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Strategic Analysis of LifeLoop, LLC: Current Positioning and Recommendations for Future Growth

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STRATEGIC ANALYSIS OF LIFELOOP, LLC: CURRENT POSITIONING AND RECOMMENDATIONS FOR FUTURE GROWTH

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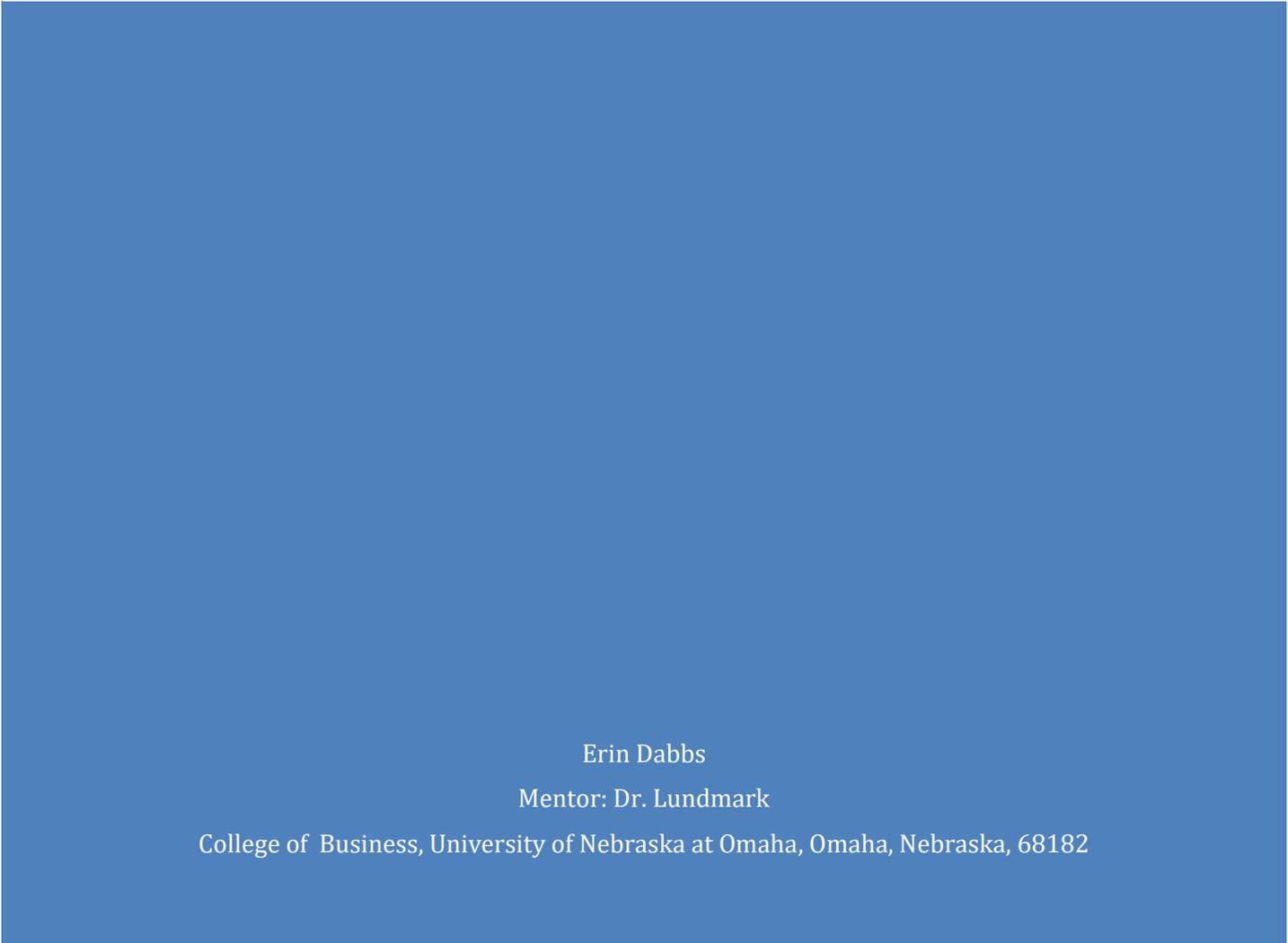


Table of Contents

Introduction	3
Company Background.....	5
Mission.....	5
Objectives.....	5
History.....	5
Employees	7
Problem Statement	10
External Analysis	12
Market Trends	12
Industry Analysis	18
PESTEL	19
Five Forces	20
Internal Analysis	21
Resource & Capabilities Identification	22
VRIO Analysis	23
Problem Formulation	25
Connected Analyses	26
Recommendation.....	27
Implementation	29
Future Potential	31
Conclusion	32
References	33

Introduction

The global long-term care industry is estimated to be valued at over \$700 billion, as of 2015.¹ Within this industry, there are billions spent on medical healthcare and dining. Yet, in comparison, there is relatively little spent on resources for active lifestyle engagement for our elders. The market has been missing a product focused on resident activity levels and communication with a family member or advocate, which is one of the primary areas that can result in a higher quality of life for elders and residents in long-term care communities². Due to this gap in technology in the long-term care industry, LifeLoop, a senior living software company, has found an opportunity for business. Beyond filling the gap in communication, LifeLoop fills the gap in monitoring life enjoyment and tracking active engagement.

For three years, the company has been off to a great start. However, as other businesses and technology companies have recognized the potential in the new market, many have been quick to enter and develop similar products. As the industry changes from the introduction phase to the growth phase, competitors are racing to capture market share and create brand recognition. LifeLoop currently sits among these competitors with little differentiation. They must utilize this critical time in the industry to differentiate their products or services from competitors through building a reputation of expertise, creating alliances, and launching a culture of emergent strategy. If successful, LifeLoop will create more efficient processes and brand recognition.

¹ “Long Term Care Market Analysis by Service (Home Healthcare, Hospice, Nursing Care, Assisted Living Facilities) and Segment Forecasts to 2024.”

² Rosland M.S., M.S., Ann Marie. *Sharing the Care: The Role of Families in Chronic Illness*.

Additionally, LifeLoop will have the opportunity to clone their product in other desirable markets to increase profitability in the future.

Company Background

Mission

LifeLoop's mission is to improve the care and overall experience of residents living in senior living communities by creating and fostering positive relationships between community staff, residents, and resident's families in order to bring personalized care and attention to all involved.

Objectives

LifeLoop, LLC's objectives are not explicitly outlined. However, in a past employee meeting, their objective was stated as becoming a need-to-have product for senior living communities by 2020. With this, LifeLoop hopes to be a market leader that helps to revolutionize and set industry standards and best practices.

History

LifeLoop is a senior living software company that connects families, engages residents, and streamlines staff operations. The idea behind LifeLoop stemmed from a personal situation. The founder's grandmother, Lorena, was moved into a senior living community as she aged; as many people do, she declined in health. Lorena's decline over the next year was rapid. She was moved from independent living to assisted living. At that point, her family had an inclination she had dementia, though they did not know for certain. They had missed the indicators which became obvious when she was moved quickly to memory care. After this, Lorena passed away. The Johnson's were filled with guilt and could not help but think they had missed something. There were gaps keeping them from fully understanding Lorena's care; the family had missed the

warning signs. Amy Johnson reflected that maybe if they had alerts showing Lorena was no longer interested in going to breakfast or that she stopped doing the things she loved, they would have known sooner. In the coming years, Amy Johnson, Kent Johnson, and Philip Lee expanded upon a big idea: daughters, sons, and grandchildren should be given information from the senior living facility regularly on the status of their loved one. This idea would keep families “in the loop”.

When the idea was validated as a growing need by Dial Retirement Communities of Omaha, NE, the LifeLoop team searched for a company to partner with to build the product. In April of 2014, LifeLoop started with the Garage by Aviture. The Garage “provides an environment for web-based startups to develop concepts into products and teams into companies”.³ It lived up to that mission and helped create the first version of LifeLoop. Then, in 2015, the business name was formalized as a legal business—LifeLoop, LLC. The first Dial community was implemented and trained the following March. LifeLoop, LLC had an official customer and was well on its way to more.

Since this time, LifeLoop has expanded. The Omaha community has been supportive of the growth. Articles from the Silicon Prairie News, Omaha World Herald, Midlands Business Journal, Rise of the Rest, and more have covered and supported the company's mission: “Our number one goal is to improve the care and overall experience of residents living in senior living communities. We believe this involves creating and fostering great relationships between

³ “Building the Next Generation Incubator.” The Garage by Aviture, garagebyaviture.com/.

community staff, residents, and the residents' families, which results in personalized care and attention.”⁴ The mission was recognized by the Small Business Association as making an impact in the lives of families.⁵ Silicon Prairie also recently wrote about the impressive expansion.⁶ In two years, LifeLoop has gained 97 clients and added eight employees.

Employees

Full-Time Employees

- *JT Seger* is a graduate of Creighton University. After leaving his internship with a high-growth technology company, he joined LifeLoop through a connection with Aviture in June of 2016. He is now a Lead Developer.
- *Brett Robeson* was the first sales employee at LifeLoop beginning in September 2016. He has a background in medical recruitment and is an asset for relationship building and cold calling.
- *Nick Nemer* was hired to promote business development in 2017. He has over five years in national sales experience and serves the company as the Vice President of Sales.
- *Megan King* was the first Account Manager to join LifeLoop in November 2016. She has a background in the field and is the primary contact for over 100 clients.
- *Mitchel Pigsley* an alumni of the University of Nebraska, he joined the LifeLoop team in January 2017 as a Lead Developer with a strong development background driven from his time at a high-growth technology company.

⁴ Johnson, Amy. “Our Story.”

⁵ “Nebraska's InnovateHER Winner's Company Connects Retirement Communities with Residents and Busy Families.”

⁶ McGuigan, Christine. “LifeLoop Gains Ground, Expands Team and Coverage Area.”

Part-Time Employees

- *Erin Dabbs* is a current student at the University of Nebraska at Omaha. She joined the team in 2015. Since then she has held multiple roles in operations, marketing, and sales. She is currently a Marketing and Sales Analyst.
- *Natalie Miller* a current student at Creighton University Natalie joined the team in late 2017 as a Marketing Intern. She will leave the team in September 2018 to move on to a full-time job in New York.
- *Andrea Clauson* joined the team in early 2017 as an Account Manager. She was a Senior Account Manager for Anderson Partners prior and brings great experience to the team.

Board Members

1. *Chuck Norris*: Chuck is the Managing Director of NelNet. He has worked at NelNet for the past 28 years.
2. *Kobi Bensimon*: Kobi is an entrepreneur and investor. Kobi is an asset to LifeLoop due to his involvement creating a technology, ActiveBuilding, to improve living for residents in apartments. ActiveBuilding was acquired by RealPage.
3. *Phil Lee* the co-founder of LifeLoop has a background as an attorney. He leads the LifeLoop development team in product management and assesses legal agreements and regulations.
4. *Kent Johnson* has a vast background in commodity trading and management. He adds value to LifeLoop through his sales experience. He was a first investor in LifeLoop as a family member.

5. *Amy Johnson* is the CEO of LifeLoop. She leads the LifeLoop team, first successfully working as the primary sales personnel and leading operations until more personnel were hired over the years.
6. *Invest Nebraska* acts as an Observer on the board.

Problem Statement

First and foremost, the term senior living industry is broad. For this research, the industry is defined as Senior Living IT Solutions with a Participation Focus. It is relevant to understand this industry is currently in introduction stage, but preparing to move to growth. In introduction, the focus is on the new technology and product innovation. In the introduction stage, generic strategies to gain first mover advantages are economies of scale, gain on the learning curve, technology leadership, lock up resources and capabilities, network effects, and switching costs. In growth stages, a dominant design in product has emerged and standardization occurs. There is a transition from product innovation to process innovation. Generic strategies in this stage are to refine the product, develop processes, and strengthen business level strategy.

The main problem in the industry is visually represented in the strategic group map to the right: most competitors are positioned similarly to each other. In the last few years, the industry has been in an introductory stage and each company has had leeway to test their

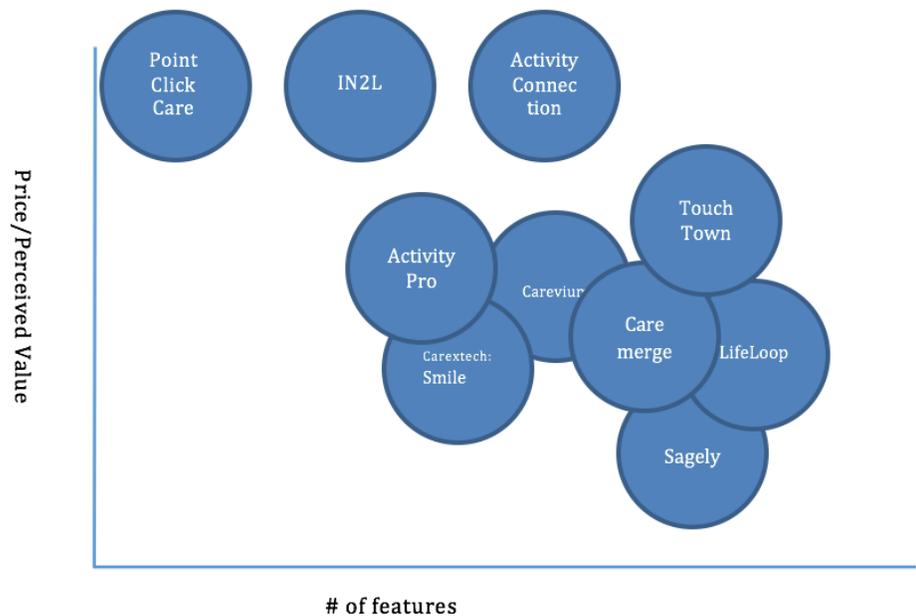


Figure 1: Strategic Group Map

positioning against competitors and find their way. However, as the industry progresses, becomes more attractive, and competition begins to increase, each company must decide whether to be

differentiators or cost leaders and how to move away from the pack. Now is the time for companies in the industry to strategically move away from competitors.

The strategic group map above is an estimation of positioning in the industry based on the number of product features and the price or perceived value they have. The feature count was produced from each companies' website and excludes features related to electronic medical records. The price or perceived value of each were produced from the true pricing from each company, which cannot be included in this document for privacy reasons. The perceived value was also estimated based on reviews and direct references from the Facebook forum Activity Directors Sharing Ideas, which has over 6,000 members.

LifeLoop possesses the resources to differentiate themselves from competitors but is not properly leveraged to exploit their advantages. The changes LifeLoop has made in the past year, including hiring additional personnel, are steps in the right direction; however, LifeLoop must address the growing concern for competition. The following sets of external and internal analyses serve to inform and support the final recommendations for LifeLoop.

External Analysis

Many factors influence the future of the industry. Factors such as political, economic, sociocultural, technological, ecological, and legal must be understood to foresee opportunities and threats. To understand the external analysis of this industry, a systematic analysis was conducted including a PESTEL analysis and Porter's Five Forces. Of all threats and opportunities, the following five were chosen as the most impactful.

Market Trends

First, the industry is moving from introduction to growth stage. We know this because, characteristic of the growth stage, there are many competitors trying to sell different products; there are not perfect substitutes—a state of monopolistic competition. Moreover, the consumer does not know the exact difference.

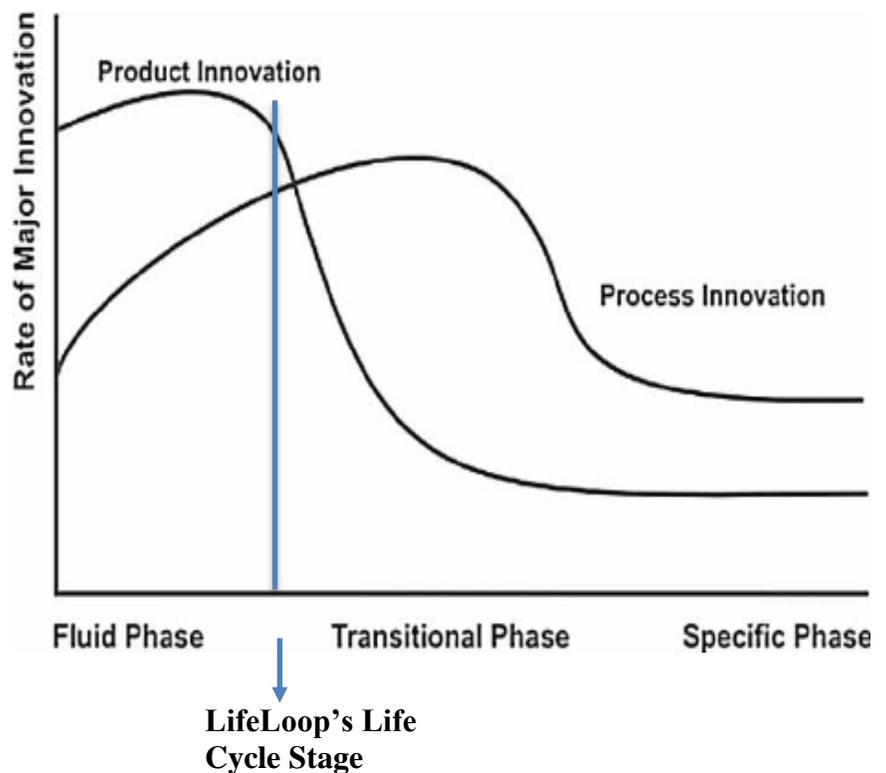


Figure 2 The Dynamics of Innovation. adapted from Utterback. Harvard Business

In the movement from introduction stage to growth stage, there is a movement from new technology and product innovation to standardization and process innovation. The key opportunity is to shift the focus from product to process to be most efficient.

The second market trend represents an enormous opportunity impacting the future of the industry: Baby boomers, the largest generation, have surpassed the conventional age of retirement. The first figure depicts the increase in births during the Baby Boom. The aging of the largest generation will drive a need for an increase in elderly care.

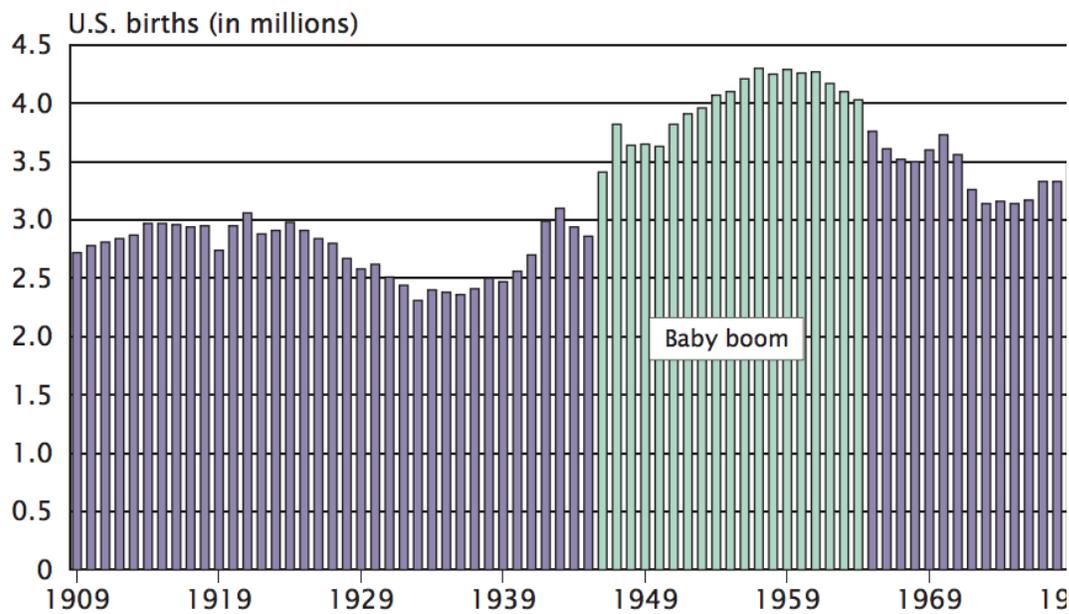


Figure 3 Number of Births, Annual Percent Change in Number of Births, and Annual Birth Rate, U.S. Census Bureau

The second figure depicts the distribution of U.S. population by age; the pie chart clearly shows the dramatic increase in our aging population.

Percent Distribution of the U.S. Population by Age Group: 2010, 2030, and 2050

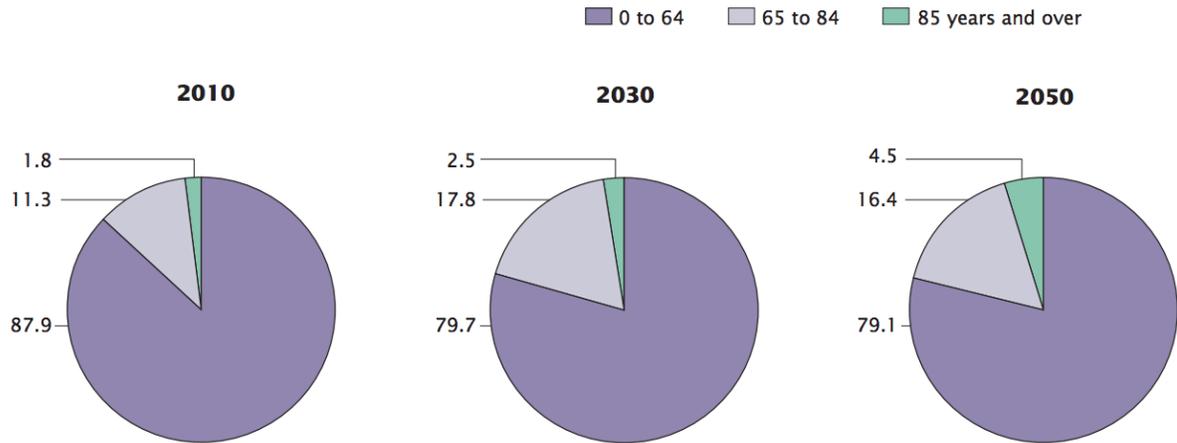
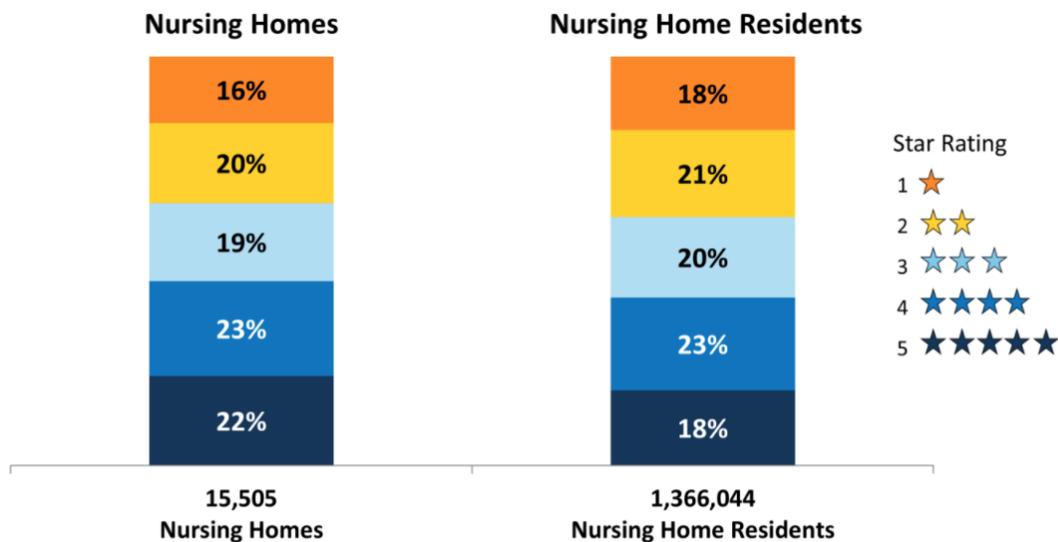


Figure 4 Percent Distribution of the U.S. Population by Age Group: 2010, 2030, and 2050, U.S. Census Bureau

Third, the market is in a state of reform: Medicare and Medicaid requirements for participation for Long Term Care facilities were first published in the Federal Register in 1989. They were first revised twenty-seven years later, in November 2016, for implementation in three phases. In particular, the final stage of the federal regulations will conclude in November 2019. The chart below from the Kaiser Family Foundation outlines the star ratings for nursing homes across the U.S. It is important to note over one-third of nursing homes received a low star rating: implying many nursing homes have struggled to meet regulations even before the new, revised regulations are put into place. As new rules, regulations, and best practices come into play, the needs of facilities fluctuate. This change indicates a likely increase demand for firms that have expert knowledge on the federal regulations and the ability to help navigate the changes.



NOTE: Analysis is based on the overall composite star rating score for nursing homes. Analysis includes only nursing homes certified by either Medicare or Medicaid and excludes nursing homes with unavailable star ratings.
 SOURCE: Kaiser Family Foundation analysis of Nursing Home Compare data, February 2015



Figure 5 More than one-third of all US nursing homes have overall ratings of 1 or 2 stars, accounting for 39% of all nursing home residents, Kaiser Family Foundation

Another important trend impacting the industry is the high employee turnover in senior living communities. According to DaileyPay and Compensation Force the total “separations” or turnover in the US in 2016 was 15.1%⁷. To explain further, state and local positions and finance and insurance jobs measure a turnover around 1.3-1.9%. In contrast, high rates are seen in staffing at 300% and in retail around 60%. The higher the turnover in an organization, the more susceptible they are to increased costs which makes retention an important focus. McKnight’s states many of these facilities are already giving bonuses, yearly raises, and even tuition benefits, yet the turnover is still high.

Rates for turnover in jobs in assisted living are shown in the table (right).

There is an opportunity for firms in the industry to reduce turnover and systemize processes to stabilize turnover. The opportunity first comes to reduce the likelihood of turnover and secondly, in the event of turnover, to create a systemized process to soften the impact from

Turnover in assisted living

Department	Percentage
Resident assistants/personal care aides	36.63
Dining services	35.74
Certified nursing aides	29.58
Registered nurses	28.74
Licensed practical nurses	27.39
Medication aides	22.81
Environmental services	21.29
Marketing	17.16
Top-level executives	11.33
All employees	34.96

Figure 6 Bowers, Lois A. “Where Turnover Is Highest, Lowest in Assisted Living.”

⁷ Wells, Megan. DailyPay Business Blog. *What Is The Average Employee Retention Rate by Industry?*

the change in personnel. This creates opportunity for all tech solutions to reduce the likelihood of turnover and stabilize the turnover that does occur.

Lastly, the industry is characterized by a long sales cycle. Typically, there is a hierarchy within large senior living organizations. At the top are executive directors, followed by administrators, coordinators, nurses, chefs, and activity staff. Connecting with the bottom of the ladder requires a long climbing process. If the community is a single building, those are potentially the only staff needed in the sales cycle. However, if the community is owned by a larger corporation, the ladder doubles by adding in several executives, managers, and coordinators. This is a trend firms must be aware of moving forward. Sales and adoption processes are long and connections are important.

Industry Analysis

When analyzing business, an important factor is competition. Porter's Five Forces Framework is a tool to determine competitive intensity and attractiveness to determine profitability in an industry. The five forces include threat of entry, rivalry, buyers, suppliers and substitutes. In this industry, the threat of buyers and substitutes are important to dial in on. First, software and technology tools are still competing against pen and paper in this industry. The high availability of substitutes indicates firms can be replaced. Although traditional pen and paper have several disadvantages in performance and analytics, the switching costs are minimal and are therefore attractive to many organizations. Secondly, the power of buyers is high. Buyers are sensitive to cost and willing to shop around. At the same time, when buyers commit, they have switching costs that allow firms to lock in customers and gain market share early.

PESTEL

Political	Economic	Sociocultural	Technological	Ecological	Legal
Bureaucracy within large organizations (T)	Long Business Sales Cycle (T)	Entrepreneurial spirit in communities (O/T)	Slow rate of acceptance (T)		2016 Changes in SNF RoP by Medicare and Medicaid (O)
Higher rates and borrowing costs (O/T)	Growth in Home Health Care Industry (T/O)	Heightened abuse cases in Senior Living Care (O/T)	Increase in popularity of technology in Senior Living in recent years (O)		HIPPA Regulations (T)
Wage Legislation: Increase in minimum wage (O/T)	Increase in builders of senior living communities (O)	Volatile staff turnover (T)	Numerous new products hitting the market (O/T)		Consumer and Data Protection (T)
Slowed retirement (T)	Fluctuating cost structure due to competition (T)	Demographics: Growth in senior living adults 65+ (O)	New electronic processes replacing historical paper process (O)		Cyber Security (T)
	Exchange rate and stability of Canada and other potential expansion countries (O/T)	Religious values i.e. Jewish value of elders (O)			

Five Forces

Threat of Entry	Power of Suppliers	Power of Buyers	Threat of Substitutes	Threat of Rivalry
Economies of Scale Low	# of Suppliers High	# of Buyers: Low	Availability of Substitutes High	Industry Structure Monopolist Competition
Network Effects Low-Moderate	Degree to which industry firms are important: Low	Degree of Standardization of Products High	Customers' Switching Costs Moderate	Industry Growth High
Customers' Switching Costs Mod-High	Industry Firms' Switching Costs Low	Buyers' Switching Costs Moderate-High	Price and Performance of Substitutes Moderate	Degree of Strategic Commitments Moderate
Capital Requirements Low	Degree of Differentiation of Suppliers' Products Low	Threat of Backwards Vertical Integration Low-Moderate		Exit Barriers Moderate
AIS (i.e. brand, proprietary tech, know-how, favorable access resources, learning curve) Mod	Available Substitutes for Suppliers' Products Low	Buyers' Price Sensitivity High		
Gov. Policy Mod	Threat of Forwards Vertical Integration Low			
Threat of Retaliation Low				
Threat = Moderate	Threat = Moderate	Threat = High	Threat = Low	Threat = High

Internal Analysis

After understanding the external environment, an assessment of resources shows how LifeLoop operates in the industry. The resources and capabilities identification chart lists out all the resources and capabilities of the company. These resources and capabilities are analyzed further by testing them in a VRIO analysis. A VRIO analysis was done to determine sustainable competitive advantages, temporary competitive advantages, parity, and disadvantages. The acronym, VRIO, stands for Valuable, Rare, Barriers to Imitation, and Organized. The “V” determines whether a factor adds value to the company. The “R” questions whether or not the factor is specific to the individual company and rare. The “I” determines whether or not other companies could possess this factor if they wanted to, or if there are barriers to having it. Lastly, “O” determines whether or not the organization is organized to exploit the inimitable factor. Note: Financial analysis is also useful when examining the internal environment; however, this data has been omitted to protect the privacy of the organization.

From the VRIO analysis, five important factors stand out:

TCA | Mobile Staff Application

SCA | Partnership with Activity Connection

SCA | Reputation & Account Management

SCA | Knowledge of key technological innovations and processes.

D | Partnership with PCC

Key: SCA - Sustainable Competitive Advantage, TCA - Temporary Competitive Advantage, D -Disadvantage

Currently in the industry, many companies compete on product features, such as the mobile staff application. However, companies must recognize product features are often easily imitated when

a company has the right resources. A list of features on a website can be copied. As such, some of LifeLoop's key advantages lie outside of their product, in their knowledge, in respect to having moved first in this technology in senior living, their reputation and account management capabilities, retaining 94% of clients, and their key partnership with Activity Connection. Lastly, their partnership with PCC is a disadvantage; the partnerships provides no resources for LifeLoop while taking up time and efficiencies on LifeLoop's part. It is important for all companies to realize what internal disadvantages and problems they have, even if they do not have the resources to focus on them right now. The final problem formulation allows us to see the problems at different strategic levels within the organization, like the partnership with PCC.

Resource & Capabilities Identification

	(+) Factors	(-) Factors
Tangible Resources		
Financial Resources		(-) Lack of cash
Organizational Resources	(+) Contracts	(-) No expert staff in the industry
Physical Resources	(+) Computers (+) Fire sticks and Displays (+) Trade Show Booth (+) Office Furniture	(-) No assets in regards to buildings
Technological Resources	(+) Hosting (+) Marketing Website (+) Product Website (+) Staff application	(-) Family Application
Others	(+) Sales Lists	(-) Lack of Diversity
Intangible Resources		
Human Resources	(+) Partnership with PCC (+) Partnership with Activity Connection (+) Sales team processes and goals (+) Investors	
Innovation Resources	(+) Innovative product in the industry	

Reputational Resources	(+) Community Reputation (+) Word of Mouth referrals	
Intellectual Property	(+) Learning Curve for Industry (+) Customer Relationships (+) Employee Loyalty (+) Development skills from two staff	
Capabilities		
Marketing	(+) Social Media Pages (+) Advertising (+) Print Marketing Materials (+) Live Demo (+) Trade Shows (+) Contracted Blogger	(-) No marketing expertise
Finance	(+) Accounts services and billing	(-) No accounting staff
Research and Development	(+) Constant development by two staff (+) Feedback from Clients	
Operations and Logistics	(+) Sales flow (+) Consultative experience	
Human Resources		(-) No accounting staff
Information Technology	(+) Provide displays (+) Consult on tech (+) Create efficiencies in the workflow of customers	

VRIO Analysis

Resources & Capabilities	Valuable	Rare	Barriers to Imitation	Organized	Competitive Implications
Corporate Contracts	Y	N		Y	CP
Computers	Y	N		Y	CP
Amazon Firestick and Displays	Y	N		Y	CP
Trade Show Booth	Y	N		Y	CP
Office Furniture	Y	N		--	CP
Marketing Website	Y	N		Y	CP
Product Website	Y	Y	N	Y	TCA
Staff Application	Y	Y	N	Y	TCA
Reputation	Y	Y	Y	Y	SCA
Sales Lists	Y	N		N	CP

Learning Curve Economies	Y	Y	N	Y	Sustained Competitive Advantage
Partnership with PCC	Y	N		N	Disadvantage
Partnership with Activity Connection	Y	Y	Y	Y	Sustained Competitive Advantage
Sales team processes and goals	Y	N		N	Disadvantage
Innovative product in the industry	Y	N		Y	CP
Community Reputation	Y	Y	N	Y	TCA
Word of Mouth Referrals	Y	N			CP
Customer Relationships	Y	N		Y	CP
Overcoming Learning Curve	Y	Y	N	Y	TCA
Employee Loyalty	Y	N		Y	CP
Development staff	Y	Y	N	Y	TCA
Trade Show Involvement	Y	N		Y	CP
Social Media Pages	Y	N		Y	CP
Advertising	Y	N		N	Disadvantage
Product Features	Y	N		Y	CP
Print Marketing Materials	Y	N		Y	CP
Live Demo	Y	Y	N	Y	TCA
Accounts services and billing	Y	N		Y	CP
Constant development by two staff	Y	Y	N	Y	TCA
Sales flow	Y	N		N	Disadvantage
Consultative experience	Y	N		Y	CP
Create efficiencies in the workflow of customers	Y	N		Y	CP
Investors	Y	Y	N	Y	TCA

Problem Formulation

Problems	Level of Problem
No concrete hiring process to ensure company culture fit	Functional
Sales Cycle is not proven	Functional
Sales team does not have a dedicated sales strategy	Functional
All team members are not using the same CRM and product management software or tools.	Functional
Competition in the industry is increasing drastically and threatens the company	Business
Company does not have enough cash on hand to grow and hire new employees	Functional
Partnership with PCC was publicized with little follow-through. It takes up time and money from LifeLoop with little to no return.	Business
LifeLoop has no industry expert on the team.	Functional
Repeating technical difficulties for several clients.	Functional
LifeLoop's product does not take into account Newsletter capabilities necessary for many clients which doesn't allow them to compete on that feature.	Corporate
The company advertises blind. They don't know what they are doing and spend minimal amounts of money.	Functional
Sales Markets segments are not well defined.	Corporate/Business
High customer support needed due to downtime and technical (Calendar designer) problems	Functional
Staff is not well managed. Productivity is not tracked.	Functional
The company is not differentiated among other competition	Business
Companies main points of contact and sales people are located in the Midwest only.	Functional
No current patents of knowledge resources	Corporate
Unable to utilize current development to help other senior living with their technological issues, exploiting resources in other industries	Corporate
Marketing efforts are minimal and non-organized	Functional

Connected Analyses

The key opportunities and threats identified in the industry analyses align with the strengths and weaknesses identified by looking through LifeLoop’s key resources and capabilities. The SWOT Analysis below depicts areas LifeLoop can utilize their strengths to capitalize on opportunities and mitigate threats. From each segment, several strong points stand out and relate to each other (see bolded table). For LifeLoop, each point can fit into one of three categories: brand expertise, alliances, and emergent strategy. Therefore, three recommendations in these categories are addressed in the recommendation section.

SWOT Analysis	Strengths	Weaknesses
<p>Opportunities</p> <ul style="list-style-type: none"> • 2016 Changes in SNF RoP by Medicare and Medicaid • Increase in builders in senior living communities 	<ul style="list-style-type: none"> • Customer and Network: Word of Mouth Referrals and partnership with activity connection has produced warm-leads and customers. • Community reputation and brand is positive. 	<ul style="list-style-type: none"> • Sales cycle and processes are not proven scalable due to lack of investment and organization and does not allow LifeLoop to compete efficiently. • Partnership with PCC is a failed or unused alliance.
<p>Threats</p> <ul style="list-style-type: none"> • Bureaucracy within large organizations to adopt new technology • The industry is booming with competition and buyers have high power 	<ul style="list-style-type: none"> • Utilize testimonials and concrete evidence, case studies, to better help large organizations understand the potential in the product. • Continue to promote reputation and be a leader in the industry to overcome competition. 	<ul style="list-style-type: none"> • Invest in PCC opportunity and gain structure from both sides, or get out of the partnership to keep a reputable brand. • Add consistency to the sales cycle to slowly push into large organizations.

Recommendation

Our recommendation is to create core competencies through a reputation of expertise, alliances, and innovation strategy to differentiate product and services.

First and foremost, given the change in government regulations for nursing facilities, customers will be interested in companies that can help them accelerate the learning process and keep them compliant. We recommend LifeLoop differentiates by a reputation of expertise. Currently, LifeLoop attempts to build this relationship through a ghostwritten blog, but to differentiate on expertise LifeLoop must genuinely have the expertise within the organization. LifeLoop can do this by utilizing the current connections and expertise they have that are being underutilized. Two examples of this are their relationships with Dial Retirement Communities President, Ted Lowndes, and Amy Cullen of Kaplan Development Group. With their senior living expertise and willingness to pioneer and represent LifeLoop technologies, these two relationships are fantastic options to utilize in the LifeLoop blog or in a co-webinar. These two experts can publish their knowledge for LifeLoop users. This content would reach wider networks and be more relevant to activity directors than ghostwritten articles. This is just one option and example. Another opportunity is to bring experts internally into the organization to help manage trajectory. Currently no employees or board members are experts in the industry. A reputation of expertise is one way that will differentiate LifeLoop from competitors moving forward

Strategic alliances are another opportunity in the industry to take advantage of. Many technology tools focus on one needed aspect of senior living e.g. electronic medical records, communication,

activity tracking, and printing. This segmentation allows for partnerships to combine products for clients. First, LifeLoop must identify new opportunities and alliances. For example, LifeLoop has an opportunity to partner with a hardware manufacturer in the display to offer not only the software to power displays but the physical displays as well. LifeLoop must also go back and reassess the alliances they currently have. They have made steps at this, by successfully backwards integrating after a partner slowed down processes; however, the current partnership with Point Click Care is a pressing partnership to reassess.

Lastly, LifeLoop must plug holes where the company is inefficient and regain the time to be innovative. This innovative or emergent strategy is most famously used by Google. Google employees are encouraged to use 70% of their time on their core work, 20% on related projects, and 10% on new skills or projects. Some of their most popular products, like Google Maps, were created in the innovative time outside of employees' core work. For a startup company, the challenge is that 20% of time is a lot of precious time for a lean team to give up. However, if LifeLoop were to enhance the productivity of employees, they could use the time that goes to waste to innovate and brainstorm as it becomes more and more important in the industry. If LifeLoop were to gain just 6% efficiency back from interns and sales people as a whole, in one week the company gains back 10 hours to reallocate.

Implementation

Implementation is not black and white when it comes to hiring employees, adding members to the board, or creating and reevaluating strategic alliances without sensitive company information such as financials, details of current partnership agreements, and more. However, it is possible to make conservative estimates to better utilize current relationships, fill efficiency gaps, and reallocate time.

As mentioned, a great way to build a reputation of expertise is to better utilize current relationships. This can be done by having guest writers on the blog, while offering them the use of the ghost writer if they need help, or co-hosting webinars. To implement these projects, LifeLoop must first understand their network. To do this, LifeLoop can whiteboard a relationship map as a team. Each employee creates a list of important relationships they hold within the industry and the broader impact they have on the industry. Then, as a team, they can web the relationships together. The result depicts the network LifeLoop can reach right now if they utilize those relationships. Assessing and defining relationships and then coming together as a team will conservatively take 2 months to achieve. Then, an 8-month period can begin to draw in experts, plan blogs and events, and create content strategy.

Filling efficiency gaps and reallocating time within the sales and intern teams is a matter of management and technology. Currently LifeLoop is at a disadvantage because sales analytics are not utilized to full capability and not all employees utilize the CRM processes. The LifeLoop team is historically slow at adopting technology and there is friction in the sales team due to the lack of technological adoption. While attention to procuring an innovative product is important,

as the lifecycle changes, process innovation becomes increasingly important. LifeLoop has already taken the first step in investing in new technology by utilizing the CRM Hubspot. However, as all team members have not adopted the process. Their next steps for implementation should include discovery of current sales infrastructures, including CRM and phone systems, or research and development associated with creating their own infrastructure. Although it will be initially more cost effective to utilize an already existing technology, I recommend research into best practices. This will allow LifeLoop to rely on data in the sales process replacing hypothesis. By innovating in the sales process, LifeLoop will be able to compete in an efficient way.

After understanding how their current processes differ from employee to employee, LifeLoop must implement a CRM and require employees to use it. This step is anticipated to take 2 months to align goals and access platforms. Then, another 4 months to train on the platform and tools to track analytics. One way LifeLoop can track sales calls and promote employee productivity is by using a soft phone like DialPad. DialPad allows management to see how much talk time and many calls are made in a day by the sales team. A software like this holds teams accountable to specific measurable outcomes. If LifeLoop were to gain just 6% efficiency back from interns and sales people as a whole, in one week the company gains back 10 hours to reallocate. This time can be reallocated through an emergent strategy program, allowing employees to volunteer for local senior living communities, brainstorm in teams the new product feature, and more.

Future Potential

LifeLoop has potential in this growing senior living industry, but there is also great potential elsewhere. Markets such as adults with disability homes and alcohol and drug rehab centers model ways very similar to the senior living space. In all three markets, assessments, dining, family communication, events, and development take place and are necessary for day-to-day work. LifeLoop already has several clients in the disability homes market and should first pursue this market extension. These clients were respectively the fastest sales on record to date, taking weeks rather than months, and some of the highest reoccurring monthly revenue. The sales process took 90% less time to complete on average. Moreover, the development and face of the product need no change to suit the market. In the rehab market, LifeLoop will need to make product changes; until the sales cycle in this market is proven scalable, this development time should not be invested. Instead, LifeLoop should continue to pursue these opportunities by allocating time to sell or research the markets further.

Conclusion

In conclusion, LifeLoop has started off on the right foot with a great first three years. As the industry moves from introduction to growth phase, the competition will threaten LifeLoop's success. LifeLoop has the resources to differentiate from competitors and position themselves for success, but this position is not guaranteed. It is dependent on their ability to reorganize and utilize their resources. The industry is changing and LifeLoop must understand the political and legal factors in regards to federal regulations and changes impacting their clientele. The opportunity in the senior living industry increases as the elderly population continues to increase. Together the internal and external analysis connected to bring forth three recommendations: creating core competencies through a reputation of expertise, alliances, and innovation strategy to differentiate product and services. If LifeLoop implements these three recommendations, they will build a scalable sales cycle, create brand recognition, expand their network and client base and become a profitable company. LifeLoop will be positioned for success by implementing this plan.

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