America Well Case Discussion Preparation:

American Well developed a digital platform that let patients conduct online medical consultations with physicians. To date (as of case write-up), it primarily sold the solution to health plans, which then offered online care to members under their own brand name. However, only a small number of people had actually used the service. **The company was now considering a direct-to-consumer (DTC) strategy.** In preparing the case please look at the following questions:

1.1. What is your explanation for why patient utilization of the online care platform has been so low thus far?
1.2. Do you support a DTC move by American Well? If so, what is the best way to launch and market the direct online care service and what are your expectations for its uptake by consumers?
1.3. What is your assessment of the other new initiatives American Well has embarked on, such as targeting employers, delivery networks and retailers directly and the launching of kiosks? How aggressively should the company pursue these additional tracks?
1.4. In light of the situation, what is your view on the future of tele-health? Are you a believer in its potential to disrupt the healthcare sector, or do you feel it will have only limited impact?

For the case discussion you need to prepare in-depth quantitative analysis. Please develop address the following assignments:

2.1. Calculate the potential savings from OC for the healthcare system based on Exhibit 7a; what additional savings could a self-insured employer with say 50,000 employees expect per year with OC.
2.2. What is the financial incentive for a PCP to participate in OC (for example, on a full time basis)?
2.3. How much should American Well be willing to spend to acquire a customer directly? Perform a customer lifetime value analysis for an American Well DTC app and indicate the break-even quantity to spend on each stage of the conversion funnel (per Exhibit 11).
2.4. Provide an estimate of American Well revenues in 2013. Conceptually, how would one construct a forecast of future revenues for each market opportunity pursued? (Make necessary assumptions).

You may need to go back to the marketing textbook and review concepts from previous chapters to answer these questions.

I will call on members of **Teams 1,3, and 5** to present their recommendations and/or calculations in form of PowerPoint slides to class. In order to not be repetitive, I’d like team 1 to focus on question 1.3, while I would like to ask team 3 to focus on question 1.4. Please focus on case data/information and general marketing concepts to support your position. Team 5 should focus on an analysis of the state of Tele-Medicine in 2016/2017, specifically, the adoption of telemedicine and the going to market strategies of the main players in this space.