



ZENITH
Strength &
Conditioning

Connecting rural Americans
to physical health

GARRETT JORGENSEN :: APEC 3551 FALL '22

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II. EXECUTIVE SUMMARY

Product Owner: Garrett Jorgensen

Concept Description

Zenith Strength & Conditioning is a digital platform that brings to life a refreshing and interactive approach to personal physical health and fitness for those in rural areas who struggle to find the time and motivation to develop and maintain physical health and fitness. Through the intuitiveness of a mobile app, Zenith couples the real-time accessibility of physiotherapists and strength and conditioning specialists with the provision of personalized, actionable and engaging physical health and fitness programming.

Opportunity

In March of 2021, 61.47% of health professional shortage areas were located in rural areas¹. Americans find that not having time or motivation as major barriers to working out². Zenith Strength & Conditioning endeavours to provide a simple, hand-held solution to these problems. In 2017, 19.3% of Americans lived in a rural area³, and 80% of rural Americans had a smartphone⁴. This means, out of a total addressable market of 62.7 million people, the 50.2 million rural Americans have a smartphone. Additionally, 39% of rural Americans are aged 34-64, which fits our target demographic of 35 – 60. Thus, a serviceable available market of 19.6 million rural Americans exists.

Innovative Solution

Zenith Strength and Conditioning is a smartphone-based app that works by carefully matching users with a physiotherapist or strength & conditioning specialist based on the results of their new user intake survey. Once paired with a specialist, users can view their bio and areas of expertise and decide if they are a good fit. Once users approve their pairing, a 1-hour general assessment appointment is scheduled, and our specialist consults with the user via a Zoom call to understand more about their physical health and fitness needs, physical capabilities, and goals. Our specialists can help in the areas of mobility, flexibility, endurance, motor pattern development, resistance training, injury recovery and more.

After the assessment is completed, our specialist compiles a physical health and fitness action plan for the user, complete with a personalized library of engaging exercise videos that is regularly updated as the user makes progress toward their goals. Users can then continue to have regular appointments with their specialist to track and maintain progress in their physical health and fitness development. The capabilities of an app also allow Zenith to act as a motivator for each of our users through the use of personalized push notifications from our specialists.

¹ <https://www.ruralhealthinfo.org/topics/healthcare-access>

² <https://nypost.com/2019/01/13/this-is-why-most-americans-dont-exercise-more/>

³ <https://www.census.gov/library/stories/2017/08/rural-america.html>

⁴ <https://www.pewresearch.org/internet/fact-sheet/mobile/>

Value Proposition

Zenith Strength & Conditioning is the first app specifically engineered for those who live in rural, low-access areas. Users can begin the journey with Zenith by reaching out to us via our social media or our website to ask questions about the process and learn more about the benefits that the app provides. Users are also welcome to download the app, complete the new user intake survey and be paired with a specialist, all before they are charged. Only after the first Zoom consultation are users billed for services rendered. Users then have the option to pay per session with a specialist or to subscribe for a monthly fee.

Competitive Advantage

There are other fitness-based apps in the market. However, Zenith is the only platform that connects users directly to specialists, in real-time, and provides a personalized and regularly updated experience. Other apps only provide a rolodex-type database of available physiotherapists, strength & conditioning coaches, fitness trainers, etc., but do not provide a face-to-face connection. The generic nature of these other apps is what allows them to be cheaper. Zenith's specialists are thoroughly vetted and experienced in their fields but are also well-trained in telemedicine and are well-versed in the application of engaging, actionable home workout plans.

Entrepreneurial Team

At this time, Zenith's entrepreneurial team consists solely of founder and lead strategist, Garrett Jorgensen. As the platform develops, and as a strength and conditioning specialist himself, Garrett will be the sole manager of the company and will oversee the development of the app, marketing strategies and the hiring of additional team members to make Zenith successful. Zenith will need to employ an app development company to get the ball rolling toward having a marketable product. Ideally, this process will be completed in the next 6 to 8 months. Additionally, physiotherapists and additional strength and conditioning coaches will need to be hired once the application is functional and ready for user testing.

Financial Highlights and/or Offering

While the costs of app development that we are currently using in our projections are estimates, we expect fully to have an exact dollar value nailed down within the next 6 months. To pay for the development of the app, we expect to apply and be approved for a business loan. We are confident that our estimates of salaries for our professional contract staff are accurate and will be competitive within the hiring market. In Year 3 of operation, we expect to make a gross annual profit of 1,695,861 USD, operating at two times our break-even volume. To do this, Zenith would need to facilitate 24,577 individual sessions in the year (2,048/mo, 512/wk, or 73/day) at \$69/session, OR, capture 7,216 monthly subscriptions (601/mo, 150/wk, or 22/day) at \$235/mo.

III. CONSUMER PROBLEM PROOF

Zenith Strength & Conditioning

"I don't have time to drive into town"; "I don't know where to start"; "I don't feel good about myself today, so I'm avoiding working out"; All of the regular "I can't work out today" excuses no longer exist.

Zenith Strength & Conditioning is a digital subscription platform that connects you to the strength & mobility experts that you need, in real time. Instead of driving and searching for hours to connect with the practitioner that you need or dealing with low motivation and self-esteem, Zenith allows you to access help right from your phone or laptop. Access to healthcare in rural areas is a constant issue; in March of 2021, 61.47% of Health Professional Shortage Areas were located in rural areas. Zenith bridges this gap between rural Americans and the access to strength & conditioning coaches, physiotherapists and mobility specialists, ensuring that you have the connection to the assistance and therapy that your body deserves.

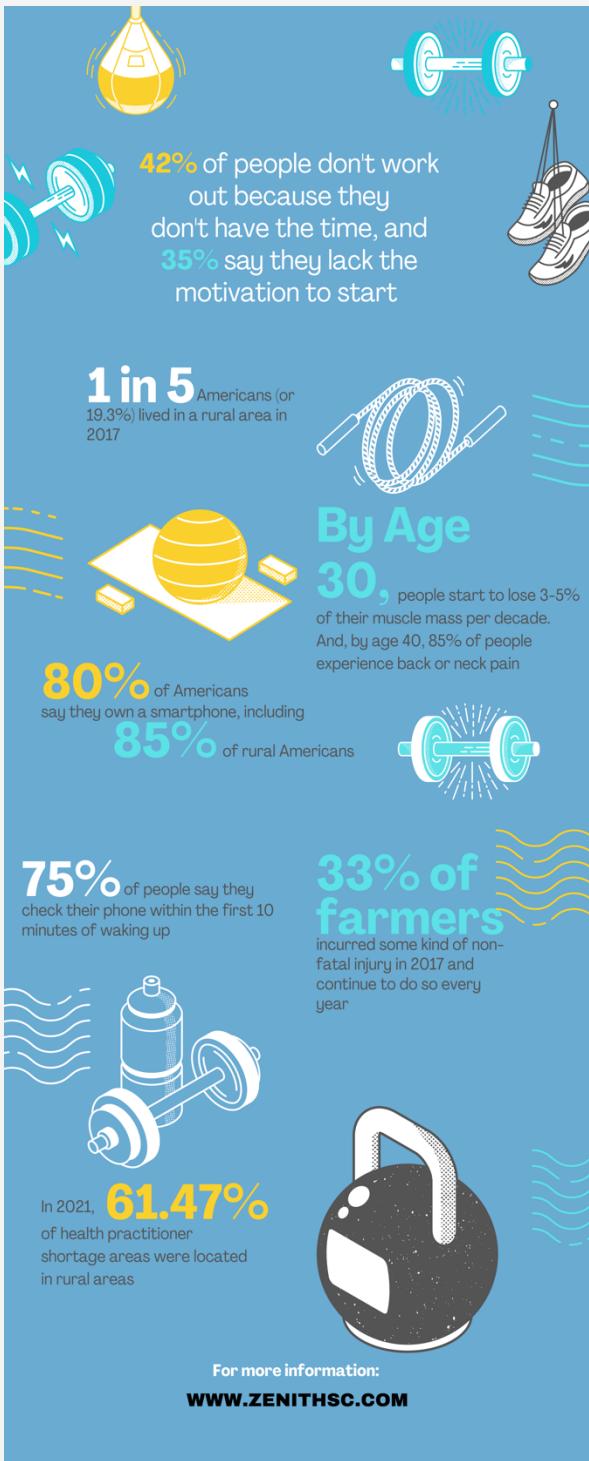
Signing up is free – you aren't billed for anything until you have your first appointment with a specialist. Once you sign up, you will complete an intake survey to ensure that we connect you with the right specialist. Our survey also helps to determine if you are looking for an empathetic approach to starting your journey to body recovery, or if you're looking for a kick in the butt to get going. Before consenting to your first meeting with a specialist, you are able to access their bio and read about their area of expertise. If you don't feel comfortable working with who we have selected for you, you can select someone else! Our specialists are fully licensed, trained and certified to practise telehealth in their area of expertise.

Once this connection with a specialist is made, an appointment is scheduled, and a 1-hour general assessment is performed via a secure telehealth video call. After this, your specialist will develop and provide to you an actionable fitness and mobility program. In contrast to other exercise platforms, Zenith allows our specialists to provide a library of tailored exercise, stretch and activity videos to match your program and help you repair and maintain strength, condition and mobility. We know that not everyone has a home gym and that crunches, planks and high knees can get boring – Zenith's specialists are trained and knowledgeable in adaptive and effective exercises to ensure that your workouts remain fresh and interesting. Our specialists also have extensive knowledge in rest and recovery to ensure that you are letting your body recover just as well as you are challenging it. Weekly telehealth appointments with your specialist are maintained to ensure that you are keeping up with and adapting to your program. To help, your video library is regularly updated by your specialist to ensure you are getting the most out of your Zenith experience.

To learn more and to subscribe, visit us online at zenithsc.com, or on Instagram @zenithstrength.

Available on the App Store & Google Play Store

\$69/session billed monthly; or, \$235 monthly membership billed annually (includes 4 sessions per month. Each additional session is billed monthly at \$60/session.)



Rural consumers run up against the problem of access a lot in their day-to-day operations – health and fitness needs are no different. My own parents have told me that they refuse to drive into town to take part in a one-hour fitness class; yet they would far reap the benefits compared to the cost of a 20-minute drive. Rural dwellers are typically older than those in urban centers, and are often involved in a laborious trade, including agricultural production. These careers are hard on the body, and more often than not, these folks find that their bodies at a seemingly high rate. Given that rural dwellers are often not in close proximity to a physiotherapist, strength & conditioning coach or an injury recovery specialist, injuries incurred at work or otherwise are often not rehabilitated properly, and this leads to prolonged physical issues as people age. Perhaps most prevalent of all, rural folks find that they just don't have the time to dedicate to physical fitness or an active lifestyle. Additionally, the "out of sight, out of mind" rhetoric is an easy one to adopt in these scenarios.

Zenith Strength & Conditioning aims to uncomplicate these issues for rural dwellers. Our target user is one who is 45 – 60 who lives in a rural area of the U.S., male or female. 19.3% of the US population lives in a rural area, and that 85% of rural Americans own a smartphone. This means, out of a total addressable market of 62.7 million people, approximately 50.2 million rural Americans with smartphones exist. Given that approximately 39%⁵ of the rural US population is aged 34 – 64, the serviceable available market is approximately 19.6 million Americans. For us, there is no difference between consumers and customers when it comes to the consumption of our service. US population is aged 34 – 64, the serviceable available market is approximately 19.6 million Americans. For us, there is no difference between consumers and customers when it comes to the consumption of our service.

⁵ <https://www.pewresearch.org/social-trends/2018/05/22/demographic-and-economic-trends-in-urban-suburban-and-rural-communities/>

Consumer Persona

JASON

PROFILE

Gender : Male
Age : 43
Education : Bachelor's degree
Occupation : Grain Farming
Address : Cavalier County, North Dakota



BACKGROUND

Jason graduated from the University of North Dakota with a bachelor's degree in management in 2001 before returning to the family farm, which he took sole control of in 2007. Jason grew up playing hockey, and played club hockey at UND until a shoulder injury forced him to hang up his skates.

BIOGRAPHY

Jason is married to wife Amy, and they have two children (Clay and Clare, who are now off to college). They live in Cavalier County in North Dakota, a county that is a health professional shortage area. Amy works remotely as an accountant. Jason is a full-time farm owner/operator, and spends long hours each day maintaining equipment, checking crops, and preparing to plant or harvest given the time of year. Jason spends a lot of time on his phone and laptop, checking the weather, looking at equipment auctions etc.

CHALLENGES

Jason experiences pain and stiffness every day. Jason would like to receive help from a physiotherapist, strength or mobility specialist, but none of these specialties have a practitioner within reasonable driving distance. Jason doesn't have the time to drive multiple hours one way to meet with a practitioner on a regular basis. Jason's doctor has prescribed pain & anti-inflammatory meds, but Jason knows he needs additional help to regain mobility and physical well-being. Jason has attempted to work on these things by himself, looking up exercise and mobility videos on YouTube. However, Jason finds that without the accountability and guidance of a licensed practitioner, he never makes any progress and often feels defeated. Jason is beginning to realize that past hockey & farming injuries are now impeding his ability to do things around the farm without experiencing pain.

VALUES

Jason is a family man and has a large network of friends and family who enjoy being active. Jason's family & community are avid hockey fans, and their community places high value on public skate times and beer league hockey. Jason would love to spend more time on the ice with his kids and friends but knows that his body can't support this kind of activity, and his work on the farm would suffer if he were to lace up his skates again. Jason likes to spend time with his wife Amy, and now that both kids are out of the house, they would like to spend more time travelling. However, Jason's physical condition prevents him from sitting in a car or on a plane for extended periods of time. Thus, they travel very little.

IV. PRODUCT PROBLEM PROOF

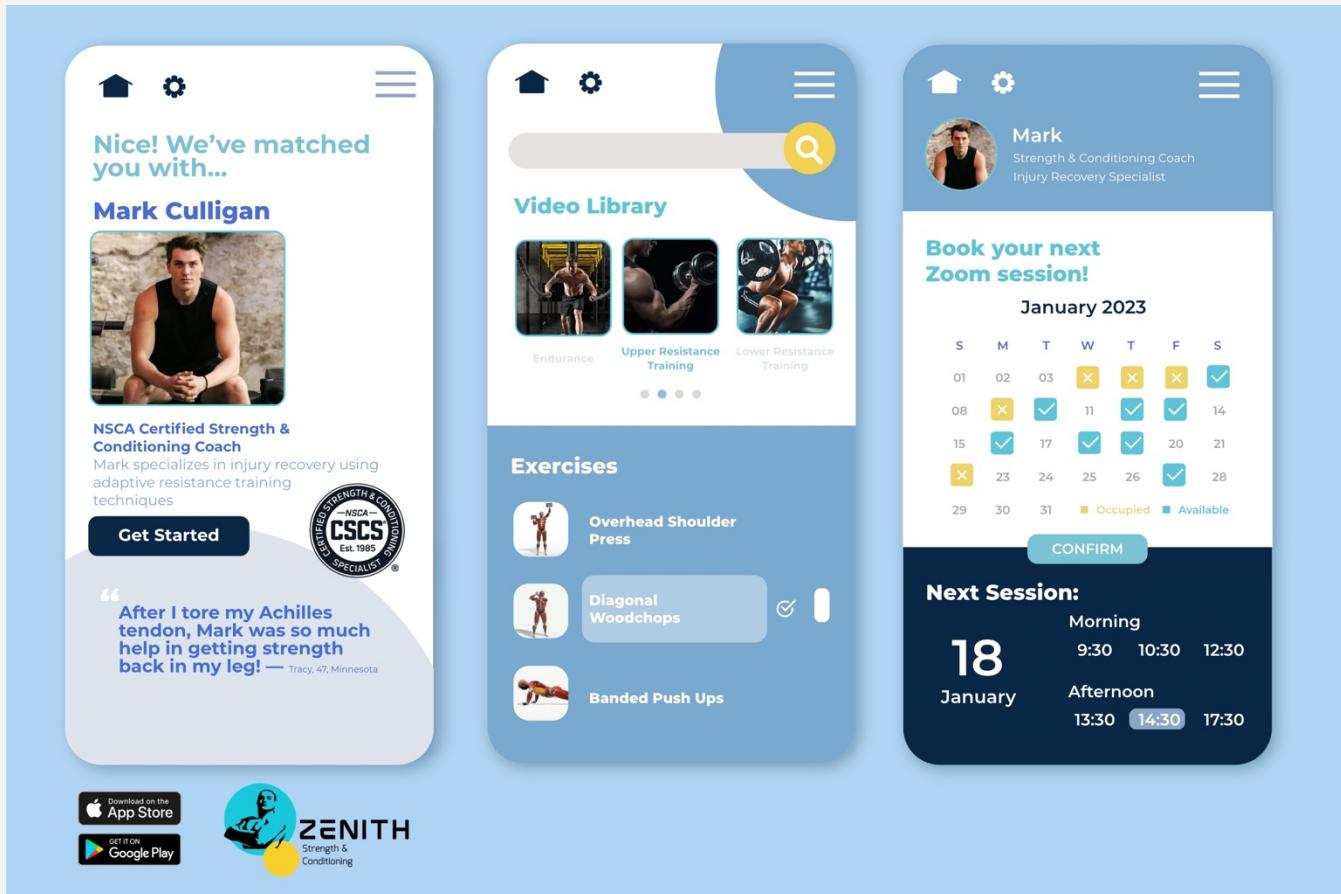
Currently, Zenith is in the concept stage on its journey toward becoming a marketable SaaS (software as a service) platform in the physical health/telehealth space. We are prepared to begin testing the waters in finding a developer as we move into the early months of 2023. Our solution is differentiative as we are combining the experience of having an in-person training session with the ease-of-use of the mobile app interface. The biggest risk we are going to take will be to assume that we are investing in a developer who is going to be able to deliver the product that we envision, as this process requires a large amount of capital to complete.

Zenith Strength and Conditioning provides the answer of “no more excuses” when it comes to physical activity, fitness and health for rural Americans. Zenith is a smartphone-based app connects users to certified physical health and fitness specialists, in real time, via video call. Currently, we plan to include specialists that are Doctors of Physical Therapy and strength and conditioning coaches with a variety of areas of specialization (including mobility, flexibility, endurance, motor pattern development, resistance training, injury recovery and more).

BENEFIT MAP			
ZENITH STRENGTH & CONDITIONING			
APP-BASED ECOSYSTEM	USE FROM ANY WIRELESS-ACCESSIBLE LOCATION	EASE-OF-USE ON AN ALREADY FAMILIAR PLATFORM	NO LONGER “OUT OF SIGHT, OUT OF MIND”
1-ON-1 SPECIALIST SESSIONS	ENGAGING, REAL-TIME INTERACTIONS TO MOTIVATE & INFORM	SPECIALISTS ARE EXPERIENCED AND TRAINED IN TELEMEDICINE	PROVIDES BASE FOR SPECIFIC ADVICE AND PERSONALIZED PROGRAMMING
ADAPTIVE VIDEO LIBRARY	KEEPS WORKOUTS ENGAGING AND CUSTOMIZED TO USER SCENARIOS	ADAPTS TO USERS NEEDS AND PREFERENCES BASED ON SPECIALIST INPUT	PROVIDES USER PEACE-OF-MIND THAT WORKOUTS ARE EFFECTIVE & TAILORED TO THEM
MOTIVATION & EDUCATION	PUSH NOTIFICATIONS TO MOTIVATE USERS	ADVICE, GUIDANCE & TRAINING FROM CERTIFIED SPECIALISTS	SPECIALIST RELATIONSHIP REINFORCES ACCOUNTABILITY

New users begin their journey in the app by downloading from either the App Store or the Google Play Store, and then registering an account and completing our New User Intake Survey. Our survey has been adapted from the International Sports Sciences Association’s Intake Survey and these questions can be viewed in Section X of this document (Figure a). Once the user has completed the intake survey, our team evaluates their answers and carefully pairs the user with one of our specialists. Once paired with a specialist, users can view their bio and areas of expertise and decide if they are a good fit. Once users approve their pairing, a 1-hour general assessment appointment is scheduled, and our specialist consults with the user via a Zoom call to understand more about their physical health and fitness needs, physical capabilities and performance, physical health and fitness needs and goals.

After the assessment is completed, our specialist compiles a physical health and fitness action plan for the user, complete with a personalized library of engaging exercise videos that is regularly updated as the user makes progress toward their goals. Note that the library is only updated as long as the user continues to have regular meetings with their specialist. Our specialists are unable to continue to provide programming without evaluating the effectiveness of the program via Zoom assessments. Users can then continue to have regular appointments with their specialist to track and maintain progress in their physical health and fitness development. The capabilities of an app also allow Zenith to act as a motivator for each of our users through the use of personalized push notifications from our specialists.



The above image shows three different wireframe examples of experiences that users will have within the app. On the far left is an example of a specialist bio, including the name, photo, relevant certifications and accolades, and a user testimonial. The middle frame shows what a user would see when in their personalized video library. Users can filter the exercise videos that have been made available by their specialist by selecting from a variety of categories; these include endurance, upper body resistance, lower body resistance, etc., as made available by the user's specialist. On the far right is the experience that a user will have booking a session with their specialist. The wireframe does not show the video call experience, however through the use of API (application programming interface) and Zoom integration, this experience will be largely similar to any other form of mobile video calling.

V. MARKET PROBLEM PROOF

The digital health industry is valued at 245.3 billion USD moving into 2023 with a CAGR of 18.5% projecting out to 2030⁶. Revenue in the digital fitness and well-being industry in the United States is projected to reach 17.7 billion USD in 2022. With a CAGR of 6.96% through 2027, the market is expected to reach a volume of 24.8 billion USD in 2027. Currently, user penetration is at 45.44% in 2022 and is projected to be more than 50% moving into 2027. The average revenue per user (ARPU) is expected to amount to 116.40 USD⁷. Since the onset of the COVID-19 pandemic, the digital fitness and health app spaces have really taken off, which provides great opportunities for rural Americans to start accessing services that were previously ignored due to time pressure and other factors. Currently, we are unable to identify a competitor who connects users via real-time video call to the variety of specialists that Zenith offers on its platform. Competitors currently offer generic, minimally customizable workout plans and pre-recorded videos from trainers and specialists. While these products are often cheaper than what Zenith's services cost, we believe that our differentiation within the market is well worth the cost to our users. Currently, the national average cost for a 1-hour, in-person session with a personal trainer is approximately \$100⁸. Therefore, while Zenith is more expensive in the app landscape, we are cost-efficient when compared to not only the actual cost of an in-person session, but also when thinking about time cost (travel, fuel, parking, etc.). It is also possible that someone may need to purchase a monthly gym membership ontop of the per-session cost with a personal trainer – this is another cost that we eliminate with our access anywhere interface.

Per Session	Monthly Subscription
Pay per 1-hour session, billed monthly	Pay per month, billed annually
\$69/ session <ul style="list-style-type: none">✓ 1-on-1 specialist support✓ Personalized video library✓ No booking limit	\$235/ month <ul style="list-style-type: none">✓ Four 1-hour sessions per month✓ \$60 / additional session, billed monthly✓ 1-on-1 specialist support✓ Personalized video library

Our pricing model (as laid out above) also allows a unique experience for users to decide how to consumer our SaaS. The per session option allows users to pay as they go and allows them to determine if Zenith's services are a good fit for them. Our monthly subscription is designed for users who are either very committed to their physical health goals, or for those

⁶ <https://www.grandviewresearch.com/industry-analysis/digital-health-market>

⁷ <https://www.statista.com/outlook/dmo/digital-health/digital-fitness-well-being/united-states#revenue>

⁸ <https://www.trainwithkickoff.com/blog/how-much-does-a-personal-trainer-cost-average-rates-and-ways-to-save>

who are pleased with the service they are receiving throughout platform and wish to take advantage of the added savings in subscribing monthly. Figuring on weekly regular sessions, the monthly subscription is a 15% discount compared to paying for each weekly session per month, and the 60 USD per additional session under the subscription model is a 13% discount compared to the option of paying 69 USD per session. We believe that this pricing structure is will be suitable in appealing to the different levels of commitment we expect to see from our users.

VI. BUSINESS MODEL PROBLEM PROOF

	Year 1	Year 2	Year 3	Year 4
Monthly Costs				
App & Website Development Loan Pmts*	\$ 9,232.98	\$ 9,232.98	\$ 9,232.98	\$ -
Physiotherapist Contract Salary Pmts**	\$ 14,138.00	\$ 21,208.25	\$ 21,208.25	\$ 21,208.25
Strength & Conditioning Coach Contract Salary Pmts***	\$ 11,729.75	\$ 23,459.50	\$ 39,099.17	\$ 39,099.17
Liability Insurance & Legal ****	\$ 916.66	\$ 916.66	\$ 916.66	\$ 916.66
Zoom Subscription *****	\$ 74.50	\$ 124.17	\$ 173.83	\$ 173.83
Website Domain Subscription & Email Service	\$ 10.00	\$ 30.00	\$ 30.00	\$ 30.00
Monthly Burn	\$ 36,101.90	\$ 54,971.57	\$ 70,660.90	\$ 61,427.91
Annual Burn	\$ 433,222.75	\$ 659,658.79	\$ 847,930.75	\$ 737,134.96
Margin and Volume (per Session Basis)				
Session gross revenue	\$ 69.00	\$ 69.00	\$ 69.00	\$ 69.00
Monthly Burn	\$ 36,101.90	\$ 54,971.57	\$ 70,660.90	\$ 61,427.91
Break-even session volume/month	523	797	1024	890
Gross Revenue at BE volume/mo.	\$ 36,101.90	\$ 82,457.35	\$ 141,321.79	\$ 141,321.79
Gross Margin/Session/mo.	0%	33%	50%	57%
Annual Gross Revenue at BE volume	\$ 433,222.75	\$ 989,488.19	\$ 1,695,861.50	\$ 1,695,861.50
Annual Gross Margin/Session	0%	33%	50%	57%
Annual Profit (GR - AB)	\$ -	\$ 329,829.40	\$ 847,930.75	\$ 958,726.54
Margin and Revenue (per Subscription Basis)				
Monthly Subscription Gross Revenue	\$ 235.00	\$ 235.00	\$ 235.00	\$ 235.00
Monthly Burn	\$ 36,101.90	\$ 54,971.57	\$ 70,660.90	\$ 61,427.91
Break-even subscription initiations/month	154	234	301	261
Gross Revenue at BE volume/mo.	\$ 36,101.90	\$ 82,457.35	\$ 141,321.79	\$ 141,321.79
Gross Margin/Subscription/mo.	0%	33%	50%	57%
Annual Gross Revenue at BE volume	\$ 433,222.75	\$ 989,488.19	\$ 1,695,861.50	\$ 1,695,861.50
Annual Gross Margin/Session	0%	33%	50%	57%
Annual Profit (GR - AB)	\$ -	\$ 329,829.40	\$ 847,930.75	\$ 958,726.54
V If in the initial year of operation our goal is to break even, Zenith would need to facilitate 6,278 individual sessions in the year (523/month, 131/wk or 19/day) OR, capture 1,843 monthly subscriptions (154/mo, 39/wk, or 6/day)		If in the 2nd year of operation our goal is to achieve 1.5x break-even volume, Zenith would need to facilitate 14,340 individual sessions in the year (1,195/mo, 299/wk, or 43/day) OR, capture 4,210 monthly subscriptions (351/mo, 88/wk, or 13/day)	If in the 3rd year of operation our goal is to achieve 2x break-even volume, Zenith would need to facilitate 24,577 individual sessions in the year (2,048/mo, 512/wk, or 73/day), OR, capture 7,216 monthly subscriptions (601/mo, 150/wk, or 22/day)	If in the 4th year of operation our goal is to achieve volume constant to Y3, Zenith would need to facilitate 24,577 individual sessions in the year (2,048/mo, 512/wk, or 73/day), OR, capture 7,216 monthly subscriptions (601/mo, 150/wk, or 22/day)
* See amortization table		*See amortization table	*See amortization table	* Paid off at end of Y3
** Calculated based on \$84,833 average annual salary with two physiotherapists on FTE contract		** Calculated based on \$84,833 average annual salary with three physiotherapists on FTE contract	** Calculated based on \$84,833 average annual salary with three physiotherapists on FTE contract	** Calculated based on \$84,833 average annual salary with three physiotherapists on FTE contract
*** Calculated based on \$46,919 average annual salary with three S&C coaches on FTE contract		*** Calculated based on \$46,919 average annual salary with six S&C coaches on FTE contract	*** Calculated based on \$46,919 average annual salary with ten S&C coaches on FTE contract	*** Calculated based on \$46,919 average annual salary with ten S&C coaches on FTE contract
**** Calculated based on \$1,000/yr. liability insurance premium plus \$10,000/yr. legal retainer		**** Calculated based on \$1,000/yr. liability insurance premium plus \$10,000/yr. legal retainer	**** Calculated based on \$1,000/yr. liability insurance premium plus \$10,000/yr. legal retainer	**** Calculated based on \$1,000/yr. liability insurance premium plus \$10,000/yr. legal retainer
***** \$149/user/year, 6 users (contract staff plus myself)		***** \$149/user/year, 10 users (contract staff plus myself)	***** \$149/user/year, 14 users (contract staff plus myself)	***** \$149/user/year, 14 users (contract staff plus myself)

The above analysis follows a four-year progression of the volume of SaaS sales that Zenith will need to achieve to hit the 1 million USD revenue target. As shown above, moving into year 3 of operation, Zenith is expected to surpass this target. To do this, Zenith will need to facilitate 24,577 individual sessions per year (2,048/month, 512/week, or 73/day), OR, Zenith would need to capture 7,216 monthly subscriptions in the year (601/month, 150/week or 22/day). These numbers hinge on the assumption that in year 4 of operation, we will be operating at a volume that is two times our breakeven requirement.

Our financial analysis is based on both of our pricing structures; the analysis shows the volume we need to achieve if users choose to consume only single, pay-per-use sessions, or if users choose to consume only the monthly subscriptions. Because we are unsure what

percentage of users will prefer the monthly subscription model versus the percentage of users that prefer the pay-per-use model, this analysis allows us to figure, in real time, the volume needed to achieve our revenue targets. For example: instead of deciding that 67% of users will prefer the monthly subscription model, completing the analysis based on that number and having this number turn out to be inaccurate, we can now easily determine that *if* 67% of users prefer the subscription model, we know what the 33% volume share from the pay-per-use model needs to be. These numbers can be adjusted in real time to user response to our service, making our financial analysis dynamic and rather useful.

We will be depending largely on social media campaigning to advertise our app to new users. We also plan to utilize some print advertising to reach rural users, which will involve working with agricultural- and rural life-related publications to ensure that we are reaching our target market appropriately. We also plan to advertise on online farm/ranch auction sites in addition to Facebook and Instagram. We also expect to utilize TikTok as a marketing platform to reach the children of our target market – we expect that this kind of family member word-of-mouth exposure can also be useful in driving sales. We also plan to partner with the National Rural Health Association, the National Strength & Conditioning Association, and the American Physical Therapy Association to bolster our exposure, credibility and marketing effort.

The practise of subscribing to a physical fitness and health app will not be a new experience (see Section X, Item i). However, as discussed in previous section, the option for pay-per-session or monthly subscription pricing sets us apart from our competitors by allowing users to determine how they are going to pay for our services, given their attraction to the following:

Overt Benefit: Users eliminate the time pressure and lack of motivation related to restoring and maintaining physical fitness and health.

Reason to Believe: Our specialists are thoroughly trained and vetted in their areas of expertise and telemedicine and telefitness training.

Dramatic Difference: Users are connected in real-time to a meticulously selected specialist. Action plans and video libraries are highly personalized and engaging.

Adoption Hurdles: The largest obstacle to adoption in our case is most likely the price of our service. However, we are confident that the trust developed between our users and our specialists and the results that users will see make up for the cost.

Social Sufficiency: Downloading the app, creating an account, completing the New User Intake Survey and being matched with a specialist are all free to new users.

Given the following Voice of Consumer questions, we recognize that how in tune our users are to their health and how they feel physically (and mentally) each day will play a large role in whether or not they seek out or are willing to try our service. Our clients also need to be reasonable tech savvy in order to be able to navigate our app and participate fully in user-specialist video calls. Our users also need to be willing to participate in the service that we provide.

Voice of Consumer Questions:

1. How do you feel physically when you wake up?
2. How does this physical condition make you feel about the day that is ahead of you?
3. What was the last thing that you did on your phone?
4. How accessible do you find physiotherapists, strength & conditioning coaches, mobility trainers etc. to be in your area?
5. How willing are you to travel to have regular consultations with practitioners like this?
6. Are you more likely to follow through with something when guided by an expert?
7. How often do you use applications on your phone?
8. How comfortable are you with communicating via zoom/facetime/video call?
9. How do you learn about new apps?
10. How often do you google things about your health?

VII. OPS/COMMERCIALIZATION PROBLEM PROOF

Our highest priority to ensure forward movement for this project will be to research and contract a developer in the health and fitness app space. The sooner that we can start towards a marketable product means the sooner we are able to start user testing and roll-out to the App Store and Google Play Store. We hope to have contracted a developer and have the app ready for user testing by July of 2023, which gives us six months. The second half of 2023 is time that we expect to use doing user testing, app stability testing etc., and we hope to be fully developed and ready for launch by the end of December 2023.

To achieve this step in our process, we will need to secure financing via a small-business loan. We expect the development of our app (and website, with time), to cost approximately 300,000 USD. We expect to allocate 50,000 USD to website design and the other 250,000 USD to app development. While this feels expensive right now, we fully expect to have a clean, professional and solid base to our service (being our app), and we are prepared to spend this kind of money to ensure that our product is the best that it can be. We expect to have this loan paid off in three years' time (see Section X, Figure D). Another priority for us will be the integration of Zoom with our app interface. We will need to begin the process of discussions with Zoom in tandem with app development as the API will need to be incorporated into the app design and structure.

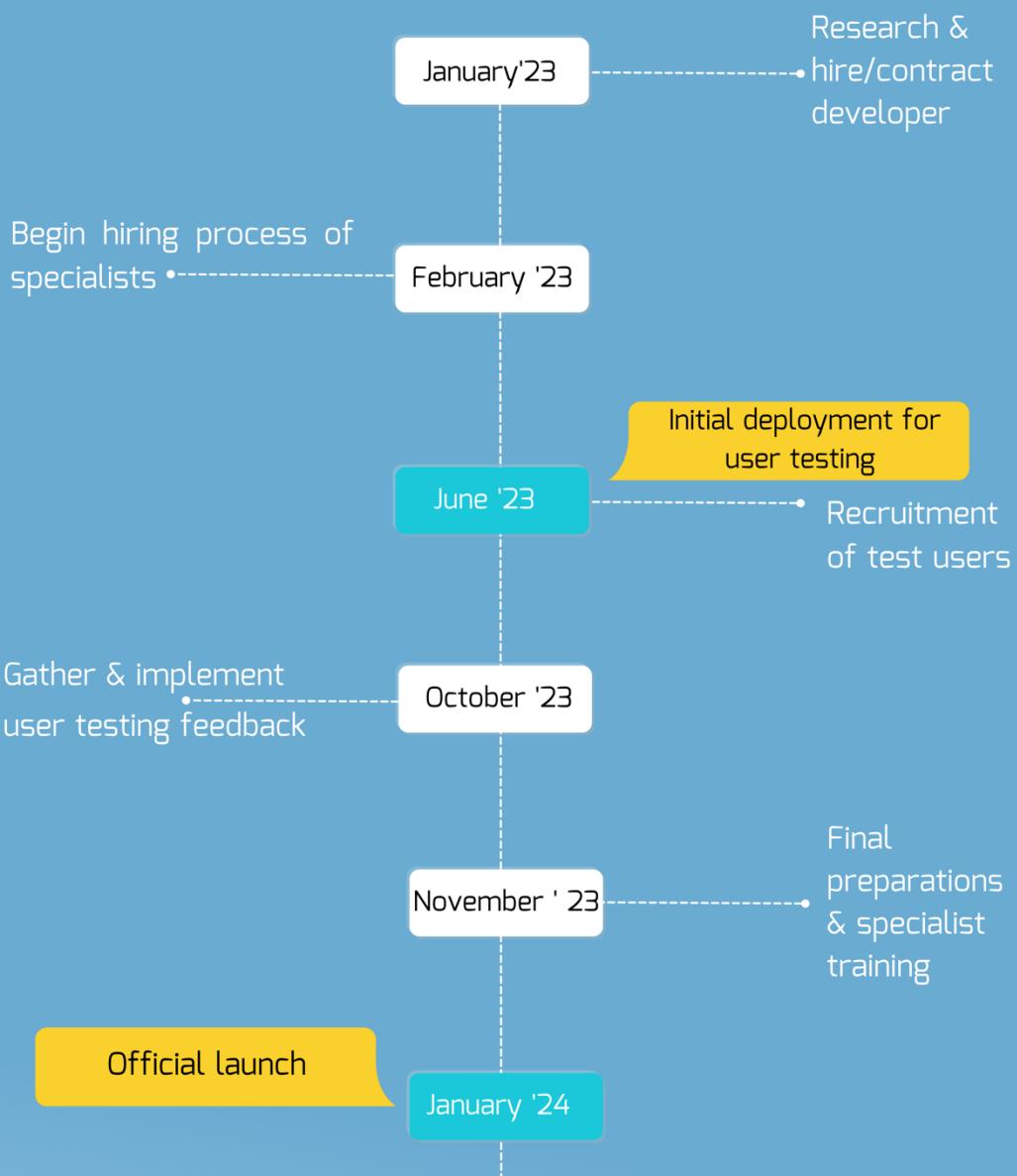
Another priority for us will be to hire the contract specialists that will be the core of our service. This process will be extremely important as we work to scale our business (to see how we expect to manage staff numbers and workload, please see Item ii in Section X). We expect to work with the National Strength & Conditioning Association and the American Association of Physical Therapy to begin canvassing for these positions, however, these are relationships that will need to be built over time. We fully expect to advertise for these contract positions (we project to need 5 staff to begin our first year – two physiotherapists and three strength & conditioning coaches). We are unsure yet of what the hiring timeline and processes will look like yet. We are also unsure at this point how we plan to pay out contracts for our staff; options include another loan in addition to our app development undertaking, or seed investment money. Obviously, Zenith will need to be capable of paying those that we contract. Zenith also expects to make a “work-to-own” offer to our contract staff – staff would be able to buy in to the business as shareholders and receive returns on investment as the business begins to grow. This would allow for additional cash flow; however, we would need to consult with a business advisor about this process before offering this plan. Along with hiring, we will need to develop a Code of Conduct for operation when it comes to user video calls, medical reporting, and user/patient confidentiality. As we are unversed in the area of medical and telehealth code of conduct, we expect to need guidance in this area from the NSCA and the AAPT.

Another priority for us will be the integration of Zoom with our app interface. We will need to begin the process of discussions with Zoom in tandem with app development as the API will need to be incorporated into the app design and structure.

The sole bearer of all of these responsibilities, at this point, will be our founder and lead strategist, Garrett Jorgensen. These tasks will be completed remotely, from wherever his location will be.

ZENITH STRENGTH & CONDITIONING

Product Timeline



VIII. RESOURCE PROBLEM PROOF

There are a lot of big challenges here that we are very excited to solve. We have broken down our unknowns and still-to-be-solved's into the categories of people, product and partnerships;

People

We know that we will need to hire a number of people to make sure that we are able to meet the numbers that we project to break even in our first year. As we continue to expect to scale this business, the ever-important factor will be the number of contract staff that we have on board. How we hire these people, vet these people and ensure that they are either already trained in telehealth or go through an internal training are still items that we need to work out. We need to have a partial contract staff of specialists in place by the time that we are ready to begin user testing, to ensure a realistic experience for that process.

We need to contract a lawyer to help us work out the legalese of insurance, liability and employee contracting. We expect to have this lawyer on retainer, and this yearly cost can be seen reflected in our financial analysis above in Section VI.

While our founder is a Certified Strength & Conditioning Specialist, this certification alone does not near provide us with enough experience and knowledge about the health & fitness app space, nor the operation of a SaaS. We expect to need guidance from an experienced person within the market to help us get this thing off the ground.

We do not have it worked into our initial financial analysis above, and it is also possible that we would benefit largely from hiring a social media marketing expert who can assist us in creating a digital target market and being able to push this thing out to people the right way.

Product

All of our unknowns and needs regarding people do not matter if we are not able to have a marketable app interface. We need to research and hire an app developer, preferably someone in a health- or fitness-related space. We need to have a functioning app that we can utilize in user testing, which means the process of hiring an experienced developer who understands our vision with Zenith is very important to our operations moving forward. We do not want to sign contracts with specialists, enter into a retainer agreement with a lawyer etc. and at the end of the day have nothing to sell.

While we have initial wireframes, mock-ups and ideas of how we expect the app to look, we also recognize that this process will be largely fluid as we learn what we can and can't do based on the interface and the "under the hood" aspects of our app. What we do know is that we expect to have a state-of-the-art marketable product, which is why we are prepared to spend quite a lot of money to make sure this thing is developed the right way.

Partnerships

We expect to need a strong working relationship with the National Strength & Conditioning Association the American Association of Physical Therapy to ensure that we are making the right choices as we are working through the development process with our app, to

ensure that our specialists are bound to some kind of guiding measures as far as professionalism and conduct goes regarding video calls, and to have additional means of advertisement for both users and potential contract employees.

As discussed previously, we will also need to develop a working relationship with Zoom, as the Zoom API into our app is a fairly important piece of our puzzle. At this time, we are unsure where to start with this conversation.

We need to ensure that our entry into the health and fitness app space is completely airtight and we need to make sure that our operation has zero holes, as we expect very little room for error here as this is a large and booming industry. While what we offer is unique, a poorly designed and operated SaaS in this scenario would not last long in the market. While finding an appropriate developer fell under the product category, we feel that it also falls under the partnership category as we expect to work extremely closely with this person or party to ensure that our vision for Zenith is executed to a T. If our execution of the app is not successful, it would have large implications on the other leg work that we would be doing as we are building the interface (hiring staff, building professional relationships, and spending a lot of money). If the app does not work out, we will be in debt literally and financially to contract staff that we expect to need to hire for user testing (before an official rollout), our developer, and any financial benefactors that we utilize along the way (financial institutions, seed investors, pay-to-play employees, etc.).

IX. RECOMMENDATION

We are prepared to move forward with this venture. Our financial analysis shows promising returns in the first five years of operation, and we feel that the problem we are attempting to solve is large and prominent enough to ensure our success. Our next immediate goal will be to secure financing for app development, and at the same time, to secure an app developer that we are comfortable with having execute our vision. Ideally, we want to be pushing the app to real users by early January 2024. These things are imperative in our ability to be successful in solving the problem we have prescribed. The biggest risk at this point will all be based around timing – we cannot guarantee that there are other teams with similar operation plans that are months ahead of us in developing, testing and preparation for a market rollout. While we need to get this SaaS to market as quickly as possible in order to harness as much of a market share as possible, we are not prepared to sacrifice professionalism and quality for speed to market entry.

X. CONCEPT PORTFOLIO

Figure a: New User Intake Survey Questions

- **Why did you respond to our advertisement?**
 - a) What were you curious about?
 - b) What do you think we do?
 - c) Why would you be interested in that?
 - d) Ideally, what would you like us to do for you?
 - e) Why is that important?
 - f) How would it change your life?
 - **Let me start out by giving you our definition of fitness.**
 - a) Experiencing abundant physical health.
 - b) Absence of pain, discomfort, illness, and disease.
 - c) Experiencing vitality and high energy, sufficient to enable one to do what one wants.
 - d) Looking attractive and fit, proud of one's appearance.
 - e) Capable of living a long, healthy life.
 - f) Able to participate in sports and active recreational activities.
 - g) Having a healthy emotional and mental outlook fostered by the foundation of feeling good.

Do you agree with this definition?
Is there anything you would add or delete?
 - **What is the current state of your fitness?**
 - a) On a scale of 0-10 with 0 being barely alive and 10 being totally fit, how do you rate your fitness?
 - b) What illnesses or medical conditions do you have?
 - c) How is your energy level?
 - d) How would you rate the quality of your nutritional intake?
 - e) Do you feel refreshed and energized after sleep?
 - f) Is your sex life fulfilling? (*Don't ask this of clients of the opposite sex as it may be misconstrued.*)
 - g) What areas of your personal fitness would you like to improve?
 - h) What specific thing would you like to change?
What else?
What else?
 - i) If you could improve or change all these things, what would it mean to you?
 - j) How would it impact your feelings of self worth?
 - k) Do you think you deserve to be fulfilled in this area of your life?
- **What is your current fitness program?**
 - a) Exercises:
 - b) Nutrition and supplementation:
 - c) What do you know about how to improve your conditioning?
 - **How well is your current fitness program working for you?**
 - a) Why isn't it working?
 - b) Are you willing to make some changes?
 - c) Do you care enough about your own well-being to make it a priority?
 - **Aside from financial cost, is there anything that would stop you from embarking on a fitness program?**

(Overcome all non-cost objections before proceeding.)
 - **If you had everything you wanted in life except for good health, would that be satisfactory?**
 - a) How much do you pay for medical insurance?
 - b) How much do you pay for doctor bills?
 - c) Given the expensive cost of health care after one gets sick, doesn't it make sense to you to spend a little money to prevent health problems?
 - d) How much is your health worth?

Figure B & C: Marketing Mock-ups

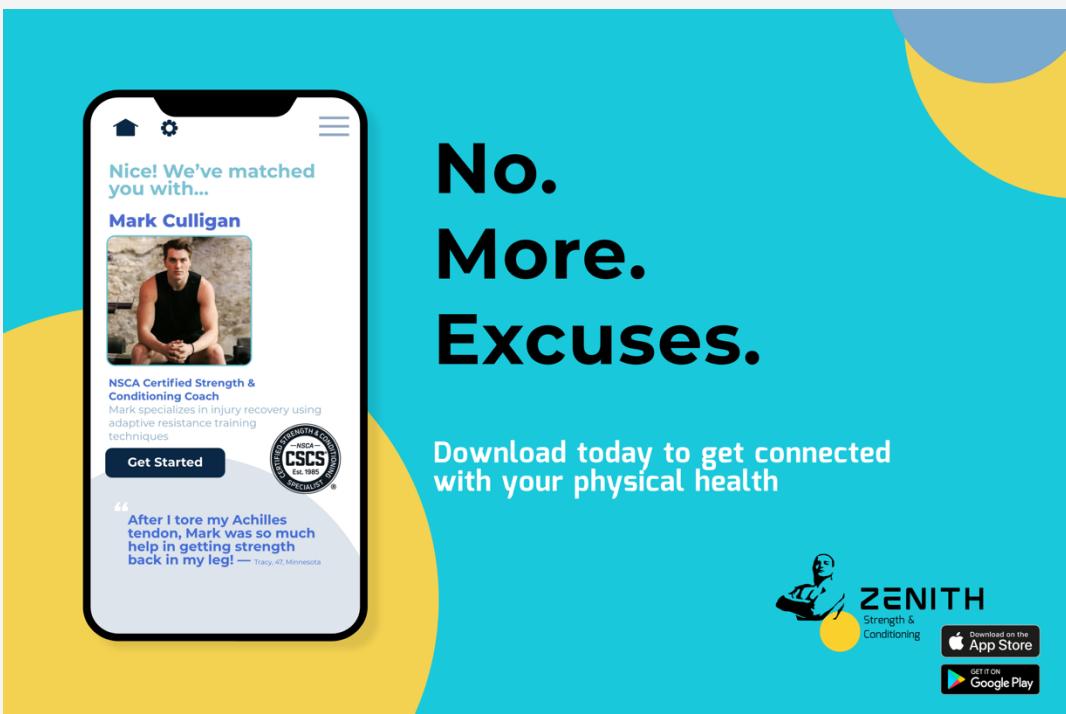


Figure D: Loan Amortization Table

		Enter values			
Loan amount	\$ 300,000.00 *				
Annual interest rate	6.78%				
Loan period in years	3				
Start date of loan	2023-01-23				
Monthly payment	\$ 9,232.98				
Number of payments	36				
Total interest	\$ 32,387.38				
Total cost of loan	\$ 332,387.38				

No.	Payment Date	Beginning Balance	Payment	Principal	Interest	Ending Balance
1	2023-02-23	\$ 300,000.00	\$ 9,232.98	\$ 7,537.98	\$ 1,695.00	\$ 292,462.02
2	2023-03-23	\$ 292,462.02	\$ 9,232.98	\$ 7,580.57	\$ 1,652.41	\$ 284,881.45
3	2023-04-23	\$ 284,881.45	\$ 9,232.98	\$ 7,623.40	\$ 1,609.58	\$ 277,258.04
4	2023-05-23	\$ 277,258.04	\$ 9,232.98	\$ 7,666.47	\$ 1,566.51	\$ 269,591.57
5	2023-06-23	\$ 269,591.57	\$ 9,232.98	\$ 7,709.79	\$ 1,523.19	\$ 261,881.78
6	2023-07-23	\$ 261,881.78	\$ 9,232.98	\$ 7,753.35	\$ 1,479.63	\$ 254,128.43
7	2023-08-23	\$ 254,128.43	\$ 9,232.98	\$ 7,797.16	\$ 1,435.83	\$ 246,331.27
8	2023-09-23	\$ 246,331.27	\$ 9,232.98	\$ 7,841.21	\$ 1,391.77	\$ 238,490.06
9	2023-10-23	\$ 238,490.06	\$ 9,232.98	\$ 7,885.51	\$ 1,347.47	\$ 230,604.55
10	2023-11-23	\$ 230,604.55	\$ 9,232.98	\$ 7,930.07	\$ 1,302.92	\$ 222,674.48
11	2023-12-23	\$ 222,674.48	\$ 9,232.98	\$ 7,974.87	\$ 1,258.11	\$ 214,699.61
12	2024-01-23	\$ 214,699.61	\$ 9,232.98	\$ 8,019.93	\$ 1,213.05	\$ 206,679.68
13	2024-02-23	\$ 206,679.68	\$ 9,232.98	\$ 8,065.24	\$ 1,167.74	\$ 198,614.43
14	2024-03-23	\$ 198,614.43	\$ 9,232.98	\$ 8,110.81	\$ 1,122.17	\$ 190,503.62
15	2024-04-23	\$ 190,503.62	\$ 9,232.98	\$ 8,156.64	\$ 1,076.35	\$ 182,346.99
16	2024-05-23	\$ 182,346.99	\$ 9,232.98	\$ 8,202.72	\$ 1,030.26	\$ 174,144.26
17	2024-06-23	\$ 174,144.26	\$ 9,232.98	\$ 8,249.07	\$ 983.92	\$ 165,895.20
18	2024-07-23	\$ 165,895.20	\$ 9,232.98	\$ 8,295.67	\$ 937.31	\$ 157,599.52
19	2024-08-23	\$ 157,599.52	\$ 9,232.98	\$ 8,342.55	\$ 890.44	\$ 149,256.98
20	2024-09-23	\$ 149,256.98	\$ 9,232.98	\$ 8,389.68	\$ 843.30	\$ 140,867.29
21	2024-10-23	\$ 140,867.29	\$ 9,232.98	\$ 8,437.08	\$ 795.90	\$ 132,430.21
22	2024-11-23	\$ 132,430.21	\$ 9,232.98	\$ 8,484.75	\$ 748.23	\$ 123,945.46
23	2024-12-23	\$ 123,945.46	\$ 9,232.98	\$ 8,532.69	\$ 700.29	\$ 115,412.77
24	2025-01-23	\$ 115,412.77	\$ 9,232.98	\$ 8,580.90	\$ 652.08	\$ 106,831.87
25	2025-02-23	\$ 106,831.87	\$ 9,232.98	\$ 8,629.38	\$ 603.60	\$ 98,202.49
26	2025-03-23	\$ 98,202.49	\$ 9,232.98	\$ 8,678.14	\$ 554.84	\$ 89,524.35
27	2025-04-23	\$ 89,524.35	\$ 9,232.98	\$ 8,727.17	\$ 505.81	\$ 80,797.18
28	2025-05-23	\$ 80,797.18	\$ 9,232.98	\$ 8,776.48	\$ 456.50	\$ 72,020.70
29	2025-06-23	\$ 72,020.70	\$ 9,232.98	\$ 8,826.07	\$ 406.92	\$ 63,194.63
30	2025-07-23	\$ 63,194.63	\$ 9,232.98	\$ 8,875.93	\$ 357.05	\$ 54,318.70
31	2025-08-23	\$ 54,318.70	\$ 9,232.98	\$ 8,926.08	\$ 306.90	\$ 45,392.62
32	2025-09-23	\$ 45,392.62	\$ 9,232.98	\$ 8,976.51	\$ 256.47	\$ 36,416.10
33	2025-10-23	\$ 36,416.10	\$ 9,232.98	\$ 9,027.23	\$ 205.75	\$ 27,388.87
34	2025-11-23	\$ 27,388.87	\$ 9,232.98	\$ 9,078.24	\$ 154.75	\$ 18,310.64
35	2025-12-23	\$ 18,310.64	\$ 9,232.98	\$ 9,129.53	\$ 103.46	\$ 9,181.11
36	2026-01-23	\$ 9,181.11	\$ 9,232.98	\$ 9,181.11	\$ 51.87	\$ 0.00

Item i) App Interaction Experience

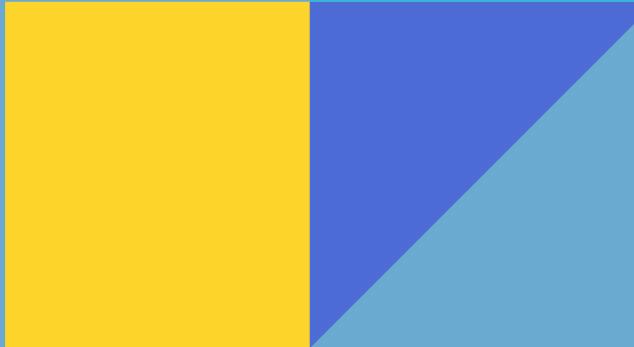
1. The user can download the Zenith Strength & Conditioning app for free on either the App Store or the Google Play Store.
2. Once the app has been downloaded, the user will need to create an account
3. After creating an account, the user is prompted to take the New User Intake Survey in order to receive a specialist pairing
4. After the New User Survey is completed, our staff will evaluate the user's needs and pair them with a specialist in 24hours
5. The user can approve their specialist pairing, and then proceed to schedule their first general assessment video call in the app
6. To confirm the booking of the initial video general assessment, the user will need to input payment information to confirm either a subscription or a one-session purchase
 - a. The user is not charged, however, until the general assessment is complete
7. After the general assessment is complete, the user can navigate to their personalized video library, and watch instructional videos to start working on their action plan
8. Week by week, the user can also continue to book new video sessions with the specialist in the app

Item ii) Staff Numbers and Workload Expectations

Workload Calc	Year 1	Workload Calc	Year 2
Per session basis 580 sessions * 1hr/session =	523 hrs./mo 26 hrs/empl/wk	Per session basis 1,194 sessions * 1hr/session = 33.20 hrs/empl/wk	1195.03 hrs/mo
Per subscription basis 154 subscriptions * 4 1hr sessions/subscription/mo.	615 hrs/mo 31 hrs/empl/wk	Per subscription basis 351 subscriptions * 4 1hr sessions/subscription/mo. 38.99 hrs/empl/wk	1403.53 hrs/mo
Workload Calc	Year 3	Workload Calc	Year 4
Per session basis 2,045 sessions * 1hr/session =	2048.14 hrs/mo 39.39 hrs/empl/wk	Per session basis 2,045 sessions * 1hr/session = 39.39 hrs/empl/wk	2048.14 hrs/mo
Per subscription basis 601 subscriptions * 4 1hr sessions/subscription/mo.	2405.48 hrs/mo 46.26 hrs/empl/wk 0.48 hrs/empl/wk	Per subscription basis 601 subscriptions * 4 1hr sessions/subscription/mo. 46.26 hrs/empl/wk 0.48 hrs/empl/wk	2405.48 hrs/mo



Connecting rural
Americans to
physical health



ZENITH Strength &
Conditioning

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ZENITH

Strength &
Conditioning

Problem

01

**Higher rates of
physical injury**

02

**Rural access to
physical health
practitioners**

03

Workout motivation

Nice! We've matched you with...

Mark Culligan

NSCA Certified Strength & Conditioning Coach

Mark specializes in injury recovery using adaptive resistance training techniques

Get Started

“ After I tore my Achilles tendon, Mark was so much help in getting strength back in my leg! — Tracy, 47, Minnesota

NSCA-Certified Strength & Conditioning Specialist® Est. 1985

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Nice! We've matched you with...

Mark Culligan



NSCA Certified Strength & Conditioning Coach
Mark specializes in injury recovery using adaptive resistance training techniques

Get Started

“After I tore my Achilles tendon, Mark was so much help in getting strength back in my leg! — Tracy, 47, Minnesota



Video Library



Endurance Upper Resistance Training Lower Resistance Training

Exercises



Overhead Shoulder Press
Diagonal Woodchops
Banded Push Ups

**Mark**
Strength & Conditioning Coach
Injury Recovery Specialist

Book your next Zoom session!

January 2023

S	M	T	W	T	F	S
01	02	03	X	X	X	✓
08	X	✓	11	✓	✓	14
15	✓	17	✓	✓	20	21
X	23	24	25	26	✓	28
29	30	31	Occupied	Available		

CONFIRM

Next Session:
18
January

Morning
9:30 10:30 12:30

Afternoon
13:30 14:30 17:30



JASON

PROFILE

Gender	:	Male
Age	:	43
Education	:	Bachelor's degree
Occupation	:	Grain Farming
Address	:	Cavalier County, North Dakota



BACKGROUND

Jason graduated from the University of North Dakota with a bachelor's degree in management in 2001 before returning to the family farm, which he took sole control of in 2007. Jason grew up playing hockey, and played club hockey at UND until a shoulder injury forced him to hang up his skates.

BIOGRAPHY

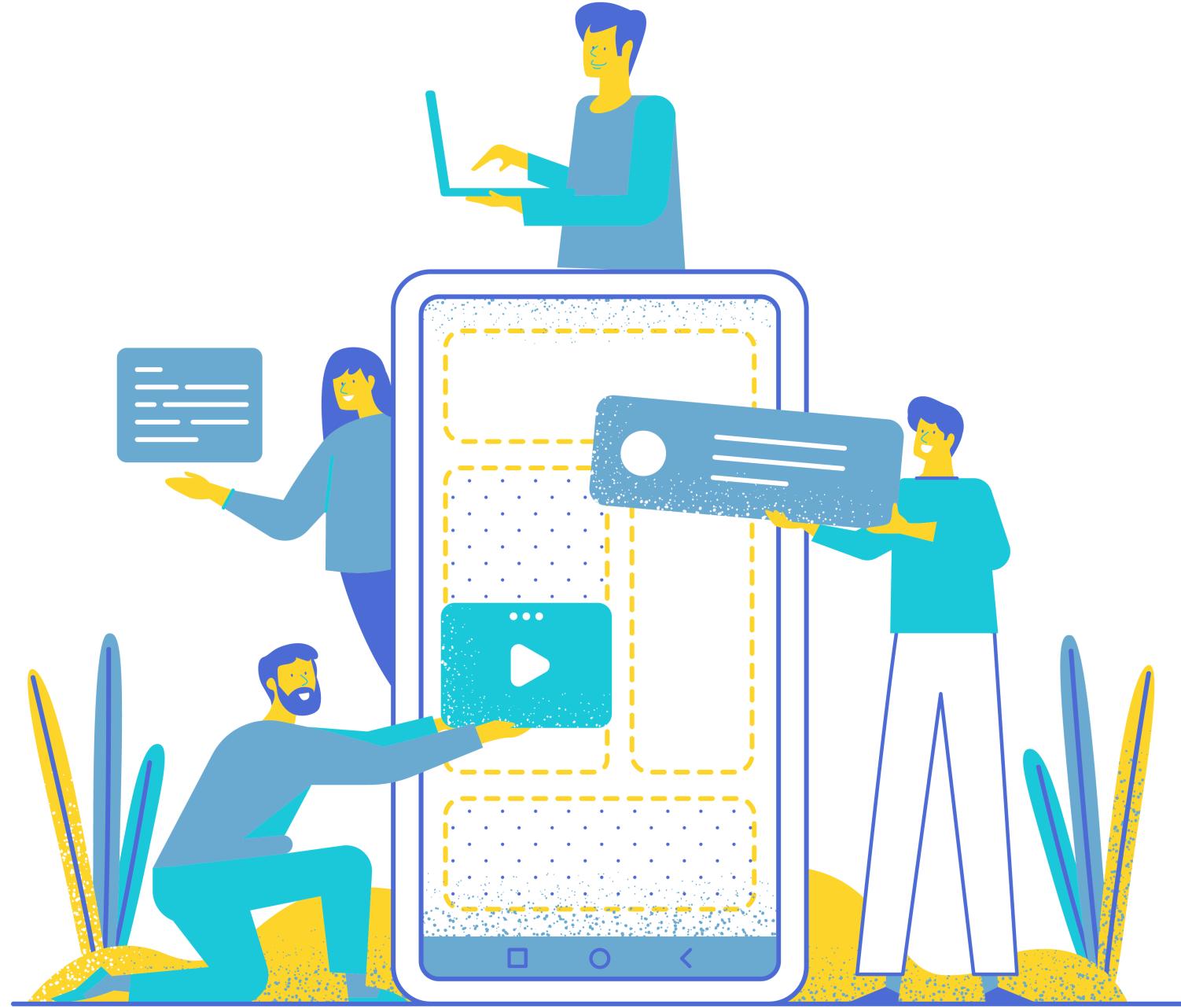
Jason is married to wife Amy, and they have two children (Clay and Clare, who are now off to college). They live in Cavalier County in North Dakota, a county that is a health professional shortage area. Amy works remotely as an accountant. Jason is a full-time farm owner/operator, and spends long hours each day maintaining equipment, checking crops, and preparing to plant or harvest given the time of year. Jason spends a lot of time on his phone and laptop, checking the weather, looking at equipment auctions etc.

CHALLENGES

Jason experiences pain and stiffness every day. Jason would like to receive help from a physiotherapist, strength or mobility specialist, but none of these specialties have a practitioner within reasonable driving distance. Jason doesn't have the time to drive multiple hours one way to meet with a practitioner on a regular basis. Jason's doctor has prescribed pain & anti-inflammatory meds, but Jason knows he needs additional help to regain mobility and physical well-being. Jason has attempted to work on these things by himself, looking up exercise and mobility videos on YouTube. However, Jason finds that without the accountability and guidance of a licensed practitioner, he never makes any progress and often feels defeated. Jason is beginning to realize that past hockey & farming injuries are now impeding his ability to do things around the farm without experiencing pain.

VALUES

Jason is a family man and has a large network of friends and family who enjoy being active. Jason's family & community are avid hockey fans, and their community places high value on public skate times and beer league hockey. Jason would love to spend more time on the ice with his kids and friends but knows that his body can't support this kind of activity, and his work on the farm would suffer if he were to lace up his skates again. Jason likes to spend time with his wife Amy, and now that both kids are out of the house, they would like to spend more time travelling. However, Jason's physical condition prevents him from sitting in a car or on a plane for extended periods of time. Thus, they travel very little.



Have questions?

We have answers.

EMAIL

askus@zenithsc.com

SOCIAL MEDIA

@zenithstrength



ZENITH
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Conditioning

Q1: This level of 1-on-1 coaching is a challenge to scale; how many clients can each coach serve and how will you scale the number of coaches you will need to grow this business?

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Q2: How will you handle appropriate behaviour with coach/client relationships?

What company culture standards will you set?

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Q3: How does your pricing compare to in-person personal training sessions at a gym? What, in your mind, is the biggest benefit in switching from live to on-line personal training?

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askus@zenithsc.com

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@zenithstrength

