

Executive Summary

Women ages 25–35 are highly vulnerable and susceptible to Generalized Anxiety Disorder (GAD), which can impact how they live their daily lives. To assist women in overcoming, understanding, and preventing GAD, our proposed solution: Blossom, will take users on a step-by-step journey to teach them preventative GAD solutions, provide peer-to-peer support, and direct them to useful resources. Moreover, our company, Blossom, will be backed by the parent company, Sun Life—an insurance and investments company dedicated to helping people secure their financial futures. Given Blossom’s unique position in the mental health industry due to its unique features, brand support from Sun Life, moderate to low production costs, high reach, and lower product pricing, Blossom is expected to be a successful investment that will attract new users and investors alike.

Company Background (Parent Company)

Over the course of 150 years, Sun Life provides wealth solutions and health programs for its clientele (Sun Life, n.d.h). Such wealth solutions and health programs were ultimately designed to help consumers build their fortune, protect their savings, and contribute to their futures in addition to contributing to Sun Life’s mission to help their clients achieve lifetime financial security (Sun Life, n.d.h).

Key Operations

Sun Life’s main operations focus on providing its clients with investment and retirement plans in addition to a range of insurance plans. To assist their clients with these different financial plans,

they ensure that they have a large team of advisors to help their clients with their investment and insurance needs so that they can help their customers gain lifetime financial security.

Products & Services

Sun Life offers both products and services for their clients, which are split into two categories: investments and insurance (See Table 1).

Under investments, Sun Life offers consumers a selection of investment and retirement plans, which include things like Registered Retirement Savings Plans (RRSP), Tax-Free Savings Accounts (TFSA), Registered Education Savings Plans (RESP), Registered Retirement Income Fund (RRIF), Life Income Fund (LIF), and Locked-In Retirement Accounts (LIRA) (Sun Life, n.d.f). All of these products help consumers plan their future financials tax-free under certain conditions (Sun Life, n.d.f). Sun Life also offers consumers a selection of retirement income options to help them as they grow older and become financially worry-free as they settle into retirement (Sun Life, n.d.f). For instance, Sun Life offers products like mutual funds, segregated fund contracts, guaranteed interest products, and life and term certain annuities (Sun Life, n.d.f). Should consumers feel confused or require assistance in understanding these products, Sun Life offers an advisor service for their customers so they can create the best investment and financial plan for them (Sun Life, n.d.f). They also provide free investment and retirement plan calculators so that consumers can plan out their financial goals (Sun Life, n.d.g).

Sun Life offers different insurance plans. These insurance plans primarily focus on life and health insurance. For instance, under life insurance, Sun Life offers consumers term life

insurance and permanent life insurance (Sun Life, n.d.d). As for their health insurance plans, Sun Life provides consumers with Personal Health Insurance (PHI), Critical Illness Insurance (CII), Long-Term Care Insurance (LTCI), and Disability Insurance (Sun Life, n.d.c). Sun Life also has other types of insurance that fall outside of the life and health categories. This includes travel insurance, mortgage protection insurance, accidental death insurance, business owner's insurance, and family insurance (Sun Life, n.d.d). Given the complexities of all the different types of insurance plans, Sun Life has an advisor service dedicated to helping people understand and apply for insurance. Additionally, Sun Life also has an insurance quote service to help people get an idea of how much insurance will cost (Sun Life, n.d.b).

Last but not least, while Sun Life does specialise in selling insurance and investment solutions, it also has acquired other programs and applications like the health app, Dialogue. Dialogue is an app that provides users online access to medical resources and help, thus assisting its users in improving their physical and mental health (Dialogue, n.d.). Given these products and services, it is evident that Sun Life specialises in providing people with products and services that help them protect themselves and their finances. It is important to note that these products and services are primarily available online; however, Sun Life does offer in-person alternatives to provide their customers with many options for their buying habits.

Customers

Based on Sun Life's analytics and analyses, Sun Life's target market or customers vary depending on the product or service. However, overall, Sun Life targets Canadian adults aged

25–90 (Sun Life, 2019), otherwise known as individuals who are building their wealth, investing their money, and protecting their finances.

Mission and Vision

Given Sun Life's products and services, Sun Life's mission is to “[help] our clients achieve lifetime financial security and live healthier lives.” (Strain, 2022, p. 4). Sun Life's vision is to one day be “one of the best asset management and insurance companies in the world” (Strain, 2022, p. 8).

Values

Sun Life values diversity, equity, and inclusion, which are values that they embed in their operations and organisational procedures (Sun Life, n.d.a). Sun Life believes that by striving for diversity, equity, and inclusion, they can create better experiences for their clients, colleagues, and communities (Sun Life, n.d.a). Additionally, they believe that embodying these values and keeping them in mind as they proceed with their operations, they can foster innovation, collaboration, and high-quality performance (Sun Life, n.d.a).

Organizational Structure

According to the Official Board's data, Sun Life has a team-based, divisional organizational structure. Sun Life's divisions are divided based on different fields: audit, sustainability, asset liability management, enterprise and operational risk, etc. (*Sun Life Financial*, 2024). Moreover, from these fields, it is clear that people are organised based on a specific focus area that they are familiar with and/or specialise in. Sun Life stands to benefit from this structure because they can

become more efficient in their operations (Lucidchart, 2017). This is because Sun Life employees are organised and are required to work based on their experience in their fields. This allows them to do work that they specialise in, thus allowing them to become more efficient over time at their jobs and thus provide Sun Life with more efficiency, productivity, and higher-quality performance (Lucidchart, 2017). This organisational structure helps Sun Life sort their employees into specific fields, which can assist them in best helping their clients by providing them with specialists that can best suit their needs.

Core Resources/Capabilities

Sun Life has many core resources that they use to ensure that they are efficient in running their operations. This includes brand reputation, intellectual property (e.g. trademarks, etc.), Sun Life employees, partnerships, technological equipment (e.g. computers, laptops, phones, etc.), field experts, research systems (e.g. Stats Canada, etc.), feedback systems (e.g. customer surveys, Sun Life chatbot, etc.), corporate buildings and headquarters, communication systems, sponsorships, student capstone projects, and financial centres.

Based on these resources, Sun Life's core resources and capabilities are found in its partnerships, feedback systems, sponsorships, and student capstone projects. These resources satisfy VRIO's four factors, which indicate that these resources are valuable, rare, inimitable, and organized, and thus give them a competitive advantage in their insurance, investment, and financial security industry fields. See Table 2 for Sun Life's full VRIO analysis.

First, when looking into Sun Life's partnerships, Sun Life is partnered with managing general agents (MGAs) like Aimity Financial Group, AlphaPrime Financial Services Inc., Barrington Wealth Partners Inc., Bridg eForce Financial Group Inc., and more (*Our MGA and NA distribution partners*. n.d.). Sun Life has partnered with over 25 MGAs, which has helped them receive valuable business as a result of their partners' help in selling their insurance and investment plans. Moreover, Sun Life's work with their partners helped them receive more business and thus made their operations more effective. Additionally, Sun Life's partnerships are rare for other competitors to find and possess because it requires extensive time and effort to build their relationships, of which has been created due to Sun Life's brand reputation and product value. Therefore, it can be difficult for many competitors to establish these partnerships. As for its inimitability, it is also hard for competitors to replicate all of these partnerships because their competitors will be unable to replicate Sun Life's portfolio of partners. It would be near impossible for their competitors to partner every single one of Sun Life's partners, thus highlighting how this resource gives Sun Life a competitive advantage. Moreover, given Sun Life's success and how its partnerships have contributed to their business, it shows how Sun Life has organized this resource and put it to effective use.

Second, another resource that gives Sun Life a competitive advantage is their feedback systems. These feedback systems include Sun Life's online surveys and chatbot systems, thus providing them with information and feedback that they can use to improve their operations. This is a valuable resource as these feedback systems allow Sun Life information to improve their business operations and further their effectiveness and efficiency. Also, as Sun Life's feedback systems are specific to their company and how they can specifically improve their processes, it is

a rare resource and cannot be copied by their competitors. Therefore, this resource gives Sun Life a competitive advantage and increases their value in the financial security industry by allowing them to organize this resource and use it for their needs.

Third, Sun Life's sponsorships gives them a competitive advantage as they work with well-known brands that contribute to their brand reputation and overall company image, thus giving them exposure to consumers and ultimately helping them make their business successful. Their sponsorships include companies and organizations like the Toronto Raptors, Canada Basketball, NBA Canada, Cirque du Soleil, and more. Moreover, by sponsoring these organizations, this provides value to Sun Life by exposing them to more customers and contributing to their brand image. Additionally, it is difficult for their competitors to work with all of these organizations as they would have to build and establish relationships in addition to ensuring that their brand, mission, values, and products align. Therefore, it is rare for other competitors to also achieve these sponsorships. It is also inimitable for their competitors to copy their portfolio of sponsorships, thus highlighting how Sun Life has a clear competitive advantage as a result of their sponsorships. Sun Life organizes this resource to make their business more effective and efficient in comparison to their competitors.

Fourth, Sun Life's position in student capstone projects also gives them a competitive advantage against their competitors. Sun Life works with universities like the University of Waterloo to mentor students in their attempts to solve a real-world problem that is applicable and relevant to Sun Life's mission and values. This contributes to their own business operations by providing them with possible solutions that can help their clients: working with students provides them

with valuable information and effective problem-solving, thus helping them improve their business operations. For example, Sun Life's student capstone project facilitation and mentorship is rare amongst its competitors as many companies may not collaborate with universities. This can cause them to miss out on opportunities as they may not have access to a student demographic and thought process. Therefore, this resource is also rare amongst Sun Life's competitors. Also, it is hard for competitors to imitate Sun Life's student capstone facilitation and mentorship because depending on the school and program, students' education may not align with a company's needs. Another reason why it is difficult to copy is because students are given different tasks/expectations depending on the capstone objective. Therefore, this is a resource that is hard to copy exactly, and thus gives Sun Life an advantage against their competitors. Furthermore, Sun Life also has a competitive advantage as a result of their student capstone project resource, thus allowing them to effectively organise this resource and improve their business operations against their competitors.

Given these four core resources, Sun Life has the competitive advantage in multiple areas and thus has contributed to the reason why they are a successful company.

Core Competencies

Based on the information above, Sun Life's core competencies come from their strong relationships with third parties (e.g. their partnerships, sponsorships, and their facilitation and mentorship of student capstone projects) and their client support systems (e.g. feedback systems like customer surveys, Sun Life chatbot, etc.). As Sun Life has a competitive advantage in their partnership, sponsorship, and student capstone collaborations, these three things indicate that Sun

Life has a core competency at creating and maintaining strong relationships. Sun Life's tailored feedback systems demonstrates that another one of Sun Life's core competencies is their ability to support their clients and find ways to improve their operations to meet their needs.

Business Model Canvas Description

Refer to Table 3 in the appendix for the complete business model canvas.

Customer Segments

Our app covers multiple different user groups, each facing different needs and challenges, and aims to provide them with a supportive and communicative environment to better understand and manage their generalized anxiety, as well as to share experiences and support with others. Our primary customer segment comprises young professional women aged between 25 and 35, who may be at risk of or currently experiencing GAD. A secondary customer base may also include family members and friends seeking support for loved ones with GAD who may wish to learn how to better support their concerned individuals and access relevant educational resources and support. Lastly, our app also targets businesses interested in supporting employee mental health. These businesses may recognize the importance of employee mental health and seek to provide appropriate support and resources for their staff.

Customer Relationships

We have established diversified customer relationships with different types of users to meet their respective needs and expectations. For our primary users, young working women, we provide regular communication channels through which they can stay informed about the latest

developments and activities on the app. Additionally, we have introduced mascot support to provide them with 24/7 online assistance and guidance, along with a human-run support hotline, ensuring they can receive timely human support and counseling when needed. For family members and friends as secondary users, we offer rich, educational resources to help them better understand and support their family/friends with anxiety. For businesses as potential users, we offer discount policies and business-focused tools to help them better support and focus on their employees' mental health. Through the establishment of these customer relationships, we are committed to building long-term and stable cooperative relationships with users, jointly promoting the platform's development and the well-being of users.

Key Partners

Primary partners play a crucial role in our app, including professional speakers for webinars and events, as well as mental health experts. These professionals provide our app with specialized knowledge and deep support, ensuring that our users receive the best service and assistance. Additionally, our technical support team and app store partners are integral components, providing necessary technical assistance and distribution support to ensure the smooth operation and widespread promotion of our app. Furthermore, as our parent company, Sun Life provides financial support for the project, promoting its long-term development and growth. We also collaborate with hosts/coordinators for events and online discussions, who are responsible for ensuring the smooth progress of activities and guiding participants, ensuring the success of each event. Moreover, our mascot development team/advisors provide advanced technical support to ensure the effective implementation of mascot features, providing users with a more intelligent service experience. Lastly, our investors/stakeholders provide financial support to drive further

development and growth of the app. Together, all these partners create a powerful team, providing the necessary support and resources for the successful development of our app.

Key Activities

Our app's primary activities cover multiple key areas, aiming to provide users with comprehensive step-by-step support and services. First, we will develop an onboarding process specifically for GAD education and resource connection, while also designing and implementing an intelligent mascot chatbot. These tools will provide users with reliable information and support, helping them better understand and manage their anxiety. Secondly, we will host a series of virtual and live meetings, forums, and events, aimed at promoting interaction and communication among users, providing a safe platform for them to share experiences and support each other. Additionally, we will create a goal-setting system to assist users in setting and tracking their personal goals, and implement a subscription/freemium model to offer more advanced services and features. Finally, we will introduce a point system to encourage positive interaction among users, providing substantial rewards and incentives for their participation and contributions.

Key Resources

Our app's key resources include personnel, technology, and GAD education and support resources. In terms of personnel, we have developers, designers, moderators, and mental health experts, among other professionals, who will collaborate to provide essential support for the successful development of the app. On the technological front, we rely on advanced tools and equipment such as application development, servers, internet access, and intelligent mascot

chatbot technology to ensure the stable operation of our app and provide the highest quality user experience. Additionally, we possess a wealth of GAD education and support resources, including authoritative materials, research reports, and professional guidance. These resources will provide our users with accurate and reliable information and assistance, helping them better understand and manage their anxiety.

Value Proposition:

Our value proposition is dedicated to providing comprehensive support and assistance to patients with GAD. Firstly, we aim to establish a support network where patients can find a safe space to share experiences, seek support, and build connections with others. Secondly, we actively encourage meaningful discussions and strive to eradicate the stigma surrounding mental health, fostering a more open and inclusive societal atmosphere by breaking the silence. By introducing a mascot chatbot, we provide scalable, evidence-based mental health support, offering users access to resources and guidance at any time to address their anxiety symptoms. Additionally, our app is committed to educating GAD patients to gradually open up and engage with others, helping them develop healthier and more positive social relationships. Lastly, we provide a space for professionals to conduct research at specific stages of the GAD journey, promoting further understanding and development in the field of mental health. Through these value propositions, our platform is dedicated to providing users with comprehensive and sustainable mental health support, helping them overcome anxiety and regain a healthy, positive life.

Cost Structure

Our cost structure is divided into fixed costs and variable costs to ensure the stable operation of our platform and the provision of quality services and support. Firstly, we have many fixed costs in order for our business to run. Specifically, we need to fund things like employee salaries, supplies, repairs and maintenance, marketing and advertising, accounting and legal services, utilities, interest, and depreciation costs. These fixed costs will only increase once we are in business as we will need to prepare for expansions of our team and app. However, we expect that our revenue streams and business plan will compensate for such costs. A detailed cost breakdown can be found in our break-even analysis (see Appendix 4) which will be further explained in the Strategy and Operations section.

In terms of variable costs, we expect to fund things like product development costs, server and hosting costs, service inventory/event costs, and depreciation costs. These costs will vary depending on the market and other external forces. More information on this can be found in our break-even analysis.

Revenue Streams

Our revenue sources primarily encompass the following aspects to ensure the sustainable development and operation of our app. Firstly, we adopt a subscription and freemium model as the main source of revenue. Users can gain comprehensive access to the platform by subscribing and paying a fee, or choose to use basic functions for free and pay additional fees for more advanced services and features. Secondly, we also accept sponsorships from businesses for specific events. Companies can provide sponsorship support for events we organize, gaining

brand exposure and promotional opportunities during these events. Lastly, through our partnership with Sun Life, it will provide us an opportunity to offer Sun Life's partners bulk memberships, allowing them to offer our services to their employees and clients at discounts. This provides us with a stable source of income while also expanding our user base.

Market Analysis

Competitors

We focused on applications that also supported women and were centered around mental health when conducting our competitive analysis (see Figure 5.). From this, we identified that Blossom is the only solution that takes a proactive, peer-to-peer approach towards GAD. Though parts of our solution (i.e. events, chatbots, and gamification) currently exist on the market, there is no solution that specifically targets women with GAD. Our competitive advantage is that Blossom takes a step-by-step, self-paced approach to destigmatizing mental health.

Two examples of close app competitors are Woebot Health and Sanvello. Woebot Health is an AI-powered chatbot that provides cognitive-behavioral therapy (CBT) techniques to users. Its strong brand recognition and extensive user base pose a significant challenge to new entrants. Sanvello offers a comprehensive mental health platform with features like mood tracking, coping tools, and peer support. It competes directly with its diverse range of services and established market presence.

In general, there are numerous general mental health apps that offer similar services targeting mental health and wellness, posing a threat of substitution. General health and wellness apps also

provide a range of services, including meditation, stress management, and fitness, which can indirectly compete with mental health apps by addressing holistic well-being. These apps may not specifically focus on GAD but provide broader support for various mental health conditions and physical health and wellness.

Another competitor is community centers and support groups. In-person support groups and community centers offer alternatives to digital solutions, especially for individuals who prefer face-to-face interactions.

Market Size

See Appendix 4 for market size calculations.

Porter's Five Forces Competitive Analysis Description

From our Porter's five forces competitive analysis (see Table 6), we determined that the threat of new entrants in the mental health app market is moderate. While mental health apps are currently in demand and may attract entrants, developing a competitive app requires significant investment in technology and research. Compliance with regulations and standards related to mental health apps adds further complexity and cost which may deter potential entrants. Established players like Woebot Health and Sanvello have strong brand recognition and extensive user bases, creating another barrier to entry due to competition. However, as we are targeting GAD specifically, which is a more niche market with even fewer competitors and thus a potentially higher threat of entrants to fill the market.

Though the threat of entrants is moderate, the intensity of industry rivals is high. Industry rivals compete for market shares through subscription-based models, diverse service offerings, and potential for mergers and acquisitions among larger companies. To compete effectively, innovative strategies such as gamification, chatbots, and personalized experiences are essential to retain users.

Additionally, the threat of substitutes is high as there are numerous alternative apps, in-person support groups, online forums, and wellness services available. Differentiation through innovation is crucial to stand out among competitors and mitigate the threat of substitution. Switching costs, such as account registration and payments, may also influence buyer decisions.

There are multiple suppliers for mental health apps including mental health researchers, consultants, and tech support. Suppliers of mental health research and resources, such as mental health consultants and experts, have higher bargaining power as they provide valuable resources but have limited availability. Tech suppliers for app infrastructures have relatively low bargaining power in comparison as there is a greater availability of them.

Buyers' bargaining power varies depending on factors such as individual versus corporate memberships, premium versus free services, and tenure on the platform. Sun Life members and premium subscribers may hold more power due to their access to additional features and benefits; however, the average independent buyers have low bargaining power.

Corporate Entrepreneurship/Organizational Structure

Our Product's Mission and Vision

Blossom is a proactive resource that targets women at-risk or in the early stages of GAD. It helps women develop their own support networks at their own pace, validating and destigmatizing GAD in the process. We use goal-setting tasks and a point and reward system to encourage users to engage with peers, learn, and grow more comfortable discussing mental health topics. Blossom's mission statement is, "Encourage meaningful conversations around GAD and help form strong peer-to-peer support networks." Given our mission statement, we aim to achieve our mission through our GAD solutions. With Blossom's onboarding assistant Soleil, moderated events, and GAD seminars, our users will feel empowered to engage in meaningful conversations about GAD.

In alignment with Sun Life's goals, Blossom aims to target individuals who are building their wealth, investing their money, and protecting their finances. Blossom's primary consumers will be women between the ages of 25–35 years old who are beginning to build their careers and are at risk of facing severe GAD symptoms.

Blossom's vision is to "validate and de-stigmatize GAD so everyone can share their experiences without fear or shame." Our goal to de-stigmatize GAD initially through the target group of women at risk of developing severe cases of GAD. These conversations will ease women into having deeper conversations regarding mental health. Our expansion plan will also guide the general Canadian population to have further discussions surrounding GAD, thus assisting in the de-stigmatization and validation of individuals' GAD experiences.

Mode of Corporate Entrepreneurship

Blossom is an internal corporate venture, and we chose this mode based on the time constraints and resources available. Collaborative corporate venturing would require us to either create or research another established company and propose a venture between them and SunLife, which would again, have more constraints and allow for less innovation on our end. Though external corporate venturing would allow more innovation and independence, we do not have the resources and room for risk to get involved with external venturing. We are also keeping Sun Life's company structure and goals in mind in our final product, which best aligns with internal rather than external corporate venturing.

Organizational Structure

Blossom's current team of five follows a matrix structure as we simply do not have enough personnel to create a divisional design. Everyone contributes to making big decisions so authority isn't as centralized as the simple structure. A matrix structure also suits our current workflow, where team members frequently switch between tasks based on what's needed at the moment, and it allows for a lot more opportunities for innovation as we just recently left the ideation phase of the project. Eventually, we hope to move towards a more traditional division design as we integrate more with our parent company Sun Life, and as we expand our personnel. We think that a divisional design would work better when we expand as it would make it easier to work with Sun Life and maintain organization, flexibility, and clear lines of communication within the project. As Sun Life has a divisional structure, adopting a similar structure would allow for clearer lines of communication between the two companies, as there would be a clear

hierarchy and separation between teams. Once shifted to a divisional structure, Blossom will have five main divisions: design, research, project management, development, and marketing.

Strategy and Operations

Staffing Needs and Partners

We will need a staff of 11 full-time salaried employees in order to create and launch our app, along with a team of volunteer moderators in which the numbers will fluctuate depending on the number of events we have. Our salaried employees include people on design, business, research, and marketing, and we have a detailed breakdown of their job titles and salary in our spreadsheet. In terms of skill level, all of our employees will be intermediate, with our salaries being the average across Canada. Our employees will be focused on building the app, creating marketing material, securing funding, and overall launch preparations in the first year, with the goal of launching the app in our second year. After that, their efforts will be focused on maintaining and updating the app to maintain user retention, as well as continuously advertising it to attract new customers.

In terms of partners, we hope to provide our memberships as a part of Sun Life's corporate bundles, but we can also contact companies ourselves to negotiate membership plans for all their employees. Additionally, we hope to partner with companies and mental health organizations to put together special events for our userbase, where they can either sponsor events or provide guest speakers.

Key Resources (VRIO Analysis)

Based on our VRIO analysis (see Table 7), our key resources are our extensive research and the support from our parent company Sun Life. Our solution requires resources that are not rare nor inimitable for our competitors to find and use; however, our company can put our resources and capabilities into good productive use because our solution is an incremental opportunity that combines multiple ideas and technologies that have been proven successful independently and not combined or used in the way we do.

As we are an internal venture, a lot of the organization also relies on our parent company, Sun Life and how they would be supporting our venture. As Sun Life has created products with similar technologies, we believe that they have the resources and infrastructure to successfully support and organize our idea, leading to a sustained competitive advantage. Our VRIO analysis demonstrates where we can improve our resource use and efficiencies in addition to how we can improve our standing in comparison to our competitors. Fortunately, we do have a few things that our competitors do not. We have conducted extensive research (e.g. literature reviews, competitive analyses, etc.) that gives us information that other competitors may not have access to.

Marketing Communication Activities

Based on our research, marketing activities for a Canadian small business can range from \$30,000 to \$50,000 (BDC, 2020). Blossom's marketing costs for the initial launch is projected to be \$50,953, which we expect to reduce in future years as our product becomes more well known. This number includes website, online marketing (social media, email lists), branding, and advertising costs and our estimates were based on the average spend for a small business. We

will also rely on Sun Life to promote our products in-kind to their customers, by offering corporate membership discounts in their insurance plans. Our marketing activities will be focused within Canadian distribution channels at the start, with options to expand later on as our platform matures and grows. The goal of our marketing activities in the later stages of launch will be to reach a user retention rate of 77%, which is considered the typical rate for IT and software companies (Trunov, 2024).

Financial Projection and Funding Requirements

Our fixed costs would include app and website development costs and salaries for tech maintenance and mental health counsellors. According to Forbes, medium-complexity apps with multiple features and integration cost an average of \$20,000–\$50,000 USD to develop (Trunov, 2024). Similarly ranged development costs for mediation apps and social media apps were found by other sites such as VLink and Crowdbotics: “On average, developing a meditation app like Calm costs around \$30,000–\$35,000 USD,” and “A social network app usually costs about \$37,500 USD to build” (Gardner, 2023; “Social Network App Cost Estimate,” n.d.). Based on our list of features, requirements, and staffing needs, we predict the cost of Blossom’s app development to be comparable to the development cost of the ones examined by Gardner and Crowdbotics. For web development, development costs can have large ranges depending on features and maintenance needs. According to Forbes, development of website applications (e.x. sites like Facebook or Spotify that have up to 2,000 pages) can cost between \$9,506 CAD and \$118,827 CAD (Leonard, 2023). However, because we intend to build up Blossom slowly, we will not require as many pages as web apps like Facebook, Instagram, or Spotify; therefore, we

will use a lower estimate from this cost range. Since we plan on creating mobile and web versions, our development cost is estimated to be around \$60,000.

Variable costs would include website and app maintenance costs, marketing and virtual software costs, cost of running and supplying in-person events, and compensating volunteer moderators. Maintaining the website technologically can be expected to cost around \$35–\$500 per month (J., & S., 2024). This includes hosting costs, domain name, a Secure Sockets Layer (SSL) certificate, and tech support. Because Blossom’s users are vulnerable people, information security is necessary; as such, our website will be hosted on either a Virtual Private Server (VPS) or a Dedicated hosting server. These types of hosting plans are more secure than shared hosting and provide greater user control with dedicated servers having the most security and control, however, they will also cost more (Simonson & Main, 2024). As such, we estimate our tech maintenance costs to be around \$2,400 per year.

Revenue Streams

Our solution uses a freemium subscription model as its primary revenue stream. While some features of the app such as the chatbot, chatrooms, and article resources are available through a free account, certain events will be membership only. Users can pay a recurring membership fee to get access to online and in-person events; however, free users can pay a high entrance fee for the member-only ones. We expect these events to cost, on average, \$1500 per event with 500 users, with the intent of hosting one event every week in a year (52 events in a year). This means that we aim to have an average of 500 paying users every week. As a part of our subscription model, companies can bulk-purchase memberships for their employees as a bundle or as part of

Sunlife's insurance plans. Note that our current calculations only account for users who have purchased our membership as an average. We assume that the cost of free users will average out with the high entrance fees that they would be paying for some events.

Another stream of revenue will be company sponsorships on specific events. If companies want to lead a mental health workshop or sponsor mental health-related products, they can pay a sponsorship fee to do so. In our calculations, we include sponsors covering the costs of the event they sponsor (\$1,500), and we expect 8.3% of our events to be sponsored.

We created a pro forma income statement and a break-even analysis (see Appendix 4) to estimate our future revenues, expenses, and net profits based on assumed conditions or events. From our break-even analysis, our expected costs (fixed costs and variable costs) total to \$1,118,328.88. To break even, we would need 15,000 annual membership sales at the unit cost of \$74.56/year. Our expected revenue in our pro forma income statement is \$1,118,328.88, including net sales and other income from sponsored events. The first year of operations would be a net loss as Blossom will be in development. However, after its launch in the second year, we estimate our retained earnings to be \$44,028 which is a 3.91% net profit margin. Based on our projected costs, activities, and operations, we estimate our total capital requirements for one year to be \$1,200,000.

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Appendix

Analytical charts, tables, and spreadsheets created and used in this report.

Sun Life Products & Services		
Investments	Insurance	Other Products
Investment & Retirement Plans - RRSP - TFSA - RESP - RRIF - LIF - LIRA Retirement Income Options - Mutual Funds - Segregated Fund Contracts - Guaranteed Interest Products - Life and Term Certain Annuities Sun Life Advisor Service Free Investment and Retirement Calculators	Insurance Plans - Life Insurance - Term Life Insurance - Permanent Life Insurance - Health Insurance - Personal Health Insurance (PHI) - Critical Illness Insurance (CII) - Long-Term Care Insurance (LTCI) - Disability Insurance - Other Types of Insurance - Travel Insurance - Mortgage Protection Insurance - Accidental Death Insurance - Business Owner's Insurance - Family Insurance - Sun Life Advisor Service - Insurance Quote Service	- Lumino Health - Dialogue

Table 1. Sun Life's Products and Services.

Sun Life VRIO Analysis			
Resource	Valuable	Rare	Inimitable
Brand Reputation		✓	✓
Intellectual Property		✓	✓
Employees	✓		
Partnerships	✓	✓	✓
Technological Equipment	✓		
Field Experts	✓		
Research Systems	✓		
Feedback Systems	✓	✓	✓

Corporate Buildings & Headquarters	✓		
Communication Systems	✓		
Sponsorships	✓	✓	✓
Student Capstone Projects	✓	✓	✓
Financial Centres	✓		

Table 2. Sun Life’s VRIO Analysis.

Business Model Canvas					
<u>Key Partners</u>	<u>Key activities</u>	<u>Key resources</u>	<u>Customer relationships</u>	<u>Channels</u>	<u>Customer Segments</u>
<ul style="list-style-type: none"> - Professional and expert speakers to host webinar - Tech support, app store - Sun Life as they will be sponsoring or directly investments the services - Moderators/facilitators for both online and in-person events - Mental health (specifically GAD) specialists and consultants - AI development team/consultants - Investors/stakeholders to fund the project (can be via direct investment, sponsorships, grants, etc.) 	<ul style="list-style-type: none"> - Developing an onboarding process that will help the user understand GAD and connect them to resources using our AI mascot - Creating a system that hosts virtual and in-person meetings, discussion forums/boards, etc. - Creating the AI mascot - Developing a goal setting system that allows people to create and keep track of goals - Developing a subscription / freemium model in addition to entry fee models - Creating point system to encourage positive social interactions with exchangeable 	<ul style="list-style-type: none"> - People (e.g. developers, writers, designers) - Technology (specifically phones as this will be an app first, with it being available on web as well)—and servers, and other things that ensure that the technology works - Wifi or data to allow people to connect from different places in the world - GAD education, support and social resources 	<p><i>Young Working Women (Primary User):</i></p> <ul style="list-style-type: none"> - We would frequently communicate with them, and they would be the main segment that we would direct our resources to - Excellent customer + support services - AI would be able to answer questions and concerns 24/7, and we could have a human-run support line that has a slower response rate <p><i>Family and friends (Secondary User):</i></p> <ul style="list-style-type: none"> - Reliable offering of educational resources and advice for supporting family/friend with GAD - AI would be able to answer questions and concerns 24/7, and we could have a human-run support line 	<ul style="list-style-type: none"> - Online event platform, ticketing/reservation system, and various chat options (with real people and AI) - In-person events scheduled in the app - Mobile and desktop access through an app + website - Canadian distribution channel (with the option to expand later on) 	<ul style="list-style-type: none"> - Young working women (aged 25-35) at risk of developing GAD, or have a mild case of GAD - Family members/friends of people that suffer from GAD, and want to learn ways to better support them - Maybe businesses could be a customer as they can benefit from having their employees use such an app

	rewards		<p>that has a slower response rate</p> <p><i>Business (Potential User):</i></p> <ul style="list-style-type: none"> - Businesses could potentially reach out to see if they can get a discounted price for the app and its services - Can receive business-focused tools to assist women in their company deal, understand, and overcome GAD 		
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Value Proposition

- Creating support networks/connecting people with others that are experiencing the same issues as them
- Unlike other social networks, we are targeting a specific niche to encourage meaningful discussions
- Through creating support groups, we're de-stigmatizing talking about GAD, and sharing resources to help them manage their symptoms
- Providing accessible, scalable, and evidence-based mental health support through an AI chatbot
- Teaching those that suffer from GAD how to open up about their struggles and interact with others (in stages: AI -> online -> in-person)
- Encourage open discussion and develop comfort discussing GAD and mental wellness
- Emotional support character to bridge the steps between discomfort and open discussion
- Providing a space for professionals + resources to access people in a specific stage of their GAD/mental health journey, which they could use for research

Cost Structure

Fixed Costs

- The cost to host the app on an app store, and to create a website
- Costs to develop the app/website
- Tech maintenance salary
- Salaries (UX/UI Designer, Web Developer, Mobile Developer, Backend Developer, Frontend Developer, QA Specialist, DevOps Engineer, UX Researcher, Project Manager, Business Analyst, Marketer)
- Supplies (Technology, Office Materials, Subscription Costs)
- Repairs & Maintenance
- Marketing & Advertising
- Accounting & Legal
- Utilities
- Interest
- Depreciation
- *Variable Costs*

Revenue

- Subscription/Freemium model where you can pay a recurring membership fee to get access to all events, or you can be a free user to access free events + pay an entrance fee for the member-only ones

Corporate sponsorships on specific events (e.g. if a company wants to lead a mental health workshop, or sponsor mental health related products)
 - Companies can bulk-purchase memberships for their employees as a bundle (e.g. part of Sunlife's insurance plans)

Table 3. Blossom's Business Model Canvas.

Finances

Appendix 4. Financial forecasting spreadsheets including an income statement, break-even analysis, straight-line depreciation calculations, and market size analysis.

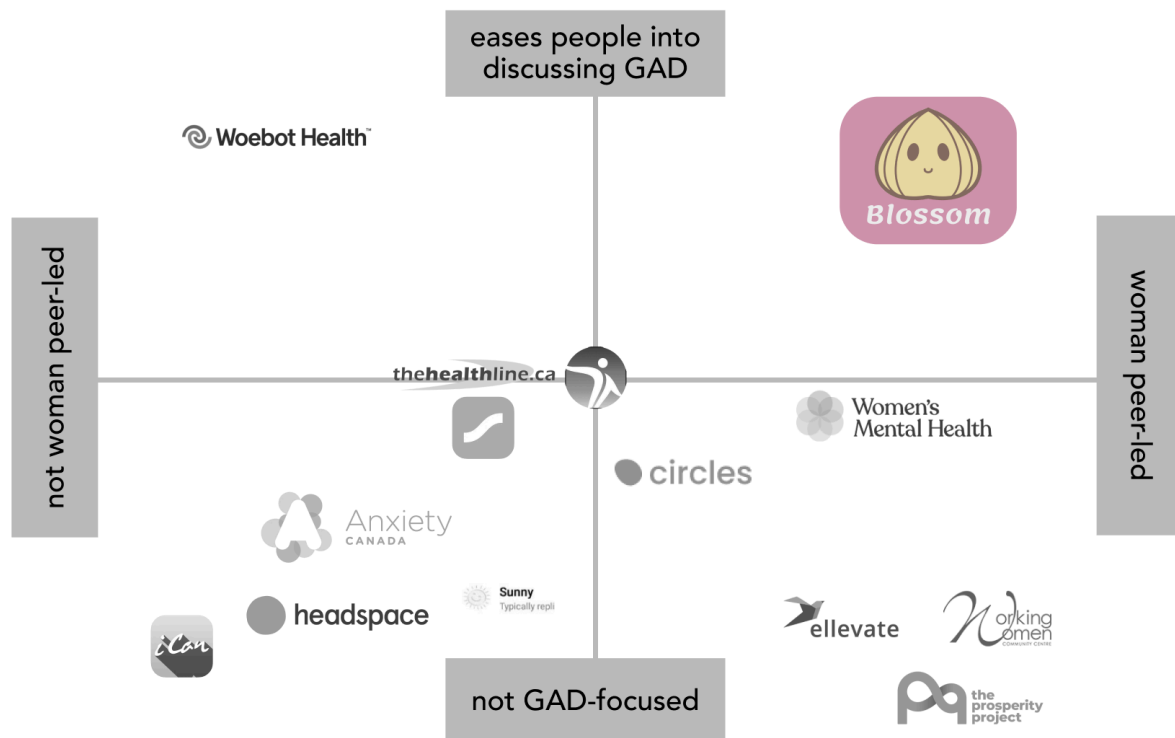


Figure 5. Mental Health App Industry Competitive Analysis.

Porter's Five Forces	
Threats of New Entrants	<ul style="list-style-type: none"> - Anyone can join and jeopardize the integrity of the platform <ul style="list-style-type: none"> - e.g., the peer-to-peer aspects allow for others to recommend users to substitute/ competitor platforms or resources - Buyer power fluctuates depending on the buyer. - Independent buyers and users have minimal bargaining power as separate individuals. - Larger corporations who buy memberships for their teams in bulk may have more bargaining power as corporate powers. - Sun Life members hold power as they do not pay for the service.

	<ul style="list-style-type: none"> - Those with premium memberships hold power over the free service members as they have access to more platform features. - Members who have been on the platform and attended previous events have more power over those who are new to the platform as they know what to expect through the platform or sessions.
Intensity of Industry Rivalry	<ul style="list-style-type: none"> - Many competitors operate on subscription-based models, offering both basic and premium features. - Competitors in the industry offer a wide range of services, this diversity of offering contributes to the intensity of rivalry. - Larger companies may engage in mergers and acquisitions to consolidate their market position and eliminate smaller competitors, further intensifying industry rivalry. - Our app engage in innovative strategies such as gamification, chatbots, mascot, and point system to differentiate with other competitors and gain a competitive edge.
Bargaining Power of Suppliers	<ul style="list-style-type: none"> - Suppliers of mental health research and resources (i.e. experts) are limited. Therefore, these suppliers have higher bargaining power. - There are many tech suppliers for app infrastructures; they have little bargaining power. - Platform is reliant on buyer feedback and retention – little power from suppliers - AI is the first touchpoint made with the user/buyer/consumer. - Sun Life holds power over creators as they will be covering the cost of the platform through the cost of a buyer’s insurance. - Moderators hold power in the platform <ul style="list-style-type: none"> - Can request adjustments of the platform - Dictate how sessions are executed
Bargaining Power of Buyers	<ul style="list-style-type: none"> - Anyone can join and jeopardize the integrity of the platform <ul style="list-style-type: none"> ● E.g., the peer-to-peer aspects allow for others to recommend users to substitute/ competitor platforms or resources - Buyer power fluctuates depending on the buyer. - Independent buyers and users have minimal bargaining power as separate individuals. - Larger corporations who buy memberships for their teams in bulk may have more bargaining power as corporate powers. <ul style="list-style-type: none"> ● Sun Life members hold power as they do not pay for the service. ● Those with premium memberships hold power over the free service members as they have access to more platform features. ● Members who have been on the platform and attended previous events have more power over those who are new to the platform as they know what to expect through the platform or sessions.
Threat of Substitute Products and Services	<ul style="list-style-type: none"> ● High threat of substitute products and services. ● There are many substitute apps that cover mental health and wellness broadly (not GAD exclusive) as well as in-person support groups. <ul style="list-style-type: none"> ○ Mental health apps, Women’s health apps, community centres,

	<p>help centres, in-person support groups, online support groups, online mental health forums, health and wellness apps, mental health chatbots, etc.</p> <ul style="list-style-type: none"> ● Individual aspects of our app can be substituted by different, separate apps or services. ● Many general mental health apps are in the market and have similar designs and structures. <ul style="list-style-type: none"> ○ Innovation and differentiation is needed to stand out among competitors. ● High switching cost for apps that require account registration and/or payments.
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Table 6. Porter’s Five Forces.

Resource	Valuable	Rare	Inimitable
Computers/Laptops	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Prototyping Software (e.g. Figma, Miro, Procreate, etc.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Parent Company Support (i.e. Sun Life)	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Brand Reputation	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Campus Building	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Phones	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Surveys/Questionnaires	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Research Applications	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Literature Review	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Competitive Analyses	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Industry/Field Experts	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Communication Systems (e.g. Zoom, Email, etc.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
App Stores	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Employees	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Technological knowledge (e.g. SunLife’s chatbot	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

+ expertise in the field)			
Servers	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
User Base/Community	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Event sponsorship opportunities	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Geographic Location (near Canada's tech hub)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Intellectual property (trademarks, etc.)	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>

Table 7. Blossom's VRIO Analysis