

# American Holistic Health Center, LLC

---

*Healing Begins Within*

Executive Business Plan



**September 2015**

Prepared by Sarah Staal, FACHE, MHA

# TABLE OF CONTENTS

<b>EXECUTIVE SUMMARY</b>	<b>3</b>
AMERICAN HOLISTIC HEALTH CENTER	3
<b>BACKGROUND</b>	<b>4</b>
GENERAL COMPANY DESCRIPTION	4
MARKET ANALYSIS	6
COMPETITOR ANALYSIS	9
REGULATORY ENVIRONMENT	11
<b>OPERATIONS</b>	<b>14</b>
SERVICES AND PERSONNEL	14
LOANS AND LEASES	16
KEY CHALLENGES	17
MARKETING PLAN	19
<b>FINANCIAL PROJECTIONS</b>	<b>22</b>
ASSUMPTION	22
FINANCIAL PROJECTIONS	24
<b>APPENDIX</b>	<b>25</b>
LICENSURE GENERAL REQUIREMENTS	25
TCAM PROFESSIONAL LICENSURE REQUIREMENTS	27
AHHC PRICE LIST	30

# Executive Summary

---

## American Holistic Health Center, LLC

---

As part of an effort to improve access to alternative therapies for Abu Dhabi health risks, American Holistic Health Center will be established as a start-up company with ideal location in Khalifa City. The multi-disciplinary wellness center will specialize in naturopathy, acupuncture, massage therapy, herbal therapy, homeopathy, nutrition, spiritual healing, and skin care. The business will be owned and managed by Sarah Staal as a Limited Liability Company, and will have a local Emirati sponsor per United Arab Emirates business law. The company will recruit complementary and alternative medicine practitioners to care for patients and create a viable and profitable clinic. The practitioners will focus on diagnosing and treating conditions of all ages while emphasizing health promotion, disease prevention, health maintenance, counseling, patient education, diagnosis and treatment of acute and chronic illnesses. The practitioners will be the first point of contact for patients seeking healthcare by providing care for the whole body.

Throughout the first year, the American Holistic Health Center will focus on building networks and relationships within the community to build clientele. The Center will work closely with advisers from the American Business Group and the British Business Group to learn from previous experiences on how to get a business on a sound financial and operational footing. This business plan will be used as a guiding management tool in the development of the Center.

An estimate of start-up costs shows that the Center will require approximately \$500,000 in capital to open the new practice. At first, the clinic will be dependent upon the support received from the local Emirati partner and personal banking loans. As patient volumes increase, expenses will be supported from revenues. Financial projections show that the practice will finish the first year with \$123,800 negative cash flow, but have planned for a strong cash balance to keep the business running. The clinic will begin to make a profit in the fourth year.

---

# BACKGROUND

---

## General Company Description

---

**Company Name:** American Holistic Health Center, LLC

**Company Tag Line:** *Healing Begins Within*

**Mission Statement:** To help people create healthier lives by providing integrative therapies that promote wellness from within a continuous healing environment.

**Vision:** To be Abu Dhabi's premier wellness center where complementary therapies are integrated with conventional medicine to provide a personalized holistic health care experience.

**Core Values:**

- Listening to, and Empowering Clients
- Embracing Team Approach
- Treating Clients with Non-Judgmental Acceptance
- Encouraging Education for Ourselves and our Clients

As the American Holistic Health Center (AHHC) offers a one stop for holistic healing services, the care model embraced involves a TEAM approach with six components:

1. Preventive Care
2. Personal Responsibility
3. Partnership between Client and Practitioner
4. Health Education
5. Cohesion of Mind, Body, Spirit
6. Integration of Complementary and Conventional Treatments

**Company Objectives:**

- 1) The Center will be laid out and decorated in a manner to create an atmosphere consistent with a healing environment. When patients enter the facility, they will noticeably feel relaxed and welcomed.
- 2) The Center will support and empower patients by using a collaborative approach which honors individuality by designing unique treatment plans that can fulfill the needs of the mind, body and spirit. This multi-disciplinary approach will offer the

best of safe and effective therapeutic modalities to promote optimal wellness, while being aware of the varying levels of evidence.

- 3) The practitioners will have regular group meetings to discuss optimizing the treatment of the AHHC's patients and to learn from one another. In addition to having their own individual practices, the practitioners will benefit by being part of a mutually supportive team.
- 4) The Center's staff will create an efficient, cost effective and warm office environment that maximizes the experience of staff, practitioners and patients. The Center's staff will have firsthand knowledge and experience with the various modalities and practitioners in the Center in order to better serve the practitioners and patients.
- 5) The Center will create a reimbursement structure including revenue from patients and equitable rent for space and services from the practitioners that will insure long term profitability and stability.
- 6) The staff and practitioners of the Center will create open lines of communication and serve as a resource within the surrounding health care community and community at large through such avenues as consult letters, private and public talks and lectures and media relations.
- 7) The Center's practitioners will conduct educational group sessions for the Center's patients and community to further empower healing through knowledge and experiential learning.
- 8) The Center will use and develop evaluation tools to determine whether it has accomplished its goals in facilitating healing and enhanced quality of life for patients in an efficacious, cost-effective manner and find methods to compare outcomes to the conventional medical approach.

---

## Market Analysis

---

### Key UAE Healthcare Trends

1. The Statistics Centre Abu Dhabi estimates that the region's population will double by 2030, providing impetus to the consumption of healthcare services.
2. Rising income levels and sedentary lifestyles have led to higher prevalence of obesity, diabetes, and cardiovascular disease leading to a demand for specialized healthcare services.
3. The region is building large medical cities and complexes, with billions of dollars of investments lined up, to not only raise the supply of medical infrastructure but also raise the quality of healthcare services in the region.
4. Government has increased focus on preventative healthcare management to improve health standards and mitigate rising cost pressures.
5. Encouragement of greater private sector participation wherein investors from other countries can institute policies and an operating environment more conducive to an accountable care model.
6. Wellness and cosmetic care centers on the rise. The UAE has picked up on the approach of holistic living to mitigate health risks and has led to the opening of wellness centers and spas.<sup>1</sup>

In review of the current healthcare trends, there is a prime opportunity for the establishment of a Complementary and Alternative Medicine (CAM) center in Abu Dhabi. CAM is a medical specialty devoted to the comprehensive healthcare of people of all ages. Clients explore CAM to help them achieve a state of balanced health and life for greater wellbeing. AHHC's aim is to be the primary point of contact for routine medical services focusing in treatment of acute and chronic illnesses, provide preventative care, and health education. As practitioners in AHHC will have particular skills in treating people with multiple health issues and diseases, AHHC will be able to serve a large number of patients annually.

### Demographic Analysis

According to recent data from Statistic Centre Abu Dhabi, population of Abu Dhabi City proper is 921,000 (identified as "Abu Dhabi" in the map below)<sup>2</sup>. However, the

---

<sup>1</sup> Alpen Capital Limited. (2014). GCC Healthcare Industry Report. Retrieved from [https://www.zawya.com/story/UAE\\_to\\_be\\_one\\_of\\_the\\_fastest\\_growing\\_markets\\_for\\_healthcare\\_in\\_the\\_region\\_says\\_Alpen\\_Capital-ZAWYA20140422101722/](https://www.zawya.com/story/UAE_to_be_one_of_the_fastest_growing_markets_for_healthcare_in_the_region_says_Alpen_Capital-ZAWYA20140422101722/)

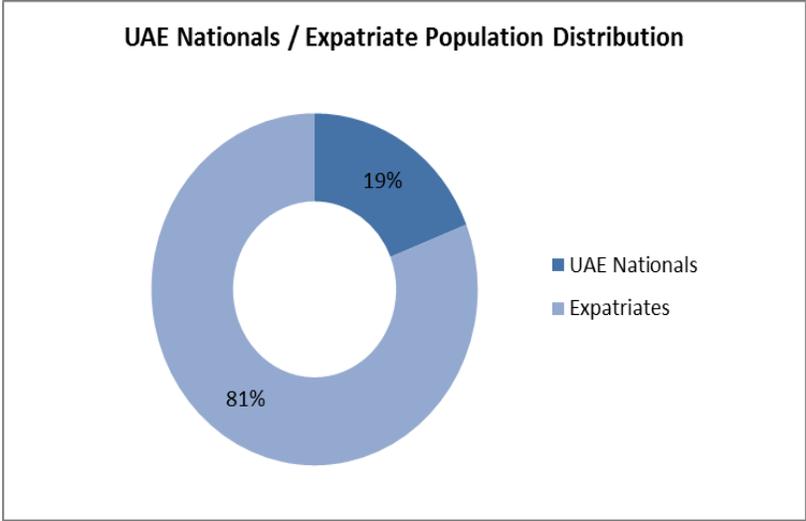
<sup>2</sup> Statistics Centre of Abu Dhabi. (2015). Abu Dhabi Emirate: Facts and Figures. Retrieved from [https://www.abudhabi.ae/portal/public/en/abu\\_dhabi\\_emirate/facts\\_figure\\_background?\\_adf.ctrl-state=656amyxys\\_4&\\_afLoop=6740311202494859](https://www.abudhabi.ae/portal/public/en/abu_dhabi_emirate/facts_figure_background?_adf.ctrl-state=656amyxys_4&_afLoop=6740311202494859)

surrounding islands and communities such as Al Reem Island, Saadiyat Island, Khalifa City, Masdar City, Yas Island, increase the population to 1.5 million<sup>2</sup>.



The UAE has one of the largest and fastest growing populations in the Gulf Coast Countries (GCC) <sup>2</sup>. It is expected that the population of Abu Dhabi will double over the next 10 years, with annual rates of growth between 7.7% and 10.2%<sup>2</sup>. As Abu Dhabi city proper is saturated in population, the growth is expected to happen on Al Reem Island, Saadiyat Island, Yas Island, and Khalifa City<sup>3</sup>.

One of the consequences of the projected population growth is that the percentage of UAE Nationals as a percentage of the total population is currently at 19%, and is expected to decrease considerably if the current disparity in population growth rates between Nationals and Expatriates continues<sup>3</sup>. While this may be an issue in other



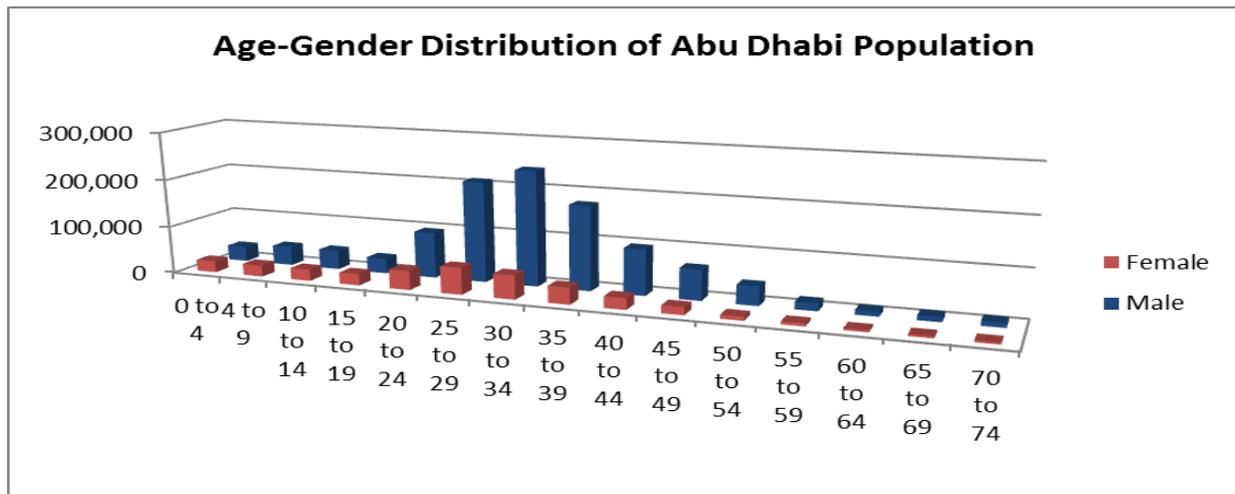
industries, the growth of Expatriate population for AHHC is beneficial. Approximately 80% of the inhabitants of Abu Dhabi are expatriate workers from 200 different countries including India, Pakistan, Bangladesh, Sri Lanka, Philippines, Europe and United States<sup>2</sup>. The use of CAM has always been very common among Asian countries such as

China, Taiwan, and Hong Kong as well as Southeast Asian countries such as India, Malaysia, Singapore, and Philippines, which comprises the majority of the expatriate

<sup>3</sup> Colliers International. (2013). United Arab Emirates Healthcare Overview. Retrieved from [www.colliers.com/en-gb/unitedarabemirates/services/healthcare](http://www.colliers.com/en-gb/unitedarabemirates/services/healthcare)

population of Abu Dhabi<sup>4</sup>. This gives AHHC a strong patient base to draw upon especially when inhabitants from the countries described will be seeking a health “home” that is similar to the care and experiences they had previously.

Males in Abu Dhabi constitute more than 75% of the total population, the majority of which belongs to the 20-45 year age category<sup>2</sup>. The population below the age of 34



years accounts for close to 60% of the total population in Abu Dhabi<sup>3</sup>. The rapidly growing young population is one of the key factors driving demand for the healthcare sector<sup>3</sup>. The growth in young population is another attractive element to AHHC’s patient base.

The GCC countries have some of the highest per capita levels in the world despite small population bases. The per capita income in the UAE is USD 47,893<sup>3</sup>. Compared to the United States where per capital income is USD 28,184, the UAE has larger amount of disposable income.<sup>5</sup> As insurance companies do not cover CAM services, the additional disposable income is an attractive element when assessing the viability of AHHC’s future growth and profitability.

As described in the key healthcare trends, there is a raise in lifestyle diseases, also called diseases of longevity or diseases of civilization. These are a set of diseases that appear to increase in frequency as countries become more industrialized and people live longer<sup>3</sup>. They can include Alzheimer’s diseases, atherosclerosis, asthma, some forms of cancer, chronic liver disease or cirrhosis, Chronic Obstructive Pulmonary Disease, Type 2 diabetes, heart disease, metabolic syndrome, chronic renal failure, osteoporosis, stroke, depression, and obesity<sup>3</sup>. As a result of urbanization and rising

<sup>4</sup> Lee, G. B., Charn, T. C., Chew, Z. H., Ng, T. P. (2004). Complementary and alternative medicine use in patients with chronic diseases in primary care is associated with perceived quality of care and cultural beliefs. *Family Practice*, 21 (6): 654-660.

<sup>5</sup> Department of Numbers. (2013). US Household Income. Retrieved from <http://www.deptofnumbers.com/income/us/>

disposable income, the majority of UAE population have adopted a sedentary lifestyle characterized by an aversion to exercise and consumption of processed foods leading to increased chronic diseases<sup>3</sup>. As evidenced by key healthcare trends, the UAE has renewed and increased focus on specialized healthcare services and preventative medicine which is in the favor of the development of AHHC.

---

## Competitor Analysis

---

If doing a simple Google Search of Holistic Health Centers in Abu Dhabi, only two organizations appear, and one organization's website is no longer active. When changing search functions to Alternative Medicine, Homeopathic Medicine, or Acupuncture, there are a few other centers that do appear. In comparison, if the same google search is performed for the Dubai market, there are 28 holistic health centers listed on Google all with varying degrees of scope and services. Total population between Abu Dhabi and Dubai is similar with Dubai at 2.1 million compared to 1.5 million in Abu Dhabi.

Expect one center, all competitors are single service line models instead of a multi-specialty one stop that AHHC is seeking to achieve. Below is a list of AHHC's current competitors:

### *Lotus Holistic Medical Center*

The Lotus Holistic Medical Center is the first multi-specialty health center in Abu Dhabi with two recently opened locations in Khalifa City and Al Khalidiya within Abu Dhabi. The center has a large operation comprised of six buildings and 18 practitioners. The center offers a wide range of services including general medicine, dental, traditional Chinese medicine, acupuncture, hijama, homeopathy, chiropractic, foot diagnostic, foot care, exercise therapy, massage therapy, nutrition, and yoga. As the first CAM center in Abu Dhabi, the Lotus Holistic Medical Center has also created a learning institute comprising of conferences, training courses, seminars and workshops<sup>6</sup>.

### *Homeopathic Medical Specialized Centre*

Located within the TAHA Medical Centre in Abu Dhabi city proper, the Homeopathic Centre comprises of four homeopathic consultants. Lead by Dr. Santhosh Kumar, the practitioners focus only on the treatment of illness through natural substance, homeopathy<sup>7</sup>.

---

<sup>6</sup> <http://www.lotusholistic.ae/>

<sup>7</sup> <http://www.dr.santhosh.in/>

## Gulf Chinese Medical Centre

A solo practitioner centre, Dr. Hu Qwen is a master acupuncturist practicing in UAE since 1990. Dr. Qwen focuses his services on acupuncture, acupressure, and cupping to treat pain such as headache, neck, shoulder, arm, tennis elbow, lumbago, sciatica, osteoarthritis, heel pain, and all sports injuries<sup>8</sup>.

## Al Falah Natural Treatment Centre

As there is no website, very little information can be gathered. Through blog forums, it has been noted that the Centre is a naturopathic wellness center that offer spiritual healing, reiki, homeopathy, and nutritional therapy.



In addition, there are numerous male and female spas throughout the city that offer massage therapy, body wrapping, facials, waxing, and many other cosmetic procedures.

Given the list of competitors, Lotus Holistic Medical Center is the strongest competitor as it most closely relates to AHHC's vision to be a multi-specialty center. Lotus Holistic Medical Center has the advantage of earlier and established market presence. While it is impossible to gather data on the patient volumes of the Center, it can only be assumed that the Center is performing well as they created a second location.

Despite Lotus Holistic Medical Center presence, the current population, projected growth in population, and diversity of the region warrant the need for additional CAM clinics. Abu Dhabi lags Dubai in the growth and development of CAM modalities and supports the need for continued clinic establishment in the region. The healthcare trends in the UAE will also increase the demand for CAM services which gives AHHC an opportunity to establish itself early before additional investors come into the market.

<sup>8</sup> <http://www.gulfchinesemedical.net/>

---

## Regulatory Environment

---

The regulatory market in Abu Dhabi is strictly governed by multiple government entities. For healthcare facility and healthcare professional regulation, The Health Authority – Abu Dhabi (HAAD) is the regulative body that ensures excellence in healthcare for the community by monitoring the health status of the population. Although HAAD is the ultimate approver on healthcare facility and healthcare professional, investors often have to receive numerous approval from other Abu Dhabi government entities first. In addition, there are a set of business ownership regulations that are governed by the Abu Dhabi Department of Economic Development and the Abu Dhabi Ministry of Labour.

### Healthcare Facility Regulation

The regulation of healthcare facilities by means of licenses issued by HAAD is the most important and effective way in which HAAD can ensure provision of safe, effective, ethical and high quality healthcare in Abu Dhabi. For AHHC to obtain a healthcare facility license, it must follow the two step process<sup>9</sup>:

#### Step 1: Preliminary Approval

1. Submit the application of required documents to HAAD. Required documents include, but are not limited to, Consent and Undertaking Form; Presentation about the Project; UAE Identification Cards; Owner authorized signature by the competent authorities; approval of the Department of Economic Development on name of facility; all Facility's policies; Scope of services and Organization Chart.
2. Pay required fees which is AED 100 for application and AED 6,000 for specialized medical center.
3. Technical Task Committee review
4. Receive the preliminary approval letter via courier

#### Step 2: Permanent License

1. Submit application with additional documents not provided in preliminary approval including, but not limited to, Registration of medical staff within the facility; Engineer drawings of the Center; and Gantt Chart for timeline.
2. After the approval issuance from the Health Audit Section, pay licensing fees, same fees apply as preliminary approval.
3. Receive license via courier.

---

<sup>9</sup> <http://www.haad.ae/haad/tabid/853/Default.aspx>

## **Traditional Complementary and Alternative Medicine (TCAM) Professional Regulation**

Similar to operating a healthcare facility in Abu Dhabi, healthcare providers must also hold licenses issued by HAAD to ensure safe, effective, ethical and high quality healthcare. The requirement that healthcare providers hold licenses is also a means by which HAAD can regulate the availability of healthcare capacity in Abu Dhabi.

HAAD is responsible for regulating Traditional Complementary and Alternative Medicine practice in the Emirate of Abu Dhabi. Acupuncture, Ayurveda, chiropractor, Hijama, homeopathy, naturopathy, osteopathy, Traditional Chinese Medicine, and Unani practitioners are eligible to apply for HAAD license to practice in the emirate of Abu Dhabi (HAAD, 2014). All practitioners must comply with the following:

- Comply with HAAD licensure and examination and continuing professional development and medical education requirements
- Only use the professional title granted by the HAAD Professional Licensing Committee
- Limit his/her services and practices to the respective HAAD approved Traditional Complementary and Alternative Medicine scope of practice
- Comply with HAAD policies and standards on operating healthcare facility.

No healthcare provider may provide healthcare services in the facility without first being issued with a license to operate a healthcare facility and duly as a practitioner.

Full detail of General Licensure Requirements and TCAM professional licensure requirements in Appendix.

## **Business Regulations**

The UAE Commercial Companies Law requires that each company established in the UAE must have one or more UAE national partners who hold at least 51% of the company's capital. A Limited Liability Company is defined as an association with a maximum of 50 partners and a minimum number of two partners. Each partner's liability is limited to the extent of its share participation in the capital of the company. LLCs are required to meet the minimum capital requirements of AED 150,000 in Abu Dhabi as dictated by the Department of Economic Development.

Once a Emirati partner is established, the parties must go through the following process to start the business<sup>10</sup>:

- Get a Trade Name Approval issued by the Department of Planning & Economy
- Obtain Tenancy Agreement

---

<sup>10</sup> <https://www.abudhabichamber.ae/English/Membership/Pages/OpenNewBusiness.aspx>

- Specimen Signature duly attested by the Notary Public
- Partnership Contract of Services Agency Agreement duly legalized by Notary Public
- Licensed Issued by the Competent Authority
- Submit all documents to the Abu Dhabi Chamber of Commerce to obtain business membership

The process for business start-up is often subject to change, therefore this section will need to be revisited closer to the date of development to ensure smooth opening process for AHHC.

# Operations

---

## Services and Personnel Description

---

American Holistic Health Center's philosophy is to provide a multi-disciplinary one-stop-shop to gain optimal health and performance. As such, it is anticipated that a mix of services will be provide:

- Acupuncture including acupressure and herbal therapy
- Energy Work including Healing Touch, Reiki, Spiritual Healing, Vibrational Healing
- Massage including Ashiatsu, Lymphatic Drainage, pregnancy massage, raindrop technique, shiatsu massage, and sports massage
- Naturopathic Medicine including Nambudripad's Allergy Elimination Therapy (NAET), Homeopathy, routine preventative and chronic illness treatment
- Health and Life Coaching
- Nutritional Counseling
- Skin Care including body wraps, facials, waxing, Acne and Rosacea treatment, Broadband Light and Laser Hair Removal

The goal is to educate patients as well as treat them. Therefore, the services will also provide group classes and teaching sessions for the patients.

Dispensary items represent one of the most significant profit centers in a practitioner office. Vitamins, supplements, skin care products, home medical devices, physical therapy and lifestyle aids, such as special pillows or topical products are options to include within a small retail section of the Center. The goal would be to stock product lines that would not be available in other retail outlets in Abu Dhabi. In addition, AHHC would sell books and aromatherapy supplies to round out the selection.

To begin operations and offer the full range of services, initial recruitment will be for acupuncturist, naturopathic doctor, herbalist, psychologist/life coach, nutritionist, estheticians, spiritual healer, homoeopathist, and massage therapists.

Having an assortment of practitioners operating together in the same clinic offers better coverage of schedule, convenient referrals to colleagues under the same roof, the opportunity for a team approach to patient cases. This cadre of highly trained specialists will practice at a common office site, probably rubbing elbows all day long. The better they get along with each other, or at least be able to be professional, the better for the clinic and patient overall. The credibility of the clinic depends on the

reputation of each of its practitioners, so the competencies of every practitioner involved must be ready to stand the test of time.

A lot of people are done with the “find a bug, use a drug” style of modern medicine. Clients are eager to discover empowerment and a sense of community, a bond of spirit and feelings. AHHC can be the heart connection from them, a “safety zone” where they can relax and find support. The Center will become a refuge and a center for relationships. Regular touch points with the client is key. Schedule follow-up appointments before the client leaves. Recommend the treatment interval (one week, one month) within the appointment or check-out to capture ongoing appointments and repeat use of the services. Have practitioners give a friendly check in follow up call between appointment to see if they have any questions, and then check-in again with the appointment confirmation. People appreciate this kind of connection and sets the business apart from competitors.

Also important to the success of the center is referral sources to keep a continual flow of new patients. It will be important for AHHC to build relationships with the healthcare community as well as like-minded businesses. Examples of potential referral sources includes:

- Primary Care Physicians
- Specialists, including but not limited to cardiology, gastroenterology, surgeons, hematology/oncology, especially those who have patients with chronic illnesses or syndromes who remain unwell in spite of conventional medicine interventions
- Other CAM providers in the market
- Other physicians in the market interested in integrative medicine and CAM
- Patients to patient word of mouth referrals, ie. Satisfied patient consumers' recommendations to family, friends, and colleagues
- Like-minded, related strategic alliances and businesses, ie. Organic food stores, spas, exercise facilities.

Pricing is another key topic to the success of AHHC. The Center be comparable to other physicians and CAM Centers in the region. For initial operations, it would be beneficial to consider pricing 10% lower, or offer 10% discount for first 6 months to drive business to the Center. AHHC should also consider developing a Discounted Fee Policy to offer a small overall percentage discount to accommodate patients who are unable to afford regular fees as a service to the community.

For AHHC's full list of services and prices, please refer to the Appendix.

---

## Location & Lease

---

AHHC will need to work with a commercial realtor to find and negotiate an appropriate space for the center. The targeted space will be leased to provide flexibility for growth in the future and limit the requirements of capital expenditure. Based on the number of practitioners and services available, it is expected that 4,000 to 5,000 square feet of space will be required for initial operations. Having the capability for expansion space is recommended, although AHHC must weight its ongoing costs to future benefits to determine if it additional space can fit within the budget.

The ideal location for the Center would be in Khalifa City. Khalifa City is a calm and quiet lifestyle neighborhood which continues to grow in popularity as the area develops and additional services and facilities are provided. Khalifa City has become the most searched location for rental neighborhoods in Abu Dhabi. Khalifa City accounts for 18% of all rental searches as tenants seek more affordable and family-oriented neighborhoods<sup>11</sup>. Population is expected to increase rapidly in this area due to attractive of the neighborhood. Current population is approximately 40,000 and projected population is expected to be 120,000 by 2020.



This neighborhood offers villa-style buildings to rent for businesses which provides the healing, calm and home-like atmosphere that AHHC is trying to achieve. As services and facilities are currently under development, AHHC is likely at a perfect time to find an ideal

space with prime road and parking access. As property spaces are larger in Khalifa City compared to Abu Dhabi city, this offers the opportunity to have street and blacktop parking in front or behind the villa making getting to the Center easy for patients.



---

<sup>11</sup> Barnard, L. (2014). Khalifa City is Abu Dhabi's most sought after rental neighbourhood. Retrieved from <http://www.thenational.ae/business/industry-insights/property/khalifa-city-is-abu-dhabis-most-sought-after-rental-neighbourhood>

AHHC should also accommodate space for a large classroom to use for center sponsored classes, or rent out for extra income. The space could be used for yoga classes or a local meditation group. This sort of ancillary income can be very valuable to offset the ups and downs of clientele. One common rule of thumb is that your floor space should be occupied at least 70 percent of the time during operating hours.

---

## Key Challenges

---

While a business plan can appear positive on paper, there are many elements of implementation that can derail the success especially when opening business in a foreign country.

### 1. Finding the right Emirati partner

An Emirati partner is mandatory in the United Arab Emirates unless the company operates in a free zone. Unfortunately free zones are in unattractive areas of the country and better coincide with industrial zones. An Emirati partner can make or break the start of a business and its timeliness on opening date. As numerous approvals from different government entities are required through initiation of the business license, healthcare facility license, and healthcare professional licenses, having the support of a prominent Emirati partner can be crucial. Through conversations with other business owners, there can often be delays on approvals with no explanation. Through the Emirati's partners network and connections, approvals can often be completed closer to the time predicted.

An Emirati partner could also have strong connections with contractors and suppliers. From a contractor standpoint, the right partner can help to ensure timeliness of project completion and fair prices. From a supplier standpoint, there may be items necessary for the Center such as vitamins, supplements, and homeopathic remedies that are currently not available in the country. Through the use of networks, the right partner could again help to secure new supplier contracts and ensure necessary products can enter the country's customs.

### 2. Access to capital

Start-up capital will be necessary in the development of AHHC. As the Center will operate under a lease, there will less capital funding required, however access to capital will be required for the fit out of the Center space and purchasing of medical and nonmedical supplies and equipment. The United Arab Emirates has no concept of small business loans like the U.S. The banking industry is not mature or secure enough to take risks on the development of small businesses. Banks require one year of cash

flow statements before granting business loans which is troublesome for a start-up company. Therefore, entrepreneurs must seek alternative sources.

If the business owner does not already have access to capital through private accounts, there are a few options that each have their pros and cons. As the banking industry is not well regulated today, individuals are able to take out personal loans for four years, but the value of the monthly payments cannot exceed 50% of the individual's monthly income. While this does quick access to capital, there are many cautions to this approach. A personal loan requires the individual to be working full-time to have a steady flow of monthly income. This means that while trying to set up AHHC, which will take much time and effort, will have to be done on personal time as regular work hours are off limits to maintain continual cash flow. In addition, the owner must be cognizant of overall personal budget to ensure monthly payments can be met given that there will be no income generating from the Center while in start-up mode. This is a large and risky sacrifice for the owner.

The second option is to rely upon the access to capital from the Emirati partner. This is another reason why finding the right Emirati partner is crucial. As businesses require an Emirati partner (with exclusion of the free zones) and the overall population of Nationals is low, but the business ventures are high, it is not uncommon to find a National that currently have one or more businesses currently attached to their name. Due to this business experience, Emiratis have an easier time gaining access to capital within the banks. It is also possible that the Emirati partner will have the capital within private accounts as well. This partnership offers an easier option to capital, however an owner must assess the disadvantages of this route. If a National were to invest heavily into the start-up of AHHC, it could change the partnership relationship. The Emirati partner may ask for more profit to pay back the initial investment causing less profit for the non-Emirati owner. The Emirati owner may also wish to be more active in the day to day decision making of the business to ensure return on investment when the non-Emirati partner does not wish to have the interference.

### 3. Finding the right location

Location is key in a good business model. Prime real estate locations go quickly and can often be very expensive. Partnering with the correct commercial real estate firm will be necessary to ensure that the needs of the Center are met through the right location. The right location should be in a neighborhood that is growing and developing, has a population that is accepting and interested in the use of CAM modalities. It is crucial that the size of the facility plus future growth is considered while searching for real estate. As the growth of many areas is happening quickly, it is imperative that the Center finds the correct location early and can stay in that particular location for many years. It would be detrimental to the business if it outgrew its space early and had to relocate to a less attractive area in order to accommodate the space requirements.

---

## Marketing Plan

---

Marketing in Abu Dhabi is quite different than in the United States. Large amounts of regulation surround the use of advertising and promotion. The Health Authority of Abu Dhabi and the Ministry of Health require that a healthcare provider only publish marketing and promotional material if all the information contained in that material is factually accurate and capable of being verified by evidence. No healthcare provider may express or imply a guarantee that treatment offered by the provider will be successful. For these purposes, media such as print and broadcast must first approve HAAD and MOH approval before released to the public. As such, print or broadcast, is generally not an accepted or widely used form of marketing in Abu Dhabi. Print media is a difficult medium anyways as there is no mailing system in the country and therefore direct marketing options are restricted. In addition, radio and TV advertising can be very expensive as there are specific channels for subsets of cultures which can result in the need to host the advertisement on many channels.

The most beneficial marketing initiatives are public speaking, networking and social media as these forms of marketing are unregulated in the country. This will be the primary mode of marketing for AHHC. There are many opportunities to find venues to speak at including corporations, schools and universities, social and civic groups, etc. Hundreds of groups in Abu Dhabi need regular speakers at meeting. Civic groups, including chamber of commerce have weekly meeting that want to hear new speakers. It will also be necessary to explore and develop strategic alliances in the community. Becoming a member of the American Business Group and the British Business Group provide opportunities to network with other business owners in the community to learn from previous experiences and how to navigate the regulatory environment. These Business Groups are not only beneficial for professional development, but also a free way to promote the Center. Other strategic partnerships should be to seek like-minded organizations such as support groups, corporate interest clubs, hobby groups, organic food stores, yoga studios, etc. to capture potential clients to the Center.

Initial marketing activities:

**Open House:** The Center will host an opening party that will feature creative promotions such as free health assessments, provide food and drink. It is also recommended to include discounts on services for those who attend to ensure their return to the Center.

**Website:** A professional website in both English and Arabic is in the budget. The URL is yet to be determined, but will provide an informational site that will be referenced in all promotional materials. The site may be relatively simple to start, but will certainly

incorporate more robust content over time, including practitioners' blogs, health tips and online booking capabilities.

**Social Media:** A professional page for Twitter, Instagram, and Facebook will be developed to have greater reach to potential clients. This form of marketing is well received in Abu Dhabi and can be done at such a low cost. The social media pages will incorporate health tips, introduction of practitioners, service availability, and promotional deals.

**Informational Health Brochures:** Short brochures or hand-outs that feature health-related topics and tips to display in the waiting room and can be handed out to patients during practitioner visits. The purpose is to push and encourage healthy lifestyles as well as encourage referrals between practitioners.