

Pharmaceutical and Biotech sectors to drive investments in the APAC Healthcare Industry, predicts Frost & Sullivan

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Digital technology advancements and medical tourism enhance growth opportunities in the region



The higher demand for services and improved quality of care has been attracting significant global investments to the Asia-Pacific healthcare industry.

The pharmaceutical and biotech sectors will generate almost a third of the revenue in 2019, led by cell therapy, high-end devices manufacturing, and drug discovery and development outsourcing.

The market is expected to register a year-on-year growth rate of 7.2 percent in 2019, with China and Japan contributing almost 66 percent of the total revenues. There will also be a 15 percent increase in digital technology investments, which translates to opportunities worth US\$13 billion. The need to manage the cost, aging population, and quality of care will especially drive the adoption of digital pathology and eClinical platforms for clinical studies in advanced economies such as Australia, China, Japan, and Singapore.

"The digital transformation of care delivery models towards a personalized and outcome-based treatment paradigm will be a major driver of investments," said Shalani Andria, Consultant, Transformational Health, Asia-Pacific.

"On the back of this digitization drive, the medical tourism industry is expected to grow and boost demand for patient-centric care products by 20 percent," she explained.

Frost & Sullivan's recent analysis, Asia-Pacific Healthcare Industry Outlook, 2019, highlights the key market trends and provides strategic recommendations to healthcare vendors. It will help vendors align their strategies with market demand and develop innovative solutions and products that will help them make the most of the market opportunities.

"Digital Transformation in APAC will lead to an opportunity of US\$13 billion in 2019. Digital pathology and e-clinical platforms for clinical studies are the hot areas for investment in 2019," noted **Andria**.

"Technologies that aid in the better **prediction and management of revenue cycles**, especially for high-risk patient populations, will have a white space opportunity," she added.

In the highly complex and varied Asia-Pacific market, growth opportunities exist in:

- **Australia and New Zealand:** There is a vast market for integrated **Continuous Diagnostics and Mitigation (CDM)** programs.
- **China:** It is anticipated to contribute more than 20 percent of the total regional healthcare revenue in 2019 due to aggressive policies to support medical device and pharmaceutical markets, and heavy investments in **AI**.
- **India:** The country is likely to experience more than 30 percent and 15 percent growth in the pharmaceutical and homecare markets, respectively, fueled by the **Digital India** and **Make in India** initiatives, and **FDI inflows**.
- **Japan:** It is expected to revolutionize **regenerative medicine** and become first country in the world to use **Embryonic Stem (ES)** cells for medical treatments.
- **South Korea:** It is working on developing a robust clinical-trial environment for medical devices and pharmaceuticals with the aim of becoming a global clinical trial hub.
- **ASEAN:** Favorable government policies will boost medical tourism and medical-device manufacturing by 15 percent.