Woomi

V08 Start-Up Enterprise Team
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Business Plan

Part I—Executive Summary

Woomi is an application applying artificial intelligence (abbreviated as AI) technology, which aims to help solve the problem of overlooking symptoms of possible illnesses and decrease the loneliness of our expected consumers, the elders who are isolated from their families in healthcare facilities. After Woomi is installed on the consumer's device, the consumer will receive daily calls from our AI software, checking up on their physical and emotional state, as well as asking simple questions about the user. Not only this will be able to let healthcare providers know any symptoms of approaching illnesses, but Woomi will also be able to help solve the boredom and feeling of isolation felt by many elders who are sick. Woomi will also contact healthcare providers in case of any emergency detected, reducing the risk of sudden health issues, or even death.

The name of our service, "Woomi", comes from the Korean word "dowoomi", which means "the helper". Like our name, we aim to support the well-being of elders through applying advanced AI technology to a calling system, which will check and assist healthcare procedures of elderly patients as well as open up a chance of communication to the caregivers and families of elderly who cannot check with them on a regular basis. Woomi has an emphasis on the interconnection of technology and elders and aims to overcome the societal limit set to the older population in terms of using and being exposed to advanced technology. We aim to change the negative perception of AI technology and transform it into a friendly, lovely companion for all those who are in need of medical and emotional support.

Some of Woomi's important growth strategies include considerate communication skills and in-person experiences. Considering that our primary target market is the elders who may not be as skillful with using technology, Woomi's most prioritized growth strategy is to have a concise and easily understandable use of words, both in the actual service and in our customer service team. We value the importance of communication in terms of shaping a positive brand image as well as maintaining a loyal customer base. Another growth strategy that Woomi will use to both promote and provide a joyful experience to our potential customers is to provide free trials to local hospitals and nursing homes, as well as donate our profit to such places to strengthen our vision and pursue a benevolent, caring brand image.

Woomi will be managed by Yewon Jang, Yeounseo Kim, Juhyun Sung, and Seyoon Jeong, a team of enthusiastic individuals who aim to help form a community where elders are open to having a joyful and supportive experience with the AI technology provided by Woomi, and also support all families who lack time to visit and communicate with their sick elders to reduce the burden of guilt and responsibility. Our team, with all the skills and talent, will form a tight-knit community, united to shape a better future for all people around the globe.

Our marketing strategies will consider three strong target markets: Elders (patients), caregivers, and children of caregivers. In total, the range of age group Woomi is targeting is teenagers up to 70 years old elders, who could be reached through online promotion. Through careful evaluation of well-known social media platforms, Woomi is planning to use YouTube

and Instagram advertisements to reach a wide variety of age groups who have connections with elderly healthcare and communication issues.

Woomi's total financial expenses for the first year of operation are estimated to be seven employees in total. Each of our founding members will invest $3,000 to support the mission and vision of the business, and the rest of the expenses will be covered through investment, which will be paid back to the investors after five years with an interest rate of 8%.

Part II—Description of Proposed Business

Woomi ensures the safety and well-being of elderly customers living alone by providing daily calls with AI for customers to ask about their health and safety, and check for any emergency that needs immediate help. With the assistance of advanced AI technology, we summarize and analyze the elderly's condition based on the call and communicate with the family providing detailed reports of their health on a daily basis. Our service is tailored to ease adults' concerns about their parents' well-being, especially those who are busy and unable to make time for daily calls.

Woomi will be owned and managed by Yewon Jang, Yeounseo Kim, Juhyun Sung, and Seyoon Jeong who initiated the business idea with a focus on addressing the growing elderly population on behalf of the enhancement of healthcare. It is indeed fortunate that humans can enjoy an extended lifespan from improved healthcare. However, it is yet inevitable to accompany illness in aging, necessitating support for the elderly. But there are lots of sons and daughters who cannot either become caregivers for them due to their busy schedules or afford costly caregivers. In an attempt to address this issue, some adult children opt to place their parents in nursing homes, leading to a noticeable surge in demand for such facilities. Nevertheless, this may not be the optimal solution as nursing homes may not allow the elderly to lead their ordinary lives, and the economic burden on the children remains a significant concern. Targeting these issues, we came up with the idea of Woomi, an AI support program that may be able to alleviate the concerns of those adults through daily calls that enable the elderly people to live an ordinary life without restriction and is much more affordable than other care services.

Part III—Objectives of the Business

To encourage growth and development, a company must remain aligned with the mission and vision statement to maintain the original intent. Woomi will continue to pursue and attach to the mission and vision statement, avoiding being deviated from our core values.

Mission Statement

Woomi works in an intensive domestic environment for elderly patients to achieve recreational yet refined healthcare services.

Vision Statement

To promote an assuring and thriving old age supported by innovational technology

The mission and vision statement will be shown via our application's opening page to promote our ultimate goal: widening accessibility and recipients of advanced well-being services targeted at the elderly group. The statements will also be assisted in promoting mediums to establish a definitive brand image.

Branching towards specific approaches based on specific, measurable, achievable, relevant, and time-oriented goals, Woomi aims to show progressive and efficient results throughout the initiative plan. Lenient adjustments according to actual operation are to be made later on, nevertheless, the starting goals include:
1. Reach 500+ users/subscribers within the first year of launching the application.
2. Increase the number of application subscribers by 15% each year for the first three years of launching the application.
3. Increase annual profit by 5% for the first three years.
4. Increase annual profit by 10% for the next five years.

Part IV—Proposed Business Strategies

To achieve the objectives, Woomi needs long-term strategies to effectively achieve the goals. This might allow the company's steady and stable growth. Woomi will make progress based on these strategies for the initial six years to construct a solid basis and pursue the growth of the company.

Woomi will start without a building to minimize the starting cost. It is presumed that the presence of a building is unnecessary for the first six months since the focus will be developing and creating the basis of AI Woomi and our application which only requires computers and a small office to program and discuss. We will start our business in a small room in our member's house but will gradually expand our business and eventually build our main building in Silicon Valley. We have chosen Silicon Valley because it is a center for high technology and innovation. The location will provide Woomi with talented workers, especially in programming and technology, which is our main service.

Woomi aims to seek long-term growth through careful communication with the consumers. A problem that we identified that may disturb our target market (with ⅔ being of age greater than 40) from similar businesses is that the customer service and how businesses answer their questions is often unkind and show an ineffective approach to solving their questions. For example, it is common for elders to be unsure about some technical jargon, but it may take time and effort for the customer service team to explain them to such customers, often making them shout and express slight annoyance. Not only does this disappoint the customers who took the time to subscribe to our service, but it may also interrupt Woomi from gaining support from the target market.

Hence, what Woomi would do is the exact opposite of what is explained above; We will train our customer service team with a communication manual to ensure cordiality to all customers and use simple, effective words that can enhance understanding of the service we are providing. This will effectively demonstrate our high understanding and enthusiasm for the target market and the societal problem that we are aiming to solve in our future pathways.

Another prominent strategy Woomi will follow is consistently updating and improving our application. Our application is a key feature in providing our service as it is a platform where our customers can use our AI Woomi as well as enjoy other features like

health statistics and summaries. As we expand our business, we will continue aiming for the development of new functions that might help the customers. Areas Woomi considers for development include:
- [About us] tab that might provide detailed information about the company Woomi, from our AI, mission and vision statement, CEO and employee profile, contact information, promotion materials, etc to establish trust and brand identity, facilitating active communication and friendliness of our company.
- [Medical Information] tab that enables the customers to view information about their medical illness, from the causes to solutions. It will suggest different ways to cure their illness and alleviate their pain like workout and home training videos to manage their health and well-being.

Additionally, to foster further growth and improvement, Woomi will follow general strategies such as:
- Donating profit to the elderly care centers and nursing homes regularly to build a strong community with customers and maintain a positive brand image, which aligns with one of our objectives of creating healthier and peaceful communities.
- Frequently reviewing and applying customer feedback, through collecting regular satisfaction surveys from the customers.
- Employing business and marketing models and analysis to perceive potential opportunities and threats from the competitors and inspecting our sales and progress.

By following and developing these strategies for the initial six years, Woomi will stimulate success and ensure the prevention of deviation from the core principles and objectives.

Part V—Product(s) and/or Service(s) to be Provided

Woomi provides a calling system from AI to elderly people to ensure their safety and well-being. Through our system, we are aiming to reduce the loneliness of the elderly and the economic burden on their sons and daughters.

We have decided to introduce an AI calling system for elderly individuals, allowing their sons and daughters to easily and regularly update themselves on their parents' health. We opted for a calling service as the elderly often communicate with their offspring through calls. During these calls, they can discuss the elderly person's day, inquire about their sleep and eating habits, and address any potential issues. However, due to the busy schedules of their sons and daughters, daily calls can be challenging. Even though the elderly may wish to contact their children, they often hesitate to do so, understanding the demands on their time. Our service, akin to how their children check on their health through calls, aims to provide a means of health monitoring through regular communication.

All customers will download the Woomi application. Then, through this application, they will receive calls from the AI every day. The AI can act as their caregiver, friend, or even their child. It will serve as their conversation partner, inquiring about their sleep, diet, and any problems they may be facing. During these conversations, the AI can assess their health conditions. Customers can directly provide information about their health or alert the AI by answering questions related to symptoms of specific diseases. For instance, questions about memory may be asked to assess the potential of Alzheimer's. Additionally, if there are

specific health concerns, customers can focus on those areas by answering relevant questions. For example, the AI may inquire whether they have taken their morning medication.

Woomi will offer emergency support by directly contacting the hospital whenever an emergency is captured throughout the call. If the emergency is confirmed, the doctors will visit the elderly immediately to provide treatment. For instance, one main case in an emergency that might be detected is when the elderly don't respond for a long period and other sounds are not being caught. Woomi will have specific medical data for each customer, detecting emergencies based on their medical conditions by analyzing the possible dangers and symptoms they might have.

The customers can also call AI when it is needed. Some elderly people are lonely and want to share their life. However, they were not able to do it because they did not have people to call. To meet these people's needs, we make AI so people can call every time they want. Because they are AI, not human, it is possible to call people whenever they want. This will be an effective strategy to reduce their solitude and loneliness.

Not only provide the calling system, but we will also save the recorded file of the call and provide the summary of the conversation that the customers had. It may seem not to respect the elderly's privacy when sons and daughters can access the whole recording file, so Woomi will provide their health summary, and necessary information elderly and their sons and daughters agree to share. This system will benefit the sons and daughters as well because they do not have to hear two to three hours of conversation that their parents had with AI.

In addition, the customers can also choose the characteristics of an AI. To reduce the distance between AI and the customers, they can choose the gender of the AI, the voice tone, and the talking style. This will make the customers talk more freely which makes it easier to analyze their health.

All information about the customers can be accessed through our application. All the call summaries, health statistics, and answers to daily check-in questions will be recorded in the application. The customers (mostly the elderly) will use the application to call the AI, and the sons and daughters will use the application to see the summaries and statistics. Regarding the fact that the elderly may not be familiar with sophisticated applications, the button for the call with the AI will be at the top of the application on the first page with a font that covers ¼ of the screen. As we will mention in the later marketing sections, the people who check the health of the elderly will be aged around 40-50 and are familiar with the application. The application will have different pages for each section like a page for calling summary, overall statistics, and daily summary. This choice is made to provide detailed information to the customers as much as possible.

Our company will provide two subscription plans. One plan will be a basic plan where the customers can have a call with AI. In the premium plan, the customers will have a calling system with AI that also stores the audio file of their calling, gives the summary of their conversation, and allows them to choose the characteristic of the AI. The basic plan will cost $9.99, and the premium plan will cost $14.99. We decided to have two subscription plans because we think some people just want the calling system to reduce their loneliness and sense of alienation. If the main customers are elderly and do not have their guardians to track their health, we thought it would be useless to provide summary and statistics options to them. Since our goal of the business is to reduce the elderly's health problems, we consider it

effective to provide cheaper plans that have the power to mitigate the elderly's health problems. The premium plan will include every feature that we mentioned in this section. This will be an attractive option to guardians who have people to take care of.

Part VI—Management and Ownership of the Business

Woomi comprises five departments: marketing, finance, human resources, operation, and technology. Woomi values the power of collaboration and communication, aiming to foster a friendly and inclusive working environment. Detailed descriptions of each team's roles are explained below on the organizational chart.

During the recruitment process, our management members will go through an in-depth evaluation of each applicant. When reviewing the application, we will go through the applicant's motivation and passion for contributing to Woomi, as well as their qualifications and relevant experience. We will look through the unique skills and capabilities of each applicant to determine their potential contributions and roles and build a community with different employees with diverse abilities. But the goal of the review is not to exclude applicants who have no experience and skills working in this area, as our focus is also on understanding the genuine motivations of the applicants, whether they are interested in our mission of alleviating adults' concerns about their parent's well-being and providing support. This involves a detailed examination of each application, considering the personal statements and cover letters where we could learn more about the applicant's sincere interest. We will carefully identify those who possess the potential to grow and make meaningful contributions to our company through genuine commitments.

This will be a big focus in the interview as well since we aim to learn more about the applicant, not only the skill sets for working but also their alignment with our organization's values through in-person conversation. Through a comprehensive interview, we assess both working skills and interpersonal qualities including communication skills, open-mindedness, and problem-solving skills. Because one of the essential roles employees will take charge of is monitoring calls with AI and seniors and identifying the needs of each customer, we value problem-solving skills that might enable the employee to respond to a sudden emergency. Our company strives to build a dedicated and diverse team that aligns with Woomi's motivation and passion for making a positive impact on the lives of our elderly customers and their families, and ultimately the whole global community.

For the first three years, Woomi will have a small employee base to construct a solid foundation and inclusive work environment. During these years, our focus will be on solidifying our core values and ensuring that every team member participates and contributes to the company's progress. However, the company will expand the employee base after three years, expanding the staff to meet the amount of labor needed.

Organizational Chart

Chief Executive Officer				
Marketing	Finance	Human Resources	Technology	Operation
1. Graphic Designer 2. Digital Marketing Manager	1. Financial Manager	1. Administrative Manager	1. Artificial Intelligence Specialist 2. Programmer 3. App Developer	1. Customer Support Specialist

1. The Chief Executive Officer (CEO) and the management team are responsible for designing and implementing long-term plans and strategies for the company overseeing the target market, as well as managing each team's progress. The management team holds a regular executive council meeting, where the representatives of each department meet and discuss their achievements and plans. After an in-depth discussion, the management team is responsible for making a final decision that would affect the company's product and services.
2. The role of the Marketing department is in charge of promotion strategies and materials of the business. The department's primary focus is creating advertising materials such as YouTube videos and administering the company's Instagram account. It researches and investigates the target market, designing promotional materials that can resonate with their interest. The goal of the marketing department is to expose our product, Woomi, to as many people as possible, turning them into potential customers.
3. The Finance department is accountable for monitoring the company's profit and revenue and reporting it to the management team. They will direct and oversee departments' budgets, and assure that all budgets are used properly. The department's main goal is to ensure the company's financial plan is executed and the company achieves the desired outcome.
4. The Human Resources department is in charge of maintaining positive working conditions and employee satisfaction in the company. It is also responsible for the employee recruitment process, hiring workers that align with the company's values and goals. A detailed explanation of the recruitment process is explained above.
5. The Technology department's main role is supervising the operations of the AI Woomi, working from programming and developing AI Woomi to handling the technological issues reported by customers. The department develops and tests the functions of Woomi, finding areas of improvement.
6. The Operation department is responsible for customer care services such as directly communicating with them by creating a feedback loop and contacting them. The department is accountable for training the customer service team too, that will respond to the customer's questions specifically and politely whenever there are inquiries.

Part VII—Marketing Analysis

Target Market & Marketing Strategies

Our target market can be divided into three major groups: patients, caregivers (can be both the children of the patient or the person hired to manage the patient's wellbeing), and the children of caregivers.

The first target market is the patients, who according to our research, are in the age of 60 to 70 years old on average (Yang). The major conflict that we identified is that people of this age group may perceive AIs as something repulsive, and refuse to use the service. It is also a challenge for them if they have to be trained to use the service because often services integrating the newest technology are complex. To target this problem and also advertise our service simultaneously, we will provide our service to patients in local hospitals for free, allowing the patients themselves and the caregivers to interact and inquire about the service provided, and change their perception from thinking of our service as something boring and complicated to helpful and enjoyable.

The second target market is the caregivers, who according to our research, are in age 40 to 50 years old on average. This target market is relatively less used to the newest social media and technology, but they are still open to accepting and using it. Hence, we identified that there will be only minor conflicts regarding the use of our service for this target market. For the marketing strategy, we will use YouTube advertisements. According to our research, YouTube is the most preferred platform for people of age between 40 to 50, and YouTube is also a platform in which advertisements are commonly shown to viewers. Therefore, by using such familiarity, our advertisement will be viewed as something that is not useless or takes away the viewer's time. However, such familiarity also means that the viewers can expect advertisements to pop up, and not pay attention to the advertisements. To target this marketing challenge, we will be using emotional background music and videos of the patients using our service, smiling, and having a conversation with the AI. This way, we aim to promote both the functional uniqueness and emotional support that our service displays.

The third target market with the major potential for successful marketing is the children of caregivers. Since our service involves the recent technology of artificial intelligence, Woomi will target the children of the caregivers who are more exposed and open to accepting and using the newest technological development without feeling disturbed by it. Considering that this target market will cover varying age groups from early teenagers to young grown-ups, promotion through social media (such as Instagram) will be used. A notable characteristic of this target market is that they are used to watching short, fast, and concise online media rather than long videos, as the rise of short-form content in social media exposed and familiarized them to prefer such succinct content.

In addition, people tend to stay in such short-form videos longer if the video is presenting something emotional. Hence, to appeal to this target market, our advertisements will be short and concise, appealing to the audience's pathos by using the keywords of "love", "connection", and "loss". The three specific keywords are used, because they are what people want and fear about. On one hand, this will appeal to the young generation by targeting people whose family is actually healthy, because no one wants their loved ones to suddenly leave them or face death. On the other hand, this advertising strategy may also trigger guilt in those who refuse to call or spend time calling their sick family members and

affect them emotionally to subscribe to our service as a strategy of coping with such guilt or personal regrets they have regarding taking care of the patients.

Competition

We have identified two major competition businesses that provide similar services to Woomi.

The first competition business is KT's Giga Genie. KT is a South Korean mobile carrier company with advanced technology in terms of online communication and the implication of AI technology. Their product, Giga Genie, is a small speaker with an integrated AI system named "Genie", which responds to the customer's request when its name is spoken (Son). Giga Genie can serve multiple functions, ranging from finding the desired television program that the customer requested verbally, informing the customer of today's weather, promoting shopping services, and communicating with the customer about their lives. KT previously created an advertisement where an elder is communicating with Giga Genie as if it is his grandchild (Son). KT is similar to Woomi in terms of allowing communication between the customer and AI, fulfilling the needs of communication.

The second competition business is CloudMedX Health. CloudMedX Health is a start-up that originated in Silicon Valley. It provides free AI analysis based on the patient's medical records and provides medical insight where the AI suggests methods of healthcare and even connects patients with relevant doctors to improve their medical conditions (CloudMedx). CloudMedX is a successful start-up, winning the "Best Overall Connected Healthcare Solution" at the 2019 GITEX Award for their service, and countless other awards. CloudMedX Health is similar to Woomi in terms of providing medical support for the patient using AI technology.

What differentiates Woomi from the two competitors is:
- We specialize in meeting the needs of communication and connecting the patient not only with medical experts in the hospital but with the family members who lack the opportunity to check up on their physical conditions.
- We aim to provide practical experience and support from the actual patients by equipping them with our service, not just a webpage that requires multiple steps to sign up and start the communication.
- We allow the patients to coordinate the service to meet their needs; for example, the patients can choose the voice type of the AI they are communicating with. This way, we provide a more personal interaction with the service.

Part VIII—Financial Analysis

The total cost for Woomi to operate successfully is $69,700.00, and each of our founding members will invest $3,000 to support Woomi's mission and vision. Considering that this still is a large amount of money for a start-up business, we are also looking for investments, which will be repaid to the investors within five years for an interest rate of 8%. This specific interest rate was chosen considering the long time needed for the investors to wait, as well as the profitability of their investment (an interest rate of 8%, with a yearly rate of 1.6%, exceeds the average interest rate of South Korea, which is about 0.75%) (Bank of South Korea). The investment and expenses will cover key costs including salaries, insurance fees, advertising, and server maintenance costs.
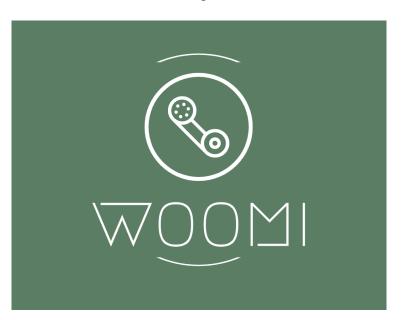
The cash flow statement displays the inflow and outflow of money into Woomi for the first one year of operation. We have fixed expenses of labor costs, and our monthly revenue is expected to be around $5,000 for selling our subscription services to consumers. For the first three months, service income will be the only stream of income for Woomi. However, we seek to widen the stream of income as we progress through the next three months, which will include aspects such as displaying advertisements in our application for the basic subscription model.

Cash Flow

	Jan	Feb	Mar	Apr	May	Jun
Opening Balance ($)	5,000	4,000	3,000	2,000	1,500	900
Inflows ($)						
Cash Sales Revenue	5,000	5,000	5,000	5,500	5,500	6,000
Other Income ($)	0	0	0	0	100	100
Total Cash Inflows ($)	5,000	5,000	5,000	5,500	5,600	6,100
Outflows ($)						
Stocks ($)	1,000	1,000	1,000	1,500	1,700	1,700
Labour Costs ($)	3,000	3,000	3,000	3,000	3,000	3,000
Other Costs ($)	2,000	2,000	2,000	1,500	1,500	1,500
Total Cash Outflows ($)	6,000	6,000	6,000	6,000	6,200	6,200
Net Cash Flow ($)	1,000	1,000	1,000	500	600	100
Closing Balance ($)	4,000	3,000	2,000	1,500	900	800

Part IX—Supporting Documentation

<p align="center"><u>Logo</u></p>

<p align="center"><u>Business Card</u></p>

Startup Expenses

Location and Admin Expenses	Amount
Utility	$250.00
Legal and accounting fees	$2,500.00
Insurance	$30,000.00
Salaries	$50,000.00
Total	**$37,750.00**
Advertising and Promotional Expenses	**Amount**
Advertising	$20,000.00
Travel	$5,000.00
Printing	$450.00
Total	**$25,450.00**
Other expenses	Amount
Server maintenance costs	$6,000.00
Miscellaneous Expenses	$500.00
Total	**$6,500.00**
Total	**$69,700.00**

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