

Walk + Talk CIC Business Plan

Who We Are

Walk + Talk community interest company (CIC) is directed by Nicholas Bender, who is a personal trainer and nutritionist specialised in working with older adults. He has a masters degree in exercise for older adults from Middlesex University and a master degree in human nutrition from St. Mary's University. Since 2019, Nicholas has led over 2000 Walk + Talk classes and graduated over 100 middle-aged and older adults from the 10-week Walk + Talk course. Furthermore, Walk + Talk CIC is advised by Dr. Charlotte Jones, PhD, M.D. of the University of British Columbia.

Problem Worth Solving

The United Kingdom (UK) is in the midst of a mental, social, and physical health epidemic. It is projected that, by 2030, mental health problems, particularly depression, will be the leading cause of mortality and morbidity globally (World Health Organisation [WHO], 2011). Over a third of older adults agreed that their anxiety was worse or much worse than before the start of the pandemic and 37.4% of adults in Great Britain reported that the coronavirus (COVID-19) pandemic had affected their well-being (Office of National Statistics [ONS], 2020g). National measures of loneliness may be largely underestimated due to the stigma surrounding lonely, especially in older adults who are at more risk of becoming socially isolated due to lack of mobility, physical function, and fear of falling. Lastly, older adults are the least active age group, which may, in-part, be due to a lack of exercise opportunities and specialist programmes. Taken together depression, anxiety, loneliness, obesity, muscle weakness, falls, poor diet, physical inactivity, and chronic diseases cost the National Health Service (NHS) £53 billion per year, and due to their age, these health conditions affect older adults the most.

Solution

Walk + Talk CIC hosts social group exercise courses and classes specifically designed for older adults to improve mental health, reduce loneliness, and gain strength and balance. These classes, which are hosted both online and in-person begin with socialising, followed by exercise, and end with a group discussion on a variety of holistic health topics. This model of social group exercise has been proven effective in multiple academic studies in both Canada and the UK to reduce depression, anxiety, loneliness, improve physical function and empower older adults to create healthy lifestyle behaviours. Over 100 London-based older adults have graduated from the 10-week Walk + Talk course and the attendance rate >80%. In 2021, the online version of Walk + Talk, hosted via Zoom, was evaluated using a randomised controlled trial (n=78) and concluded that the programme was effective to improve aspects of mental, social, and physical health of older adults. Furthermore, 98% of participants reported being satisfied or highly satisfied with their participation in the programme. Exercise and physical activity not only can build strength and improve balance but is also an effective treatment for depression and anxiety. What

separates Walk + Talk from other exercise and fitness classes, however, is the focus on the socialising, which not only makes the exercise more enjoyable, but has the added benefit of supporting participants to feel less lonely and more socially connected, following both in-person and online Walk + Talk 10-week courses. Standard group exercise classes have been rigorously studied on their effects to reduce loneliness and have consistently failed to improve this social health measure (Schvedko, 2018). With additional support Walk + Talk plans to expand and additional older adults, in order to combat the rising rates of poor mental, social, and physical health.

Target Market

The majority (>80%) of our customers are older women, who are (>80%) Caucasian. While women tend to report worse mental health and loneliness compared to men, Walk + Talk aims to support older adults of all genders and ethnicities. Furthermore, our customers are often exercise averse and are not likely to join their local gym or leisure centre. Participants are often deconditioned and are of varying degrees of ability and mobility levels. A minimal requirement for the class, however, is the ability to participants to be ambulatory and able to stand as the majority of the exercises are conducted from a standing position. Moderate to severe disability affects 15% of older adults, which would likely impair ambulation (Salinas-Rodriguez et al., 2020). Therefore, based on estimates from Trust for London, the potential market of ambulatory older adults (50+) based in greater London is 763,300. If future marketing and specialist programmes fail to recruit greater proportions of men and minority groups, then the target market of Walk + Talk just under a half-million (488,512).

Competition

Unfortunately, older adults are the least active age group and are therefore, less likely to join a local leisure centre or gym. Therefore, gyms such as the Better Centre offer discounted rates to older adults along with 6-week 'Give it a Go' inductions courses. In 2018, of the 500 million customer visits to a local leisure centre or gym only 9% were from adults aged 65 and over. According to UKActive (2017) the fitness sector is not currently providing, nor marketing, a sufficiently attractive offer to older people, despite an ambition to do so. As many older adults report feeling intimidated by gym settings, other businesses and social enterprises such as 'Oomph' and 'Move It or Lose It' operate from community centres, care homes, and public places. These businesses, however, target older adults who are often 75 years and older and offer gentle or chair-based exercise classes, which may not be challenging enough for adults aged between the 50's – 80's. 'Goldster,' is the primary competitor of Walk + Talk CIC. Goldster offers hundreds of online exercise classes that can be challenging for older adults aged between the 50's - 80's. Goldster, however, is an international company which markets in both the UK and China and they likely only have a few thousand customers based in London who pay £9.99 a month for access. Furthermore, Walk + Talk members are encouraged to join other online exercise programmes and many Walk + Talk members are also customers at Goldster. What

separates Walk + Talk from Goldster, however, is that our online classes are social and participants are expected to unmute themselves and show their camera view. Furthermore, Walk + Talk is more than just an exercise course, offering information on nutrition, behaviour change, and tips to improve other aspects of health such as stress and sleep. Due to the holistic nature of Walk + Talk, the weight loss programme ‘Second Nature’ is another competitor. Again, however, Walk + Talk acts as a community health hub and encourages participants to join Second Nature’s holistic weight loss programme, which charges £40 – 60 per month for a membership.

Marketing Plan

Our long-term goal is to scale Walk + Talk into a company which provides training and support to self-employed personal trainers who run Walk + Talk franchises for older adults in their local community. In order to achieve this, however, we must first prove the concept and sustainability of Walk + Talk as a business within our initial franchise run by personal trainer Nicholas Bender. In January 2022, Walk + Talk CIC plans to conduct a marketing campaign via email beginning to local organisations in their network, such as social prescribers, William Morris Big Local, AgeUK, and mental health charities such as Mind, Silver Line, The Marmalade Trust, British Red Cross, and Independent Age, The Mix, and Royal Voluntary Service. Within these emails, Walk + Talk CIC will include the results from their recently completed academic study and 18-minute documentary which was made to explain the results of their study in a more entertaining manner. Furthermore, Walk + Talk CIC will explore potential partnerships and funding opportunities with specific organisations such as UKActive, Sport England, and Second Nature. Next, advertising will be increased with posts to Facebook groups to attract more online customers. Our marketing campaign will focus on what differentiates us, which is that we are a social group exercise class, compared to other offerings. These are low-cost strategies with a high potential for return on time investment. Other marketing plans include asking participants to refer a friend and they both then receive 50% off their first month. Asking William Morris Big Local for a quarterly article to write as a local nutritionist and health coach. Speaking at various events and networks such as AgeUK and local PPGs to promote our classes and grow our customer base.

The January marketing campaign will advertise both the in-person and online Walk + Talk classes. Participants will be recruited to join the online maintenance classes, a 10-week Walk + Talk 10-Week course, and attend the weekly in-person sessions.

Pricing

In January 2022, new memberships will be created for Walk + Talk CIC. The first is called ‘Walk + Talk Standard’, which includes unlimited online classes and costs £18.99 per month. A monthly membership for in-person classes will also be created and called ‘Walk + Talk In-Person’ which will cost £21.99 per month. The last membership option is ‘Walk + Talk Pro’,

which includes unlimited attendance for both online and in-person classes. This membership will cost £28.99. Drop-in rates for in-person Walk + Talk classes will remain at £5 per session. Customers most pay online at www.walkandtalkcic.com, but drop-in rates for Walk + Talk in-person classes are paid in cash.

Lastly, a Walk + Talk 10-week course will be advertised to begin in April 2022. The cost of this course will be advertised at £60, however, participants who complete a 40-question survey will receive a £10 rebate at the conclusion of the programme.

Operation

Walk + Talk CIC online classes are held at Nicholas Bender's home residence. Online classes are held on Mondays, Tuesdays, Wednesdays, Thursdays, and Saturdays and 6 times are available. The average class size is 7 participants, but classes can be held with up to 12 participants per class. Walk + Talk CIC in-person classes are held at Higham Hill Community Hub. In the upcoming months, Walk + Talk CIC will purchase a 3m flat pack shipping container to store the additional exercise equipment which will be purchased to operate the Walk + Talk in-person classes at Higham Hill Community Hub. The exercise equipment and storage container will be covered by grant funding provided by the London Borough of Waltham Forest. Higham Hill Community Hub is a semi-outdoor space situated within a park and is a less intimidating space for older adults to exercise, compared to a gym or other traditional fitness setting. Renting the space at Higham Hill Hub costs £30 per 3-hour session, which is paid for by grant funding. Future grants are required to continue to subsidise the costs of hiring Higham Hill Hub, pay for a premium Zoom subscription, and purchase additional exercise equipment required for Walk + Talk into 2022.

Financial Requirement for the Short-Term (6-months to 1 year)

Online Class Revenue

To continue to subsidise the costs associated with Walk + Talk CIC additional grants will need to be secured from the National Lottery Fund or another charitable organisation in Spring 2022. Walk + Talk CIC expects to generate £601 per month in January and February 2022 from their online maintenance classes. Following an online marketing campaign throughout January and February, it is expected that by April 2022, online sales will have increased to £790 with the addition of 10 new customers paying £18.99 per month for our maintenance classes.

Furthermore, the marketing campaign will advertise for participants to join the WTL-Z 10-week course which will begin in April. This course will test the financial feasibility of the Walk + Talk co-payment model. The cost for the WTL-Z 10-week course will be valued at £60 and a rebate of £10 will be given if participants complete a 40-question survey. Therefore, an additional £1000 is expected between April to June 2022. From May to October, our sales goals are 2 new customers per month to continue to grow maintenance class membership base and it is expected

that by October 2022, our online maintenance class membership base will provide £1,055 per month in revenue.

In-person Class Revenue

Between January to February 2022, due to the weather, we do not expect our customer base to grow at our in-person location. We, therefore, expect to generate £100 per month in cash sales from our in-person classes. At the end of March 2022, a leaflet-based marketing campaign will take place to attract local older adults to attend our Walk + Talk in-person classes based at Higham Hill Hub. We expect this marketing campaign to add an additional 20 customers per week to our in-person sessions by June 2022. We, therefore, expect to generate £500 in profit from cash sales from our in-person classes from April to September 2022.

Personal Training Revenue

Throughout 2022, to supplement his income, Nicholas Bender will offer personal training sessions to adults of all ages. This is expected to generate £300 per month from January to March increasing throughout the summer to £500 per month as the weather improves. These PT sessions take place in Nicholas Bender’s home gym and therefore overhead costs are low.

Total Expected Revenue 2022

	<i>Jan - Mar</i>	<i>Apr - June</i>	<i>July – Sept</i>	<i>Oct - Dec</i>
<i>Online Maintenance Classes</i>	£1800	£2370	£2370	£2465
<i>Online Walk + Talk Course</i>	£0	£1000	£0	£0
<i>In-Person Walk + Talk Classes</i>	£300	£1500	£1500	£1200
<i>Personal Training</i>	£900	£1200	£1500	£1500
<i>Total Revenue Per Quarter</i>	£3000	£6070	£5370	£5165

2022 Walk + Talk CIC Schedule and PT Hours for Nicholas Bender

Mon	Tue	Wed	Thurs	Fri	Sat	Sun
				8.15am		
10:00am				10:30am	10am	11.00am
1:00pm		1:00pm	1.00pm	1:00pm		12:00pm
	2.45pm		2:45pm	2:30pm		
5.15pm			5:15pm	4:00pm		

<p>Legend All Friday classes are conducted in-person. All other days are conducted online. No Highlight = demarcates current class schedule Yellow Highlight = demarcates April 2022 10-week course schedule Green Highlight – demarcates additional summer class schedule for in-person classes</p>

Purple Highlight = demarcates current personal training hours for Nicholas Bender to supplement income

To test the financial feasibility of the Walk + Talk 10-week programme a course will be conducted in Spring 2021. This programme will charge participants £60 for the 10-week course and 12 participants will be recruited to participate. However, participants will be able to receive a £25 credit for completing a mental health survey before and after the intervention to help assess the programme’s efficacy. This programme is, therefore, expected to result in an additional income of between £600-£700 for Walk + Talk CIC.

Financial Requirements for the Medium-Term (1-3 years)

What is required for the medium-term is funding to conduct a larger trial to determine the scalability and its cost-utility of WTL-Z. This will allow us to: 1) recruit other personal trainers to run the WTL-Z programme; 2) pay the director of Walk + Talk CIC to train other personal trainers to deliver the WTL-Z programme; 3) provide a guaranteed salary to personal trainers involved in the trial; 2) hire a marketing consultant to recruit participants to the study; 3) provide resources for travel, data, accountancy; and 4) cover the administrative costs associated with running a small organisation.

Our overall target is £20,000 for two years. We are looking to raise this total from a range of private, public, and charitable sector donors to conduct a larger feasibility trial of WTL-Z. Ideally this study will be in-partnership with a London-based university. Budget breakdown:

Item	Amount	Notes
Director	£3,000	Provide training and supervision for fitness instructors, recruitment costs, data analysis, and write-up of the study’s results. 100 total hours at £30 an hour
Salary for fitness instructor 1	£2,000	To run 2 courses for 10-weeks (80 hours)
Salary for fitness instructor 2	£2,000	To run 2 courses for 10-weeks (80 hours)
Salary for fitness instructor 3	£2,000	To run 2 courses for 10-weeks (80 hours)
Salary for marketing consultant	£2,500	Part-time
Budget for marketing	£2,500	Advertisement Costs
E-Commerce manager	£2,500	Part-time
Software - Zoom	£200	Zoom premium subscription
Data Incentives	£720	£10 per participant
CRP Analysis	£2,000	To purchase a portable CRP device

Unforeseen expenses	£580	
Total:	£20,000	

Financial Requirements for the Long-Term (3-5 years)

If the trial, demonstrates the efficacy of the Walk + Talk 10-week course long-term funding will be required to expand WTL-Z. This funding will allow us to: 1) hire a director of Walk + Talk CIC; 2) provide continued support and training to Walk + Talk CIC personal trainers; 2) hire a marketing director to help with recruitment; 3) provide resources for travel, data, accountancy; and 4) cover the administrative costs associated with running a small organisation.

Our overall target is £300,000 to secure two years of funding. We are looking to raise this total from a range of private, public, and charitable sector donors, likely in the form of a social impact bond. Budget breakdown:

Item	Amount	Notes
Managing Director Salary	£45,000	Part-time
Marketing Director Salary	£35,000	Part-time
E-commerce Manager Salary	£30,000	Part-time
Software - Zoom	£400	Zoom premium subscription
Marketing Budget	£19,000	
Staff Recruitment Costs	£6,000	
Ad hoc consultants (HR, recruitment, etc)	£5,000	
Equipment and Technology	£1,100	i.e. work laptops and computers
Expenses (travel etc.)	£500	
Fitness Instructor Bonuses and Awards	£5,000	Incentives based on performance
Accountancy fees	£1,500	
Unforeseen expenses	£1,500	
Total:	£150,000	per year

Forecasted Cost-Benefit Analysis

Due to the online nature of WTL-Z, it is likely a cost-effective alternative to in-person lifestyle interventions. Overhead costs for WTL-Z include a Zoom subscription (£10 per month) which is significantly cheaper compared to the costs of hiring a space at a local community centre or leisure centre (~£25 an hour). Hiring a fitness instructor to lead a WTL-Z course of 12 participants is estimated at £1000 (£25 per hour for 40 hours) and includes the initial set-up and communication with participants between sessions. The marketing costs associated with each WTL-Z course of 12 participants is estimated at £400 (£250 labour and £150 for online

advertising). The labour and advertising costs associated with each WTL-Z course is the responsibility Walk + Talk CIC rather than the fitness instructor and is estimated to cost £400 per course.

Costs per 10-week WTL-Z course:

Item	Cost	Notes
Zoom Subscription	£30	£10 per month
Marketing Costs	£400	£250 labor, £150 for online advertising
Fitness Instructor Salary	£1000	£25 per hour for 40 hours
Data Rebate	£300	Reimbursement for completing survey data
Total	£1730	

Each WTL-Z 10-week course has a maximum capacity of 12 participants. Participants will be able to sign up for this course online. Each participant is expected to complete a 1:1 Zoom consultation call with the instructor prior to the commencement of the course. This consultation call allows participants to ask any questions and manage expectations for the course. Additionally lower body strength and balance fitness assessments will be completed. The cost of the WTL-Z course is £60, however, participants are able to receive a £10 rebate if they complete a 40 question survey before and after the intervention to measure changes in their health. It is expected that 1 participant will drop-out of the course and the remaining participants will have an 80% attendance rate. This results in an average class size of 9 participants per session, which is the ideal size for each WTL-Z session. While the total cost to run a WTL-Z 10-week course is £1730, the co-payment of the programme leads to a cost savings of £900. Therefore, the cost to run a 10-week WTL-Z course costs £830 in total or £69.16/person. Following the conclusion of the 10-week course, it is expected that 40% of participants will join maintenance classes and pay the fitness instructor £18.99 per month. The costs for these classes will be paid for entirely by membership dues and will not require additional funding from investors.

In comparison, Orton et al. (2021) in their study on the fidelity of their 24-week (50-hour) Falls Management Exercise (FaME) programme, estimated their costs of delivery at £286/person per course. In the UK, the average health care cost of a fall for 12 months after the event is £8,592 and FaME reports it can prevent 3 medically attended falls from every 100 people that complete their programme (Orton et al., 2021). Therefore, Orton et al. (2021) reported that the financial return on investment for health care costs of FaME were £0.99 per £1.00 (cost neutral) rising to £2.28 per £1.00 invested when a societal perspective (e.g. time off work for caring) is used. The exercises included by FaME are comparable to those exercises used in WTL-Z, which is based on the exercise protocol from the Otago Falls Prevention Programme (Robertson et al., 2001).

WTL-Z may not only help reduce falls risk but also is comparably effective at improving depression as cognitive behavioral therapy (CBT). For example, a study by Wiles et al. (2016)

found that 43 per cent of participants who received CBT had reduced their depressive symptoms by at least 50 per cent following 46 months of therapy. In comparison, of the 32 participants who had moderate to severe depression at baseline and completed the WTL-Z intervention, 84 per cent reported improvements in their depressive symptoms and the overall reduction in this subsample was 45 per cent. Wiles et al. (2016) estimated that the average annual cost of CBT per participant at £343, which equates to £1315 for the 46-month intervention period. The incremental cost-effectiveness ratio was £5374 per quality adjusted life year (QALY) gained. This represented a 92% probability of being cost effective at the National Institute for Health and Care Excellence (NICE) QALY threshold of £20 000.

Next, in adults aged 65 and over, McDavid, Bauer, and Park (2017) estimated that loneliness costs the NHS £170 per person per year (or £1 bn per year in total), which is often due to lonely people seeking social contact by visiting their GP (Goodman et al., 2016). In 2021, WTL-Z recruited 39 participants who were lonely at baseline, scoring ≥ 3 on the de Jong Gierveld Loneliness Scale (DJG-LS), which is a 0-6 loneliness scale where 0 is not lonely and 6 represented the highest level of loneliness. At the conclusion of WTL-Z, 13 of the 39 participants (average age 65.5 years) were no longer lonely according to the DJG-LS and total loneliness fell on average by 26% among these 39 participants. Therefore, an additional cost savings of £2,210 per year ($13 * £170$) may have occurred in WTL-Z participants if the effects of the programme are long lasting. Therefore, it is likely that WTL-Z is a cost-effective alternative for the treatment of mental, social, and physical health among older adults, but further research is needed.

A more detailed cost-utility analysis will be conducted in the trial of WTL-Z which is planned to occur in Spring 2023. This cost-utility analysis will help Walk + Talk CIC secure funding of a large social impact bond from the private, public, or charitable sector, which lead to Walk + Talk CIC becoming financially sustainable in the long-term.

It's a falls reduction programme, a diabetes, a physical activity, a loneliness, and depression and anxiety programme all rolled into one. And costs about £100 per person.

Whereas the average annual cost of CBT per participant at £343 per person.

100k / 700

Timeline

January 2022: Apply for grant funding of £2,500 to purchase exercise equipment and storage at Higham Hill Hub, conduct marketing campaign, and pay for overhead costs associated with Walk + Talk CIC.

February 2022: Conduct marketing campaign to recruit participants to April WTL-Z course and expand online maintenance class membership base

April 2022: Conduct pilot 10-week course with 12-24 participants to test WTL-Z co-payment model

Fall 2022: Apply for grant funding of £20,000 and academic partnership to conduct a larger trial to test the efficacy of WTL-Z

Spring 2023: Conduct a trial of WTL-Z utilising three newly trained fitness instructors to test the feasibility and efficacy of WTL-Z

Fall 2023: Publish findings of WTL-Z trial

Spring 2024: Apply for a social impact bond of £300,000 from the public, private, or charitable sector

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Open Access article distributed under the terms of CC BY, 3(2), pp. 137–144. doi:
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