

SEEDS Assessment Marketing Analysis

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1. Background

What is SEEDS Assessment?

- The SEEDS Assessment stands for the Social-Emotional, Evidence-based
 Developmental Strengths Assessment conducted by the UCLA Clinical
 Psychology research team and PracticeWise (a Child & Adolescent Mental Health Company).
- A 62-item self-report questionnaire designed to measure the social-emotional competency areas in children and adolescents that matter most.
- Provide feedback to parents regarding their children's social-emotional strength behaviors as well as recommended steps for how to strengthen those areas in order to reduce social and mental health problems.
- Website: http://www.seedsassessment.com/



"Measuring the areas of your mental health that matter most; providing steps for strengthening and maintaining your health and happiness."

SEEDS Mission Statement

The SEEDS Areas

The following areas represent the 'evidence-based' target areas of social-emotional development, measured together for the first time by the SEEDS Assessment:

- Knowing About Emotions
- Problem Solving
- Cognitive: Changing My Thinking
- Self-Rewards/Self-Praise
- Goal Setting
- Pleasant Activity Scheduling

- Relaxation Skills
- Talent Building
- Stimulus/Cue Management
- Facing Your Fear
- Social Skills
- Communication Skills
- Assertiveness Skills

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SEEDS Results

• Individual results:

- You can visually see the areas of your child's or student's Social-Emotional Strength behaviors. You can see whether each of the 13 areas fall in the Below Average, Average, or Above Average range.
- Used to understand your child's specific areas of strengths (e.g., my child is strong at
 Communication Skills and Problem Solving), and also specific areas of weaknesses that may need more support and strengthening (e.g., my child needs more support in strengthening his Relaxation Skills and Assertiveness Skills).

Parent Report

Introduction

The SEEDS Assessment is based on research results conducted by the UCLA Clinical Psychology research team and PacticeWise is Child & Adolescent Mental Health Company) aimed at identifying which areas work more difficurity in supporting children's mental health. The SEEDS Assessment provides feedback to parents regarding their children's social-motional strength behaviors as well as recommended steps for how to strengthen thou areas in order to reduce social and mental health problems.



Social-Emotional, Evidence-based Developmental Strengths

Social-Emotional Strengths

The term 'Social-Emotional' refers to the social and emotional skills—spanning both cognitive and behavioral domains—that help a person build strong, positive relationships with others and reduce regarive senses in life that intereferse with their happiness and emotional well-bring. Research has shown that these 'Social-Emotional Strength's are important for youth to learn and develop in order to achieve stronger academic success, nore meaningful relationships, and long-term happiness.

Score Interpretation Validity Results





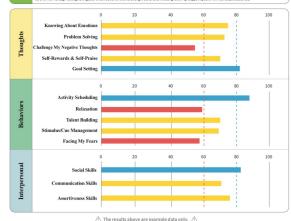


| ſ | Test | Result | Validity |
|---|-------------------------------------|-------------|---|
| | Repeated Consecutive Reaction | Below 12 | 'Above 12' indicates that your child made 12 more consecutive responses. |
| | Reliability of Response | Yes | 'No' suggests that reliability of your child's responses is low. |
| ĺ | Number of Hank | 0 | The greater the number of blank response, the less reliable scores may be. |

SEEDS Results

| Total Score | 0 | 20 | 40 | 60 | 80 | 100 |
|----------------|----------------------------------|----|----|----|----|-----|
| | Social-Emotional Strengths Level | | | | | |
| | | | | | 1 | |

Your drift's Total Score on the SEEDS Cuestomate let in the middle/energie range, which indicates that your drift is engaging in an energie encount of Seed-Endorston.
Simplify Behavior compared to their driven in berkins jostal, in growner, ligher SEED's score are associated with less mental handles.
And arrively. The below scores provide more specific information to reach SEED's area related by your drift. Please refer to the next page for specific recommendations to the control of the seed o



Parent Report



Social-Emotional, Evidence-based Developmental Strengths

| | Area Names | 6 | Specific Recommendations |
|------------------|------------------------------|--------|---|
| 66 Thoughts ?? | Knowing About Emotions | Medium | Support your child to understand that mental health problems are common, but that it is important to take actic sego to improving our lies. Consult with a professional councile, as needed. Support your child in monitoring, tracking, and recording his/her moods, thoughts, and behaviors to better undentand these experiences in his/her life. |
| | Problem Solving | Medium | Support your child in identifying problems in his/her life contributing to his/her stress, and then spend time generating matiple possible solutions together for each problem. Think through the poss and cons of each solutions before picking the best occur and then encourage your child in conditioning to solve the problems causing stress in his/her life. |
| Cha | allenge My Negative Thoughts | Low | Support your child in becoming aware of negative thoughts that make your child feel bad about him/hereil. Support your child in reducing negative social interactions, such as by seaching ascriveness skills to reduce hurful comments by peers and reducing contact with bullio. |
| | Self-Rewards & Self-Praise | Medium | Support your child in rewarding and peasing him/henelf after working hard or achieving something. Remind your child of the importance of feeling proud of oncelf for one's hard efforts and (even small) accomplishments. |
| | Goal Setting | High | Help your child develop specific, meaningful, and realistic guils, and help him/her develop a plan for achieving them. Praise your child for taking steps towards his/her goals in life. |
| 66 Behaviors 33 | Activity Scheduling | High | Support your child in engaging in regular and frequent pleasant activities with people he/she likes. Encourage your child to engage in at least some activities that involve helping other people. |
| beliaviors // | Relaxation | Low | Support your dailed in the use of Education Stall, which can include timing semewhere potent with higher eyes obtaining they bread his most one doubly, and training higher mind and body, until help de first physically and mensully related. We eyighed you not reconsented weaking Prophysic plentarizing compares games as relating artistics, since there often do reste lead to situation of the body and mind. Stepping is do not crosslend "Releasing Stall." |
| | Talent Building | Medium | Help your child find a hobby, sport, or activity in his/her life that hol/she cures about and wants to improve help him/her develop a specific goal for improving in this hobby, sport, or activity. Praise your child for developing his/her tatens and skills, and help him/her in persisting in developing this skill oven when life gos diffinalt and arresful. |
| | Stimulus/Cue Management | Medium | Encourage and praise your child for keeping his/her environment (such as his/her bedroom) visually pleasant. Support your child in reducing corract with negative people in his/her life (such as bullies at school) who make him/her feel had. |
| | Facing My Fears | Low | If not in red danger, encourage your child to face liviler fears that are holding blan/her back in important areas of life. Remind your clidk of the importance of continuing to practice the things we are afraid of until we are no longer afraid of them. |
| 66 Interpersonal | 9 Social Skills | High | Encourage your child to say hello to others with a positive and friendly greeting. Encourage your child to practice starting conversations (in appropriate situations) and take nums speaking and listering to others. |
| | Communication Skills | Medium | As Spales. When you child is upor an someon, suppost your child in telling that person what he she wars or records (instead of just walking may or using nothing). When your child is uport as seemes, response the fine suspring chin when a thing with that press and not adding near seemes. Suppose the file in suspring chin when a thing with that press and not adding near seeme. When someone to dailing no your child about a publism, such your child to wait until the quadra is done, up chaing before replying. Suppose your child in refraining from behough pupilstee possures and greaters when literating to orders. |
| | Assertiveness Skills | Medium | Support your child in identifying blisher needs in social situations and learning when to dure his/her needs calmy yet firmly. Hely your child learn how to assert his/her needs in social situations without being aggressive, and to us harmor and empathetic statements when appropriate. |
| ₹ Follow-up Su | pport ** | | |

info@SeedsAssessment.com or call us at 02-907-7333.

A The results above are example data only.

The SEEDS Support Team provides group-based as well as individual training programs for parents and children regarding how to more effectively strengthen these various social-emotional behaviors in life. Please visit www.SEEDsAssessment.com for more information, or you can email us at

SEEDS Results

Specific Recommendations.

- On page 2 of the report, we also provide specific actions that can be taken to strengthen each Social-Emotional Strength area. Each of the 13 areas are also categorized into one of the three major areas of Cognitive Skills, Behavioral Skills, and Interpersonal Skills.
- Learning about how to support your child in building his/her strengths in these areas will help her create a more productive, successful and happy life.

SEEDS Results

Classroom Results.

- O Provide summaries of each student's scores regarding their Social-Emotional Strength behaviors. Teachers can see visually see the pattern of strengths and weakness across the various Social-Emotional Strength behavior areas for your classroom. The blue cells represent Strength areas, and the Blue cells represent areas in need of strengthening.
- On page 2, we also list the names of each student falling in the Low and High range for each skill area.

Teacher Classroom Summary Report









| School | SEEDS Elementary School |
|---------------|-------------------------|
| Grade/Teacher | 5th/Ms. Seeds |
| Today's Date | January 1, 2017 |

Please visit www.SEEDSAssessment.com and login with your pre-assigned ID TeacherID1 and Password 1234 to view and/or download the SEEDS Assessment results for your entire calssroom and individual students.

01 Classroom Results

| # | Name/ Gender | , | Validit | y | Total | Thoughts Behaviors | | | Interpersonal | | | | | | | | | |
|----|-----------------|-------------------------------|-------------------------|---------------------------|----------------------------------|------------------------|-----------------|--------------------------------|----------------------------|--------------|---------------------|------------|-----------------|-------------------------|-----------------|---------------|----------------------|----------------------|
| | Gender | Repeated Consecutive Reaction | Reliability of Response | Number of Blank Responses | Social-Emotional Strengths Level | Knowing About Emotions | Problem Solving | Challenge My Negative Thoughts | Self-Rewards & Self-Praise | Goal Setting | Activity Scheduling | Relaxation | Talent Building | Stimulus/Cue Management | Facing My Fears | Social Skills | Communication Skills | Assertiveness Skills |
| 01 | Amelia C./F | N | Υ | 0 | 71 | 71 | 67 | 67 | 78 | 69 | 69 | 78 | 69 | 71 | 71 | 67 | 66 | 72 |
| 02 | Isabella E./F | N | Υ | 0 | 67 | 59 | 59 | 68 | 66 | 65 | 57 | 54 | 65 | 76 | 60 | 77 | 68 | 62 |
| 03 | Charlotte B./F | N | Υ | 0 | 74 | 84 | 78 | 75 | 73 | 85 | 77 | 78 | 81 | 62 | 79 | 76 | 76 | 63 |
| 04 | Noah K./M | N | Υ | 0 | 76 | 76 | 83 | 83 | 85 | 84 | 77 | 78 | 81 | 55 | 52 | 85 | 88 | 49 |
| 05 | Jacob P. M | N | Υ | 0 | 76 | 74 | 74 | 78 | 71 | 75 | 77 | 78 | 73 | 83 | 79 | 77 | 78 | 77 |
| 06 | Aiden J./M | N | Υ | 0 | 86 | 86 | 87 | 83 | 85 | 88 | 77 | 78 | 81 | 91 | 71 | 85 | 90 | 83 |
| 07 | Sebastian A./M | N | Υ | 0 | 67 | 65 | 73 | 66 | 71 | 73 | 77 | 78 | 69 | 72 | 79 | 59 | 62 | 62 |
| 08 | Mia L./F | N | Υ | 0 | 80 | 86 | 87 | 83 | 85 | 88 | 77 | 78 | 81 | 91 | 79 | 62 | 62 | 80 |
| 09 | Emma K./F | N | Υ | 0 | 68 | 59 | 66 | 75 | 55 | 62 | 80 | 80 | 74 | 67 | 82 | 75 | 68 | 76 |
| 10 | Mason H./M | N | Υ | 0 | 63 | 58 | 63 | 68 | 59 | 57 | 71 | 76 | 69 | 64 | 74 | 65 | 58 | 56 |
| 11 | Lucas K./M | N | Υ | 0 | 74 | 78 | 71 | 73 | 76 | 75 | 67 | 71 | 73 | 75 | 58 | 73 | 77 | 75 |
| 12 | Evelyn L./F | N | Υ | 0 | 81 | 90 | 90 | 85 | 89 | 73 | 80 | 80 | 85 | 80 | 70 | 90 | 82 | 50 |
| 13 | Aria A./F | N | Υ | 0 | 75 | 85 | 71 | 83 | 66 | 76 | 71 | 54 | 80 | 80 | 82 | 82 | 67 | 79 |
| 14 | Daniel K. M | N | Υ | 0 | 71 | 73 | 86 | 60 | 72 | 72 | 53 | 62 | 48 | 62 | 70 | 64 | 77 | 77 |
| 15 | Chloe E./F | N | Υ | 0 | 67 | 78 | 63 | 81 | 79 | 65 | 71 | 71 | 73 | 70 | 62 | 59 | 64 | 60 |
| 16 | Scarlett Q./F | N | Υ | 0 | 66 | 55 | 63 | 74 | 61 | 68 | 76 | 76 | 78 | 57 | 82 | 80 | 73 | 60 |
| 17 | Layla K./F | N | Υ | 0 | 59 | 58 | 59 | 57 | 56 | 62 | 80 | 76 | 74 | 59 | 78 | 54 | 58 | 54 |
| 18 | Jayden C./M | N | Υ | 0 | 61 | 55 | 61 | 54 | 77 | 61 | 35 | 58 | 54 | 70 | 41 | 53 | 64 | 62 |
| 19 | Andrew J./M | N | Υ | 0 | 67 | 62 | 65 | 69 | 71 | 59 | 67 | 67 | 63 | 73 | 62 | 67 | 64 | 69 |
| 20 | Gabriel B./M | N | Υ | 0 | 78 | 83 | 79 | 73 | 78 | 68 | 77 | 62 | 75 | 82 | 79 | 85 | 70 | 84 |

⚠ The results above are example data only.

Teacher Classroom Summary Report



02 School/Classroom Scores

| Socia | l-Emotional Strengths | Sco | ore | 0 20 | 40 | 60 | 80 | 10 |
|---------------|---------------------------|--------|-----|------|----|----|----|----|
| | V | Class | 70 | | | | | |
| | Knowing About Emotions | School | 70 | | | | | |
| 8 | P. 11 C.1. | Class | 86 | | | | | |
| | Problem Solving | School | 70 | | | | | |
| Thoughts | Challenge My | Class | 73 | - | | | • | |
| non | Negative Thoughts | School | 70 | | | | | |
| F | Self-Reward & Self-Praise | Class | 66 | | | | | |
| | Sell-Reward & Sell-Fraise | School | 70 | - | | | | |
| | | Class | 58 | | | _ | | |
| | Goal Setting | School | 70 | | | | | |
| | Activity Scheduling | Class | 48 | | | | | |
| | | School | 70 | | | | | |
| | Relaxation | Class | 65 | | | | | |
| OLS | | School | 70 | | | | | |
| Behaviors | Talent Building | Class | 79 | | | | _ | |
| šeh | | School | 70 | | | | | |
| _ | Stimulus/Cue | Class | 53 | | | - | | |
| | Management | School | 70 | | | | | |
| | | Class | 71 | | | | | |
| | Facing My Fears | School | 70 | | | | | |
| | 0 110111 | Class | 83 | | | | - | |
| nal | Social Skills | School | 70 | | | | | |
| Interpersonal | Communication Skills | Class | 72 | | | | • | |
| rpe | Communication Skills | School | 70 | | | | | |
| nte | | Class | 61 | | | | | |
| _ | Assertiveness Skills | School | 70 | | | | | |

03 Student Support List

| Socia | l-Emotional Strengths | Students Needing Support | Students With High (Strong) Levels | | |
|---------------|--------------------------------|--|--|--|--|
| | Knowing About Emotions | Isabella E., Emma K., Mason H., Scarlett Q., Layla K., Jayden C. | Charlotte B., Aiden J., Mia L., Evelyn L., Aria A., Gabriel B. | | |
| ş | Problem Solving | Isabella E., Layla K. | Neah K., Aiden J., Mia L., Evelyn L., Daniel K. | | |
| Thoughts | Challenge My Negative Thoughts | Daniel K., Layla K., Jayden C. | Noah K., Aiden J., Mia L., Evelyn L., Aria A., Chloe E. | | |
| Ē | Self-Reward & Self-Praise | Emma K., Mason H., Layla K. | Noah K., Aiden J., Mia L., Evelyn L. | | |
| | Goal Setting | Mason H., Andrew J. | Charlotte B., Noah K., Aiden J., Mia L. | | |
| | Activity Scheduling | Isabella E., Daniel K., Jayden C. | Emma K., Evelyn L., Layla K. | | |
| 2 | Relaxation | Isabella E., Aria A., Jayden C. | Emma K., Evelyn L. | | |
| Behaviors | Talent Building | Daniel K., Jayden C. | Charlotte B., Noah K., Aiden J., Mia L., Evelyn L., Aria A. | | |
| Bel | Stimulus/Cue | Noah K., Scarlett Q., Layla K. | Jacob P., Aiden J., Mia L., Evelyn L., Aria A., Gabriel B. | | |
| | Facing My Fears | Isabella E., Noah K., Lucas K., Jayden C. | Emma K., Aria A., Scarlett Q. | | |
| onal | Social Skills | Sebastian A., Chloe E., Layla K., Jayden C. | Noah K., Aiden J., Evelyn L., Aria A., Scarlett Q., Gabriel B | | |
| Interpersonal | Communication Skills | Mason H., Layla K. | Noah K., Aiden J., Evelyn L. | | |
| nter | Assertiveness Skills | Neah K., Mason H., Evelyn L., Chlor E., Scarlett Q., Layla K. | Aiden J., Mia L., Gabriel B. | | |

riangle The results above are example data only. riangle

Classroom Results

- On page 2, the assessment also shows how your classroom compares to your entire school on average. For example, does your classroom have weaker or stronger Problem Solving Skills than the average class of your school?
- O This information can be used to understand your classroom students' specific areas of strengths and weaknesses in need for further strengthening to support your students overall Social-Emotional development, well-being, and academic success.

Current Stages

- The SEEDS Assessment has been validated and testes on 1003 Korean childrens.
- The research team is planning to expand this project to a FOR-PROFIT enterprise.
 - The team is applying for a grant from Duksung Woman's University to help expand this project to a for-profit company. The grant is \$60,000/year, and will be given for two years. Responsibilities for the grant includes: publish scientific papers and build a sustainable product/service to improve mental health problems in Korea.
 - However, the team is facing multiple problems when expanding from a scientific research to a real business product

- 1. Customers
- 2. Business Model and Marketing strategies:
 - a. Products
 - b. Prices
 - c. Place
 - d. Promotion

1. Customers:

- Who are the most potential customers of SEEDS?
- How to manage and maintain the relationship with customers?

- The team is considering three types of customers:
 - (1) Parents
 - o (2) Schools
 - o (3) Therapists
- Each type of customers will have potentialities as well as challenges to approach. However, with limited resources, the team may have to choose only one type of customers to focus on.
- The team wants to know which one they should choose, how they should segment the market, and how they can develop a business model and customer relationship plans to keep the customers.

- 2. Business Models and Marketing Strategies
 - Products

- SEEDS has two main categories of products:
 - Core products: Assessment + Results
 - Follow-up services: (1) Parent-children workshop, (2) Counselor training, (3)
 Individual counseling, (4) Mental health app: to track and improves 13 areas for students, (5) Information hub for mental services.
- The team wants to know how to differentiate its core products and what type of follow-up services/products that the team should provide for the potential customers.

- 2. Business Models and Marketing Strategies
 - Price

- The current price for the assessment is \$5/child (test). The individual report (score + recommendation), plus classroom reports if requested, will be provided in the package.
- The team wants to know whether the price and the current pricing model (charging based on the test) is reasonable for the type of customers that they plan to approach.

- 2. Business Models and Marketing Strategies
 - Place (Distribution Channel)

- The current distribution channel right now is through direct sales: the team approach one elementary school and convince the principal to conduct the assessments for all students.
- The team wants to know which distribution channel is the most effective to approach its customers.

- 2. Business Models and Marketing Strategies
 - Promotion

- The team only have the website to inform customers about its products.
- The team wants to know how to promote their products/services (through which channel) to more customers.

3. Analysis and Suggested Solutions

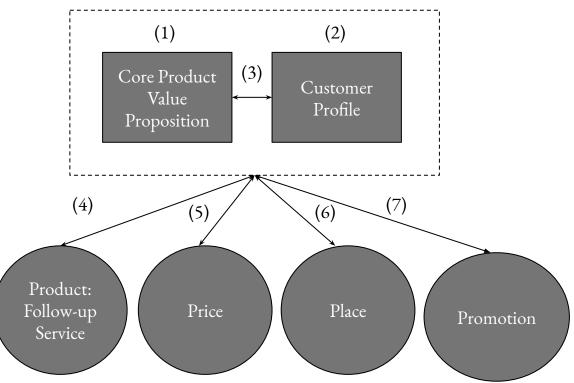


Figure 1: The solution framework.

To solve these problems mentioned above, I will start with the analysis of:

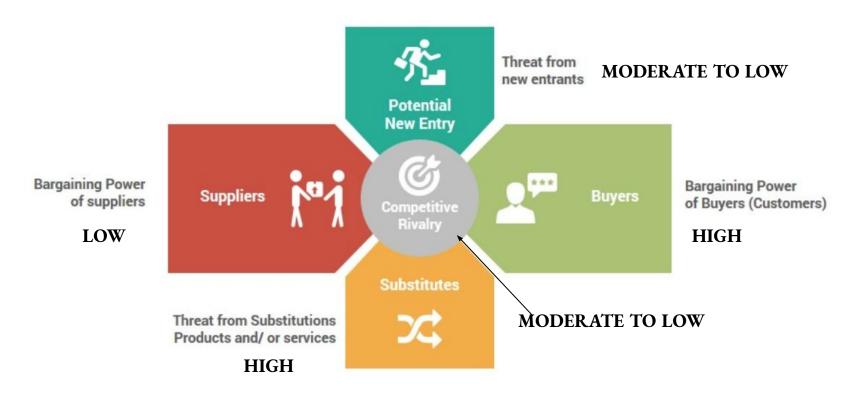
- (1) Core Product Value Proposition (#whyExist):
 What does SEEDS provide to customers and
 how does SEEDS differentiate itself from
 other similar products
- Customers Profile (#customercentricity):
 Who should be the most potential customers
 for SEEDS
- (3) The relationship between #whyExist and #customercentricity: How does these values fit with customers' need and jobs-to-be-done?
- (4) Other products: How other products can support the relationship above and vice versa?
- (5) Price (#abovetherevenueline): How does the pricing model support the relationship above and vice versa?
- (6) Place: How does distribution channels support the relationship above and vice versa?
- (7) Promotion: How does promotion plans support the relationship above and vice versa?

3.1 Core Product Value Proposition

- Five Forces Analysis
- The elements of values pyramid
- Others strengths

Porter's Five Forces Analysis

Industry: Assessments/Test



Porter's Five Forces Analysis

| 1. Threat of New Entrants (Moderate to Low) | High time and cost to entry (need a lot of commitment to develop an assessment) Need a lot of specialist knowledge Low economy of scales Moderate cost advantages Low technology protection Low barrier to entry |
|---|--|
| 2. Bargaining Power of Buyers (High) | □ Moderate number of customers (either schools, therapists, or parents) □ Moderate size of each order □ Low differences between competitors □ Customers are highly price sensitive □ Easy to change to substitute (i.e mental courses, other activities) □ Low cost of changing |
| 3. Bargaining Power of Suppliers (Low) | □ Low number of suppliers and size of suppliers (i.e web designers) □ Low uniqueness of services □ Low cost of changing |
| 4. Threat of Substitutes (High) | A lot of other substitutes (i.e. other methods for CBT, mental health services, cost) Low cost of change (customers change to these substitutes with low costs) |
| 5. Industry Rivalry (Moderate to Low) | □ Moderate number of competitors □ Moderate to high differences in qualities □ Low switching cost □ Low customer loyalty |

Porter's Five Forces Analysis

Some strategies to differentiate SEEDS products from other products in the same industry:

Priorities:

- To counter customer power: expand SEEDS service so it's harder for customers to leave you for a rival.
- To limit the threat of substitutes, offer better value through wider product accessibility.

Others

- *To neutralize supplier power:* standardize specifications for parts so SEEDS can switch more easily among vendors.
- *To temper price wars initiated by established rivals:* invest more heavily in products that differ significantly from competitors' offerings.
- *To scare off new entrants*, elevate the fixed costs of competing; for instance, by escalating your R&D expenditures.

The elements of values pyramid

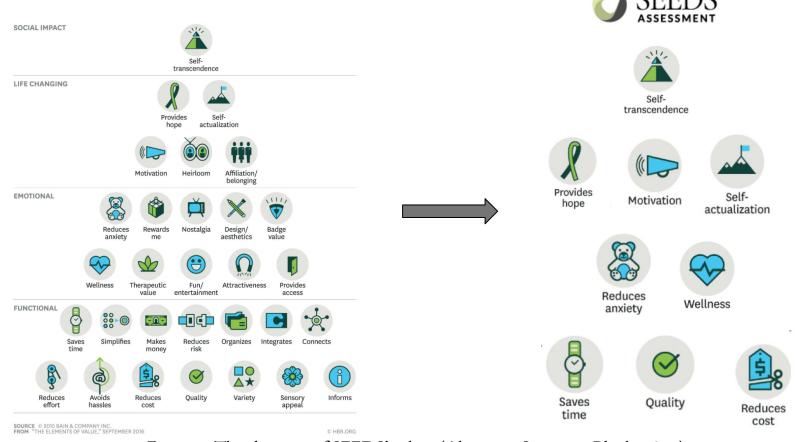


Figure 2: The elements of SEEDS' values (Almquist, Senior, & Bloch, 2016).

Other value propositions

1. Strength-oriented

SEEDS focuses on the positive strength behaviors of people, rather than on their negative symptoms. The SEEDS Assessment thus provides individuals with the solutions to their struggles, rather than focusing on their problems.

2. Strength areas that matter the most

Among the countless number of possible strength behaviors to assess, the SEEDS Assessment measures the strength areas that matter most. These areas were identified based on the field's largest review of scientific research studies looking at what works in child and adolescent mental health.

3. Solution-oriented

O Based on each individual's answers, the SEEDS Assessment Report provides specific recommendations for how to strengthen each area based on steps that have been shown to effectively strengthen these areas and skill

Summary

How SEEDS can differentiate itself in the industry of assessments/test?

- 1. Using Five Forces to understand the industry and prioritize on high-risk forces (Bargaining power of buyers and Threat of substitutes)
- 2. Understanding SEEDS unique selling point (or values that it can provide to customers), including:
 - a. Functional values: Save Times, Quality, Reduce Costs
 - b. Emotional values: Reduce Anxiety, Wellness
 - c. Life changing: Provide Hope, Self-Actualization, Motivation
 - d. Social Impact: Self-transcendence
 - e. Others: Strength-oriented, Strength areas that matter the most, and Solution-oriented

3.2 Customer Analysis

Among three types of customers that SEEDS is considering (parents, schools, and therapist) -> Focus on therapists, because:

- 1. SEEDS team will have more insights into this group -> easy to approach
- 2. Market size is large
- 3. Customer lifetime value is higher than other groups (parents and schools)

Why therapists?

- The current team of SEEDS include 4 researchers: Dr.Chad and three other graduate students in psychology major.
- They have experiences with scientific researches and counselling. Dr.Chad is a therapist himself in both America and Korea.
- The original purpose of SEEDS is to help therapists identify which areas in cognitive processing therapy (CPT) are the most important ones when consulting to patients.

=> At the beginning of the project, it would be better for the team to focus on the type of customers that they **have the most insights.**

Why therapists?

Market size is large and increasing throughout years:

- 1967 mental health facilities across Korea (year 2013)
- 7933 mental professionals across Korea (psychiatrists, psychiatric residents, and mental health professionals) (year 2013)
- -> There is so much potential in these market. Even if SEEDS can only gain 10% of this market size, the market share is still large enough to generate profit.

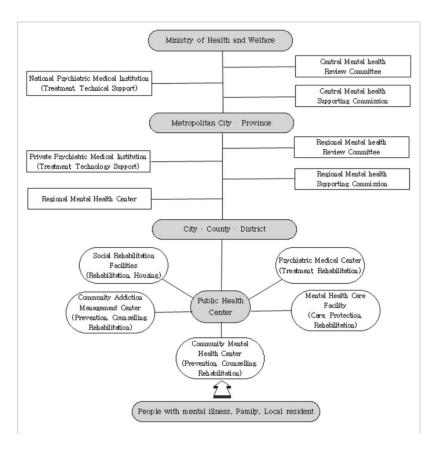


Figure 3: Mental Health Delivery System in Korea (Roh et al., 2016)

| Classification | 2001 (A) | 2005 | 2010 | 2013 (B) | B/A |
|---------------------------------------|----------|------|------|----------|------|
| Psychiatric Medical Center | | | | | |
| Mental hospital | | | | | |
| National/public | 17 | 18 | 18 | 19 | 1.11 |
| Private | 57 | 63 | 127 | 168 | 2.94 |
| Mental Health Unit in Hospital | | | | | |
| General Hospital | 154 | 168 | 165 | 181 | 1.17 |
| Hospital | 53 | 81 | 136 | 133 | 2.50 |
| Psychiatric clinic | 541 | 718 | 827 | 853 | 1.57 |
| Sub-total Sub-total | 822 | 1048 | 1273 | 1354 | 1.65 |
| Community Rehabilitation Center | | | | | |
| Social Rehabilitation Facility | 66 | 138 | 230 | 304 | 4.60 |
| Mental Health Center | | | | | |
| Regional ^a | _ | - | - | 11 | N/A |
| Local | 46 | 62 | 157 | 189 | 4.10 |
| Community Addiction Management Center | 9 | 20 | 41 | 50 | 5.55 |
| Sub-total | 121 | 220 | 428 | 554 | 4.57 |
| Psychiatric Nursing Home | 55 | 56 | 59 | 59 | 1.07 |
| Total | 998 | 1324 | 1760 | 1967 | 1.97 |

^aData on regional mental health centers was collected as of the end of 2013 only

Table 1: The number of mental facilities across Korea (Roh et al., 2016)

| Classification | Psychiatrist | Psychiatric resident | Mental health professional | Non professional and others | Total |
|--|--------------|-------------------------|----------------------------------|-----------------------------------|--------|
| Psychiatric Medical Center | ſ | | | | |
| Mental hospitals | 840 | 146 | 1287 | 4427 | 6700 |
| (General) hospital Mental health unit | 994 | 536 | 1016 | 3465 | 6011 |
| Psychiatric clinic | 1080 | 33 | 197 | 2154 | 3464 |
| Sub-total | 2914 | 715 | 2500 | 10,046 | 16,175 |
| Mental Health Care Facilities | 49 | _ | 69 | 975 | 1093 |
| Community Rehabilitation | Center | | | | |
| Regional Mental Health Center | 1 | - | 163 | 20 | 184 |
| Local Mental Health Center | 12 | 7- | 930 | 532 | 1474 |
| Social Rehabilitation Facility | 1 | - | 526 | 509 | 1036 |
| Community Addiction Management Center | 1 | - | 121 | 91 | 213 |
| Sub-total | 15 | - | 1740 | 1152 | 2907 |
| Total | 2978 | 715 | 4240 | 12,173 | 20,175 |

Unit: person

Table 2: Human resources in Nationwide Psychiatric Health Facilities (2013) (Roh et al., 2016)

Why therapists?

In marketing, **customer lifetime value** (CLV or often CLTV) is a prediction of the net profit attributed to the entire future relationship with a **customer**.

Customer Lifetime Value = Lifetime value x Profit Margin

Why Therapists?

With therapists: Assuming that SEEDS sell this assessment for therapists. Each therapists will have on average 50 patients (children only). With the price \$5/assessment, SEEDS will have about \$4 in profit (after all expense such as human resources costs, marketing...). I estimate that a therapist will use SEEDS on average for two years (after two years, they may change to other substitutes/products...)

-> CLV = $2 \times 50 \times 4 = 400$ -> In general, a therapist will pay about \$400 during the entire future relationship with SEEDS.

With parents: $CLV = 1 \times 1 \times 4 = 4$ (parents in Korean usually only have one child and take the assessment for their child only once in the lifetime.

With school: $CLV = 2 \times 250 \times 4 = 2000$ (a public school use to have 250 students).

However, the cost to gain one customer (school) may be higher than \$2000, because to enter public schools, you have to build networks outside and inside schools. Also, when a public school pay for something over \$1000, it has to report to the Minister of Education.

=> Focusing on therapists will bring the highest CLV for SEEDS Assessment.

Summary

Why therapists?

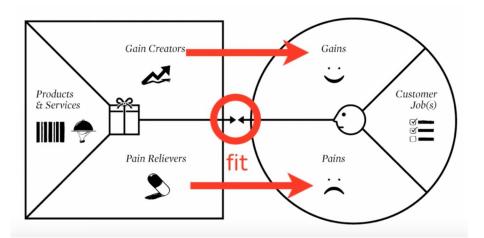
- The team has more insights to this type of customers
- Market size is large enough to enter.
- CLV of therapists is higher than that of parents and schools

Focus on therapists in three levels of analysis:

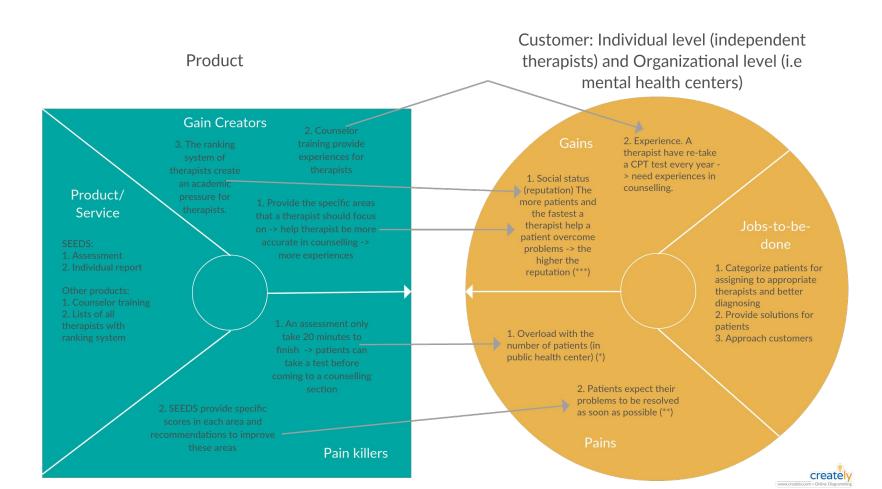
- Individual level: therapists in private medical center
- Organization level: mental health center, digital mental health care private company (i.e mhealth, ehealth)
- Social level: Korean Psychological Association

3.3 Values and Customers

With three levels of customers - (1) Individual level (independent or private therapist), (2) Organization level (mental health centers), and (3) Social level (government, association), I use the framework of value proposition canvas to match SEEDS's value proposition with what customers needs



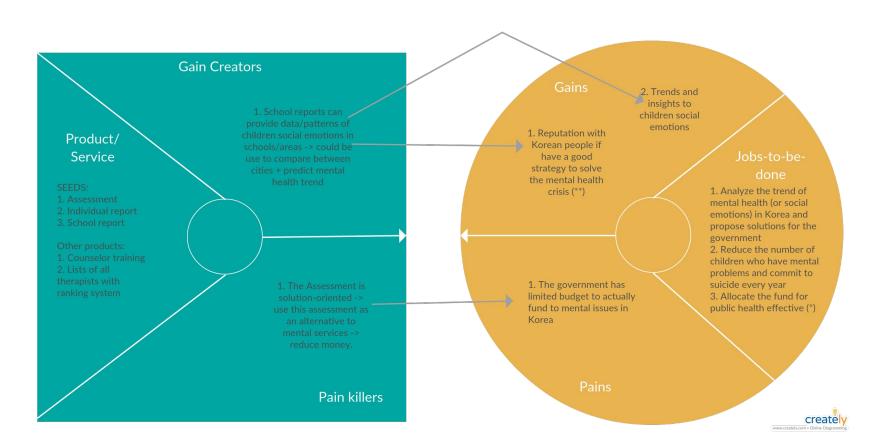
VALUE PROPOSITION DESIGN EXPLANATION



VALUE PROPOSITION DESIGN EXPLANATION

Product

Customer: Social level (Korean Psychology Association, Government...)



3.4 Products

Problems

- SEEDS is considering to provide some follow-up services:
 - (1) Parent-children workshop
 - (2) Counselor training
 - (3) Individual counseling
 - (4) Mental health app: to track and improves 13 areas for students,
 - (5) Information hub for mental services (ranking systems)
- The team wants to know how to differentiate its core products and what type of follow-up services/products that the team should provide for the potential customers.

Solutions:

- As mentioned above, because the main customers that SEEDS should focus in the beginning of the expansion are therapists, and also with limited funding, I suggest that the team should focus on:
 - Counselor training
 - Information hub for mental services (ranking systems)

• Product improvement

- Expand the SEEDS Assessment to other ages (i.e university students, adults, seniors)
 - As mentioned in the Five Force Analysis, to counter customer power: expand SEEDS service so it's harder for customers to leave you for a rival.

3.5 Price

- The current price: \$5/test/person.
- However, there is not the optimal price because SEEDS is lacking of:
 - Pricing objectives
 - Pricing strategies

Pricing objectives

Before any pricing decisions are made, SEEDS must establish what it means to achieve through pricing.

To do that, SEEDS needs to identify:

- (1) Fixed cost expenses that remain the same regardless of production output (e.g website fee, employees salaries)
- (2) Variable cost dependent on production output. However, in this case, I think SEEDS has no variable costs because the assessment has been validated.
- (3) SEEDS objectives in the beginning stage: revenue maximization (to increase market share and lower costs in the long term), or maximize quantity (sell a specific number of items to decrease long term costs or use for analyzing trends)...

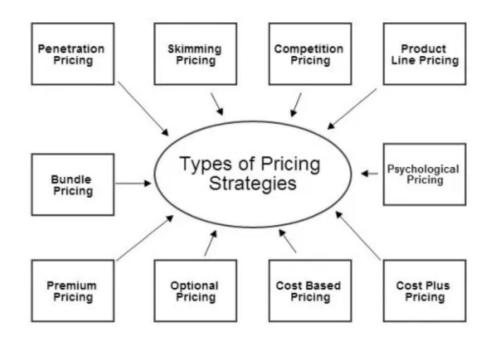


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Pricing strategies

The pricing strategies will depend on SEEDS pricing objective.

For instance, if SEEDS pricing objective is *maximize quantity* to have the large data and gain the market share, the company can use the *penetration pricing strategy* in which a low price is set by the company to build up sales and market share. This may be done to establish position in a market with preexisting similar products on offer. Once a position is created, the prices may be raised.



3.6 Place (Distribution Channel)

Because the main customers of SEEDS will be therapists (who is very rigorous and quality-seeking), the best distribution channel for SEEDS would be direct distribution (no intermediaries) in order to completely control over the quality of the product.



- Because therapists do not have much time, online channel would be the best to approach them. SEEDS can utilize its website: each therapist can create an account on SEEDS. Their patients can do the assessment online with the code provided. And therapists/ organizations can pay via online payment.
- Direct and online channels can also reduce fixed cost at the beginning.

3.7 Promotions

- Because SEEDS is in the beginning of the lifecycle, it may need to be more aggressive and informational advertising to help customer aware of the products.
- Promotion Mix: Direct Marketing and Personal Selling will be the most effective ways here because the research team of SEEDS can approach other therapists in their networks (through seminars, events, collaborations) and convince them to try the assessment. Some sale promotions or product trial could be used for therapists to see the effectiveness of the product before any long-term contract.



4. Summary and Further Research

Summary

- SEEDS has a very strong product. However, to change from a scientific research to a for-profit enterprise, the company has to shift the mindset from product-centricity to **customer-centricity**: develop business models and marketing strategies to meet customers' needs.
- Before developing any business models, the company should understand the
 competitiveness of the industry/business field of scientific assessments/mental
 services. By using Porter's Five Forces Analysis, the team can develop and prioritize
 strategies to differentiate SEEDS from other competitors.
- Understanding **the values proposition** and strengths of SEEDS by using the elements of values pyramid and other approaches: what is a unique selling point of SEEDS.

Summary

- At the first stage of the company, focus on only **one type of customers: therapists** (in three levels individual, organizational, and social levels). The reasons for choosing therapists are: (1) the team has insights in this group, (2) market size is large, and (3) customer lifetime value is high.
- Using **the value proposition canvas:** (1) understand customers (what are their jobs-to-be-done, pains, and gains); (2) understand the products/services: what we can offer that could be gain-creators or pain-killers; (3) match gain-creators with customers' gains and pain-killers with customers' pains -> these matchings are the most important selling points which SEEDS could convince customers to buy its product.

Summary

- Narrow down the number of products to utilize our limited resources at the beginning of the company. Focus on the products that are matched with our customer's needs (therapists) and could complement on the core product: the SEEDS Assessment. Moreover, invest in R&D to expand the assessment to other ages (i.e university students) will reduce the customer power: expand SEEDS service so it's harder for customers to leave you for a rival.
- Before finalizing the price, identify your **pricing objectives** and **pricing strategies**. These objectives and strategies have to be consistent and realistic with the business development strategies, financial performance and resources.
- Choose **the direct and online distribution channels** because these channels works best with therapists.
- Be more aggressive and informational advertising to help customer aware of the products. Use **direct marketing**, **personal selling**, **and sale promotion** to approach customers.

Further research

All the recommendations above were built based on my subjective understanding about Korean therapists, SEEDS assessment, and secondary data of Korean market (i.e data about the number of therapists in Korea). However, we still need more market researches before officially launch any products. Belows are some suggestions for market researches:

- Conduct more researches (both primary and secondary) to understand the industry of scientific assessments in Korea, because most of my analysis about five forces industry are more likely to be true in America.
- Conduct empathy interviews to have more insights about therapists: their jobs-to-be-done, any difficulties that they are facing everyday, and their expectations for a new product.

Further Research

- Research and expand the SEEDS Assessment to other ages (i.e university students)
- Re-evaluate the pricing objectives and pricing strategies (maybe conduct a survey to customers to see whether the price is reasonable). Charging money on test per person may not be the optimal pricing strategies.
 - For instance, if the team wants to work with the government or the Korean Psychology Association, the team can conduct the assessment to as many schools and children as possible. Then the team conduct data analysis and predict trends in social emotions. That data analysis provides many insights, and the government (i.e Minister of Education or Health) may be interested and willing to buy.

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