

## The ECP Network Case Study

The concept of our viral marketing applications originated in the business study of Medical Service Options, Inc. – a New Jersey based medical device distributor specializing in cardiac diagnostic and therapeutic devices.

Representing a paradigm shift from a brick-and-mortar business to click-and-mortar web based service provider, we devised and developed the ECPnetwork – and web-based referral service which educates the general public and refers potential candidates for certain cardiac procedures to the physicians/medical centers which provide the services. Coincidentally, those physicians happen to be paying members of the ECPnetwork who are also MSO's target market for medical devices, some of which cost over \$100,000.

Identifying the need of physicians who make significant investment in medical devices for their practices (or departments), the ECPnetwork helps them create a new revenue stream that would not be available to them otherwise without significant capital investment in advertising and marketing. The ECPnetwork centralizes the cost of marketing and promotions towards patients and advertises on major search engines and other venues of its existence. Being a significant educational tool, the ECPnetwork is a draw for patients who are curious about congestive heart failure and Angina. Once at the website they learn about a non invasive procedure which replaces the need for coronary bypass grafting, ECP (External Counter Pulsation therapy). Patients learn about the efficacy, FDA clearance and reimbursements from major carriers.



Figure 1- Patient search for treatment sites acts as a silent referral tool

Patients then search for a provider near their home address using a sophisticated geolocation search engine. They can then contact the provider(s) showing up in their list.

It is what happens behind the scenes that truly makes the ECPnetwork worthy of the definition “viral marketing”:

When a patient signs up (for free) to the website, a notice is sent to the administrative staff of the ECPnetwork. ECPnetwork staff use the secure web-based portal to log in and manage the system's operations. Using the account manager, they can view all recent user sign-ups, and view the properties of each account such as contact information. Due to the importance of the accuracy of all data residing on the system, users are required to validate their email address, and the accuracy of mailing addresses is validated.

The administrator can perform a search for the patient or trigger an automatic system match. This process simulates what would happen if the user clicks on “find treatment” in their personal portal on the ECPnetwork. This ensure an additional layer of coverage so that users who have not realized they can search for treatment can have the search done by the administrator(s).



Figure 2: Patient profiles are provided to paid members of the network. Personally Identifiable patient Information is otherwise masked, demonstrating this is a real patient but encouraging the physician/practice to become a member

When a search for treatment is performed (either by patient or by an administrator) – all the facilities/providers which come up in the search are immediately notified. By email - If an email address is available on file, and by fax – if a fax is available on file (the system integrates with common internet mail-based faxing carriers).

There are 2 types of providers loaded into the system: participating providers (paid subscription, \$60/month) and non-participating providers (free).

Although both types of providers are potential clients of MSO, the system encourages the providers to become participating providers. This

process involved a registration and asks them to disclose information about their practice that would otherwise be inaccessible to MSO such as the name of the medical director, number of procedures performed monthly, contact names and phone numbers, licensure status and more. The purpose of collecting this information is twofold: (a) Some of the information is made available to patients so that they can have a complete profile of the provider before deciding to visit them and (b) valuable information for MSO's sales team to suggest new medical devices for the practice which are directly or indirectly related to Congestive Heart Failure (CHF).

For example: Knowing that a practice has increased its volume of patients treated for CHF to more than 40 patients/year – MSO is able to offer complimentary products such as Trans Telephonic Monitoring, practice management solutions, and integrated nuclear diagnostic services. With the practice already paying for a subscription to the ECPnetwork – the critical information about the practice's buying patterns and patient flow are an invaluable tool for MSO's sales cycle.

**Non-participating providers** are simply providers (physicians and hospitals) whos contact information was loaded into the system and are continuously updated by marketing staff. These practices might not have heard of ECPnetwork or the particular treatment device(s) offered by MSO, however the system's viral aspects of promoting itself are geared to

converting them from a target audience to direct customers of MSO purchasing its devices and services.

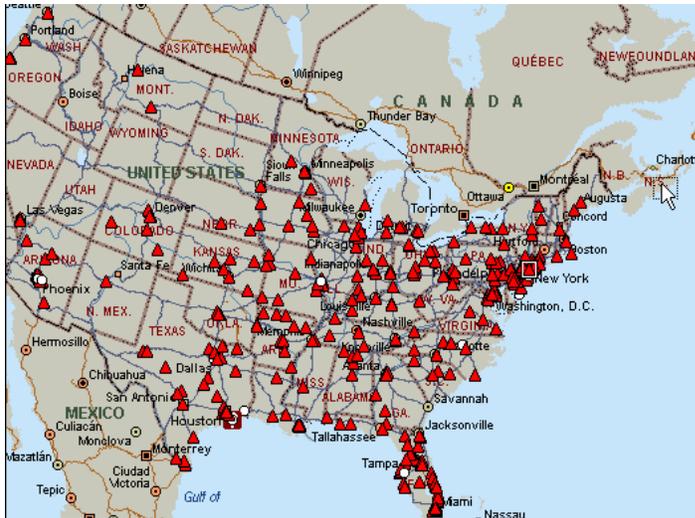


Figure 3: ECPNetwork service map

Each time a patient search comes up with a non-participating provider, the Email and Fax sent out to such a provider does not disclose contact information for the patient but rather contains a self promotion for ECPnetwork: *"a patient has inquired about ECP treatment near their residence and your hospital/practice came up in the search. Since you not a participating provider with the ECPnetwork we are unable to provide you with the patient's contact information."*

This type of "self promotional" in sufficient volumes, will lead to a request from the non-participating provider to become a member of the ECPnetwork. They will be required to provide the detail practice information mentioned above and subscribe for \$60/month.

Considering the high cost of investment in the ECP equipment (\$70-\$120K US) the annual cost of \$720 is a significantly low cost to pay for additional exposure, particularly in light of the fact that a single patient referred as a result of their membership with the ECPnetwork will net the practice upwards of \$7000.

The phenomenal success of the ECPnetwork has yielded the following results:

- ✓ Paying subscribers fully cover the cost of advertising for the entire network in Google and other search engines.
- ✓ The systems completely paid for the cost of development in new business within 8 months of operation.
- ✓ ECPnetwork has created a significant impact on the market for ECP equipment. Hospitals which plan the purchase of ECP equipment now subscribe to the ECPnetwork prior to even opening their ECP department.
- ✓ The ECPnetwork has created a significant amount of discussion among patients over a treatment modality which was little known prior to the deployment of the system.
- ✓ The system gives MSO, the company behind the ECPnetwork new inroads to the market that has a high cost of entry and restricted access to the decision makers in the practices.
- ✓ The system continues to grow itself with little needed intervention by MSO: New members are polled from the database of non-participating providers who receive "teaser" emails and faxes and actively inquire about becoming participating providers.