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Clinical diagnostics, drug discovery to account for bulk of lab automation market growth: Study

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The market is poised to experience significant gains, posting a CAGR exceeding 7 per cent through 2031



Prolific developments in life sciences, characterised by rapid AI penetration, an industry-wide proliferation of cloud technology, and possible therapeutic connotations of previously contraband substances such as marijuana are amongst some key developments that have led to the emergence of a trillion-dollar global pharmaceutical industry in recent years. This has eventually led to swift automation of laboratory settings, providing credible stimulus to the global lab automation market, according to a recent report published by ESOMAR-certified market research and consulting firm.

According to the report, the market is poised to experience significant gains, posting a CAGR exceeding 7 per cent through 2031. An increasing number of grants disbursed to facilitate advanced drug development and clinical diagnostic research is responsible for the bulk of the market's growth. For instance, the EU Commission, in March 2021, advanced a grant to eTheRNA Immunotherapies, to accelerate the development of a novel and potentially best-in-class therapeutic mRNA cancer vaccine to treat recurrent HPV16+ head and neck cancers. The grant amounted to €6.9 million.

Growth prospects have further heightened since the onset of COVID-19, with healthcare providers scrambling to deploy precise and advanced diagnostic services, as well as accelerate drug and vaccine development. Consequently, the overall healthcare spending rose to $1.4 trillion, representing over 30 per cent increase since 2015. Additionally, a host of government initiatives in key markets have greatly helped augment spending on lab automation, a trend likely to continue over the coming years.

Key takeaways from study

- By product, demand for integrated automated workstations to expand at a rapid pace

- Biotechnology & pharmaceutical industry experiencing major uptake of lab automation systems
- By application, drug discovery and clinical diagnostics to collectively capture a lucrative share
- Voluminous biopharmaceuticals manufacturing to elevate lab automation deployment across the US.
- The UK to generate fresh revenue ecosystems amid high reliance on in-vitro diagnostics
- Growing R&D initiatives by government and non-governmental entities bolstering France and Germany's growth prospects
- India and China to emerge as lucrative hotspots amid increasing need to offset asymmetries inefficient lab testing mechanisms

According to an analyst, growing irregularities in quality diagnosis and drug development due to high error margins are prompting healthcare providers to invest in the most contemporary lab automation solutions, driving the market growth.