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10 challenges for businesses in APAC

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10 challenges for life sciences businesses in APAC



The Asia Pacific healthcare market is estimated to capture 34.6 percent of the global healthcare market by 2015. Frost & Sullivan says that by 2020, healthcare expenditure in the APAC will increase 151 percent over 2010 figure, to $2927 billion at a compound annual growth rate of 9.2 percent.
The reason cited is a shift in the pharmaceutical markets of the world, away from the major developed powers of the US, Japan, Europe, towards a set of new, dynamic, fast-growing emerging economies of China, India, and South Korea among others.

The positive healthcare market outlook for the APAC region is also based on the fact that there is a growing middle-class and an aging populace in this region. Countries such as the Philippines and Vietnam have reached a threshold of economic development and volume of future growth that need immediate attention. Collectively, these emerging markets offer high potential, with rising gross domestic product, expanding access to healthcare and an improving intellectual property and regulatory environment.

Factors such as increasing population, per capita income, prevalence of lifestyle diseases due to rapid urbanization, apart from cost factors, are aiding growth. However, the opportunities come with a set of challenges, some of which are unique to the region. The APAC is characterized by diverse therapeutic segments, different and complex regulatory laws and a fragmented market, and the global economic crisis has added a new layer of complexity to the already challenging environment.

BioSpectrum identifies 10 challenges that are common to the region and are likely to be hurdles in the industry's progress.

1. Cultural Diversity
2. Critical Mass
3. Policy Issues
4. Raising Capital
5. Human Resouces
6. Regulatory Issues
7. Currency Fluctuation
8. Partnering
9. Price Sensitivity
10. Credible "midsize" CROs