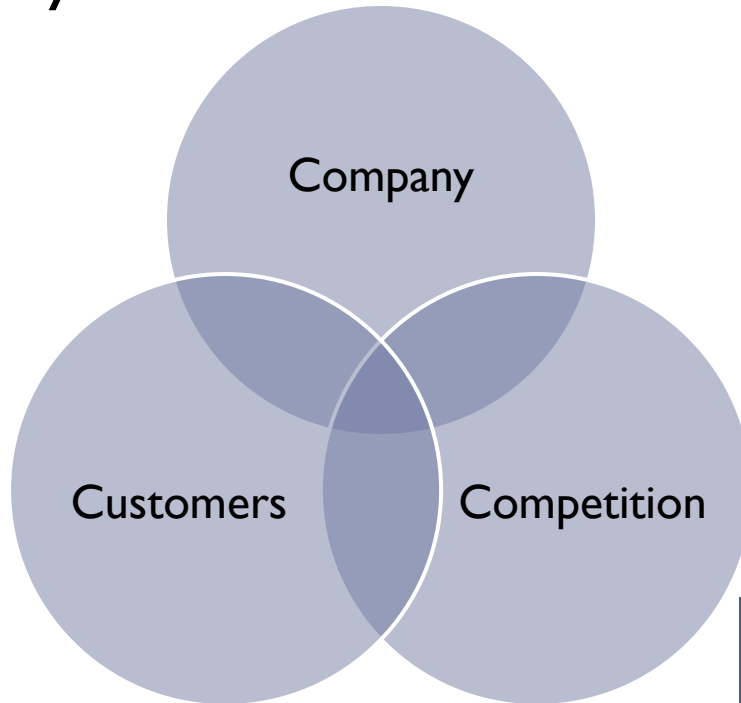
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# Step 4: Positioning

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- ▶ 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

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

Market gap and our strength: “Your health is our priority”

## Step 4: Positioning: Key Words

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- ▶ *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

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# Step 5: 4 P's

## Actionable steps to communicate positioning

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### 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

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## Hours

- 8:30-21:00
- Add free emergency phone consultations during the night hours

## Consultations

- Walk-ins
- By phone
- Promote appointments

## Lab

- Sufficient for basic tests
- Add new functionality: CD4 or HIV Elisa machine

## Pharmacy

- Most medications are available

# 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)

<b>ARV: Combivir</b>	820	820	820	820
<b>Azithromycin (500mg cap)</b>	5,300	2,300	4,000	3,870
<b>Doxycycline (capsule)</b>	50	50	50	28
<b>Pregnancy Test</b>	7,000	7,000	7,000	1,440

## Step 5: 4 P's: Price: Suggestions

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- ▶ 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)

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## 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)

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## 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

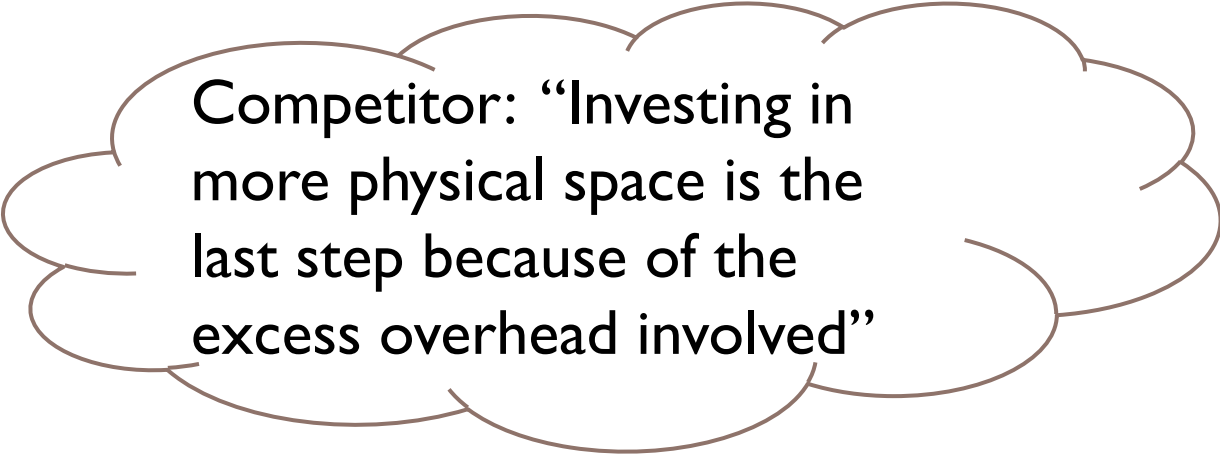
- After every visit, email or SMS the patient to answer two short questions:
  - Rate your visit from 1-4
  - Rate the wait time from 1-4
  - If the answers are 2 or below, management should call and understand what the problem is and how to improve
- Patient education about preventative treatment through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



## Step 5: 4 P's: Place

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- ▶ **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

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Personal Care

Guidance

Devotion

- ▶ **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

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- ▶ 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