

Dentsu health

INDUSTRY PERSPECTIVES

From upset to the great reset

The past year has proved evident that healthcare is evolving quickly and we are now beginning to see a more defined pattern of patients becoming consumers, health and wellness converging, brands driving broader digital transformation of global healthcare systems and more. Here are four forces that will accelerate the future shift of healthcare, according to our dentsu health strategy team.

PERSPECTIVE #1

Patient ownership makes cybersecurity paramount

Patients are now the ultimate consumers and have control over their own healthcare through product and service options such as telemedicine, wearables and apps. These activities may generate data about patients that is considered Protected Health Information (PHI) or electronic Protected Health Information (ePHI) which is regulated by the Health Insurance Portability and Accountability Act (HIPAA). As patients gain more access to their health and biometric information, which may often be considered PHI, the ability to self-diagnose increases, creating less reliance on family practitioners. Expected upward trends include the availability of interactive life insurance policies offering discounts to patients who share their fitness data and employers moving away from choosing health plans for their employees in favor of empowering them to calibrate their own custom plans through a "defined contribution."

42%

of consumers value physical health more since the start of the pandemic

\$62.9B

end-user spend projected on wearables in 2021 globally

CMOs & CTOs

As a result of increased tech use, data sharing and Health and Human Services (HHS) regulations relating to the protection of PHI, CMOs and CTOs will need to prioritize cybersecurity investments in 2021. As the industry moves toward interoperability, the healthcare companies that position themselves as stewards of data privacy and protection will create true market differentiation and shared trust with consumers by virtue of their unique value propositions.

PERSPECTIVE #2

Design thinking cures the "common cold"

Brands have realized the value of design thinking as a way to innovate based on customer-centricity – and healthcare companies will benefit from doing the same. With the uptick of digital accessibility and consumer ownership, design thinking processes can help legacy healthcare and pharmaceutical companies foster new approaches to complex and persistent industry challenges through human-centric research, radical collaboration and rapid prototyping.

63%

of hospital executives cite interoperability as a critical area needing innovation

43%

of hospital executives cite "slow tech adoption" as a blocker for innovation

CMOs & CTOs

Assess the current state of your innovation programs and ensure you are spending more time on transformational (strategic) innovation, less on incremental (tactical) progress. A strong design thinking methodology such as our proprietary Proton process, identifies root causes, rather than treating mere symptoms to help you stay ahead of the curve.

PERSPECTIVE #3

The future of femtech is fertile

Femtech is the rising trend of applications, devices, products and diagnostics that cater to the needs of women's health and once "taboo topics" - including sexual and menstrual wellness and fertility. Despite women accounting for \$500 billion in annual spend, only 4% of healthcare research and development is targeted towards women's health.

\$1.1B

revenue potential by 2024

85-90%

of female founders receive funding from male VCs

CMOs & R&D

With the right mix, corporate social responsibility strategies offer opportunities for exploring and developing new markets while simultaneously creating value through health for people and communities. Healthcare companies should revisit their CSR strategies to strike a balance of global, local and "glocal" to meet the needs of diverse demographics – gender, ethnic and race.

PERSPECTIVE #4

Now come the platform wars

COVID-19 has proven to be the ultimate litmus test for digital maturity. Many healthcare companies have the building blocks to create more digitized platforms but there is still room for greater innovation – especially as more consumers move from face-to-face to video conferencing. We'll start seeing more healthcare ecosystems that allow for multiple services – care management, virtual care, retail health, biomarker tracking, etc. – rather than singular channels or products.

35%

of patient interactions will be digital this year compared to 20% in 2020

47%

of consumers say that healthcare & life sciences are more focused on industry needs than patient needs

CMOs & CTOs

The hallmark of strong healthcare platforms are interoperability, predictability, innovation and standardization. A focus on breaking down data silos and one-size-fits-all experiences will make way for speaking directly to the needs and preferences of defined customer segments. Healthcare is often a late comer to people-based marketing, but a renewed focus in 2021 will be key to capturing market share with Gen Z and Millennials.

About Us

Dentsu health is a connected global agency solution that specializes in health, wellness and pharmaceutical marketing.

We are transforming the healthcare agency services model through a global teaming platform of 2,000+ experts, who unite creativity, data and technology to create human connections.

Learn more at <https://www.dentsu.com/us/en/dentsu-health>.

Follow us at [@DentsuUSA](https://twitter.com/DentsuUSA).

Sources: 2020 Dentsu Navigator series, 2020 McKinsey on Healthcare