

Introduction

Reason for action

Need for ALZ to raise its profile over the next 3 – 5 years to maximise access to donor contributions and fulfil its primary purpose as a best in class centre of expertise for the research, prevention, treatment and care in dementia related conditions.

In order to do this, a number of options have been evaluated (see supporting analysis) to provide ALZ with the most effective strategy to meet the above objective.

International expansion is the core element of our proposal to ALZ and our details findings, methodology and recommendations are presented below. To monitor the success of the proposed strategy a range of measures are suggested.

Vision

A radically improved world for all people with dementia

Entering an overseas market

As shown in table ii [Harrel and Keifer model – measure of attractiveness vs compatibility/capability] the following countries offer the best strategic fit:

Our country selections:

- Primary

Norway

Sweden

Germany

Potential to approach Nordics as one group: to include Norway, Sweden, Denmark with Germany as separate due to size

Drivers for choice of countries:

All country data demonstrate that, in line with the UK, a trend towards an increasingly ageing population, along with state intervention and increasing public expenditure, hence their selection as phase 1 entry markets. All geographies also have a relative cultural closeness and proximity to the core UK market.

- Secondary

Netherlands

USA

Canada

Commentary

USA could offer a partner link in terms of research developments and expertise, with a closer tie possible with ADI.

With all European markets, there is the opportunity to gain information on care and treatment regimes, and for ALZ to offer an aligned European view on dementia care. Although Italy also has one of the highest ratio of population over 65+ to 15, data is currently incomplete and spend relatively low.

Market entry strategy

[Reference to 12C model]

Primary markets

UK: Merge with Friends of ADI in the UK and acquire relevant charities, especially where they have an existing centre of marketing expertise, for instance Mind.

Europe: Recommend merger and acquisition of material charities in Europe based on donors, funding strength and profile and brand alignment. For both entry strategies, the aim would be to brand all entities as ALZ, hence the option to go for merger and acquisition rather than the looser power relationship with a JV.

Secondary markets

USA: leverage power of ADI link and draw on centre of research expertise through partnerships and collaboration.

Success measures

1. Within the next 5 years, moving from a tier 2 to tier 1 charity with the UK and Europe, measured in the following areas:
2. Increased brand awareness across chosen market spaces and increase in brand equity through association with expertise
3. Stronger research collaborations delivering direct benefits to strategic aims as outlined in the introduction above
4. Increased donor and public funding by 30% by 2015
5. Increased net worth by 20% by 2015
6. Being known as the no1 expert in Alzheimer treatment, research and care across the UK and Europe

Future expansion plans

Research potential within following markets:

- Eastern Europe
- Italy [need data]
- Japan

Budget/timescales

Key milestones are 2012 [UK increase in donor funds opportunity and ALZ share of this]

Strategic milestones: 2013 and 2015 so we have idea of strategic bridge.

Budget – cost of acquisition

Would anticipate increase in budgets particularly campaign and research budgets to get ALZ to next level.

Monitoring, control and evaluation

Refer to Balanced Scorecard and McKinsey 7S

Key measures:

- ROI
- Learning measures: benchmarking, training
- Number of enquiries by media/channel
- Market share
- Acquisition cost per donor
- Transparency rating?
- Cash flow management [links to above]
- Innovation: cutting edge research reports
- Customer satisfaction: GPs, families, carers
- Quality control
- Brand equity and strength
- Campaign effectiveness

Conclusion and recommendations

We recommend a phased international market entry strategy, within the course of the next 5 years to 2015.

By introducing core propositions to relevant market spaces within this tight timescale, this will increase ALZ's profile, financial strength and influencing power, as well

as helping to make the UK a leading centre for dementia research.