Product Differentiation in the
Emerging World of HealthTech

Healthtech on a Transformation Journey

The current era is seen as a period of disruptive transformation in healthcare. The pandemic has given the industry a push to revamp the entire conventional ecosystem, which has remained largely unchanged for years. With everything going virtual, each realm of healthcare, starting from prevention and diagnosis to post-treatment monitoring has been in need of innovative tech products that can fulfill the demands of changing consumers. This has resulted in a boom in healthtech start-ups around the world, as well as a need for healthtech giants to reinvent themselves to stay competitive.

In layman's terms, healthtech is defined as the technology-enabled service or product which helps in diagnosis, early prevention, better treatment, online medicine ordering (e-refill), and easy consultation with doctors. Wearables, telemedicine, online appointment scheduling, e-refill requests, digital payments, genomics, diagnostics, and remote monitoring of health conditions via app or web portals are all examples of how the healthtech industry is transforming healthcare.

According to a Mckinsey report, as of 2019, healthtech sector represented a global market of approximately \$350[i] billion and is predicted to grow by 50% globally by 2025. Furthermore, the first half of 2020 has seen unprecedented levels of venture funding of \$5.4 billion in the healthtech segment; with megadeals, such as Teladoc Health's \$18.5 billion acquisition of Livongo; and accelerated virtual care delivery, such as telehealth and remote monitoring owing to COVID-19. It is undeniable that healthtech provides superior health services to customers as compared to conventional healthcare services.

Despite the lucrative numbers, healthtech companies face a downward-sloping demand curve, indicating a need to innovate at scale while improving their product quality at a competitive price. This quality disparity not only increases the supplier's competitiveness, but can also contribute to "market loyalty," which is strongly linked to consumer satisfaction with the product or service.

It important to note that 90% of digital health start-ups fail in the first five years owing to the complex regulatory landscape, technological hindrance or low consumer adoption leaving healthtech companies with the following questions.

Will we be able to build and deploy cost-effective patient-centric products at scale?

How do we use emerging technology to take our idea from concept to execution, ensuring scalability, agility, and ease of use for our customers?

How can we devise novel implementation strategies, both in terms of technology and business, to gain the acceptability of all stakeholders - from doctors and patients to regulators and insurers–all of whom must be comfortable with the new technology being adopted?

Let's take a closer look at some of the obstacles that healthtech companies encounter, as well as a potential solution to these challenges.

Key challenges posed for healthtech

A. Data Security and Regulatory Compliance

According to a research conducted by Kantar in partnership with Digital Health summit, more than half of US consumers say privacy and security concerns, like data breaches, deter them from using healthtech like wearable devices, apps and telemedicine[ii]. For instance, one of the best fertility apps fell prey to data breaches, exposing their 4 million users' data to privacy threats.

Most healthtech companies deal with sensitive healthcare data which makes them highly vulnerable to privacy breaches, cyber-attacks and compliance violations. No matter how innovative the product offering is or how much potential it has to expand effective healthcare possibilities, building advanced security and data protection is imperative to build credibility and consumer trust. Due to the varying healthcare regulations across regions and geos, privacy protection limiting the sharing and distribution of data and stringent compliance requirements coupled with limited resources, health technology companies have difficulty ensuring that their digital health products meet compliance standards.

Dealing with different local regulations

01
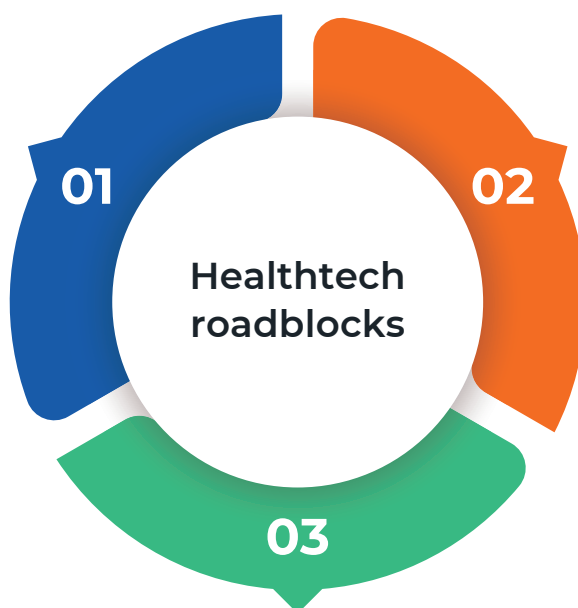
Building and maintaining secure systems

02

Healthtech roadblocks

03

Data protection and privacy laws

B. Effective Adoption of Emerging Technologies

To lead a paradigm shift in addressing patient-centricity, altering patient behaviors or driving precision medicine approaches to diagnostics and therapies, healthtech businesses must embrace high-tech services and products such as AI, ML, AR, and VR. However, to realize the full value of these new-age technologies, an underlying flexible, secure and compliant digital backbone is required, further instigating a need for healthtech companies to adapt and scale the platforms rapidly. Here are some of the areas that hinder the transformation of Healthtech firms from hypergrowth to maturity.

Platform modernization
Transforming legacy applications

01

System integrations & product development
Ensuring compliance with various integration standards such as Hl7 2.5, 2.6, 2.7, RIM, CCDA, FHIT

02

Cloud adoption & management
Accelerating cloud adoption and optimizing cloud operations with the right IT infrastructure

03

Continuous improvement
Transforming data into actionable insights

04

Leverage IT technology partners for Product Engineering solutions

To keep up with the tech evolution, meet tech goals, better handle cybersecurity threats and manage rising technology costs, healthtech companies must find the right technology partner to accelerate their product differentiation journey. Joining hands with the right IT services firm that offers the infrastructure, security and compliance support with a focus on new-age digital technologies can assure a competitive edge in the highly saturated market. Digital technologies help streamline their product development life cycle operations, right from product conceptualization to design, development and continuous improvement.

Key Pillars to develop a great healthtech Product
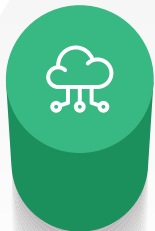
Cloud enablement to ensure scalability
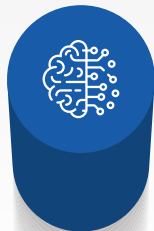
Leveraging AI/ML and data analytics to derive actionable insights

Attention to user-experience miniature to build customer-centric product

Seamless integration of technologies and Continuous product improvement and strategic agility to stay relevant

Benefits of product engineering services?

The right product engineering solution provides the necessary infrastructure and resources to support seamless integration of tools/platforms and develop agile, innovative products at scale.

Product engineering services straddle the whole gamut of product lifecycle development to ensure faster time to market through:
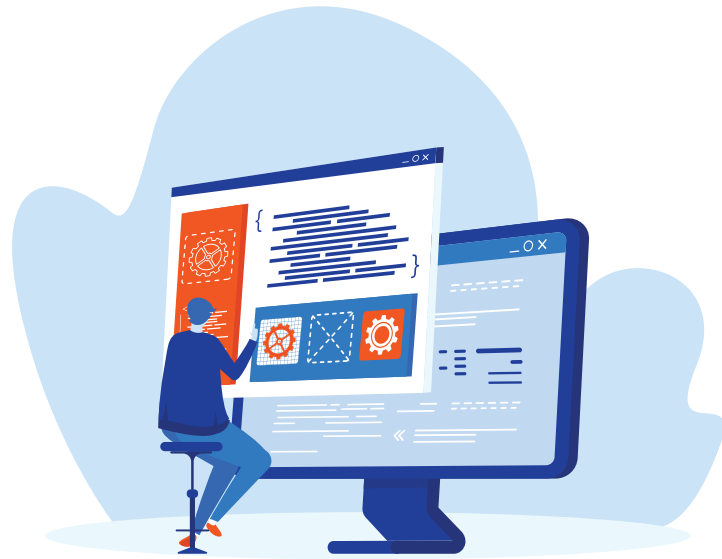
Accelerated Product Development

- Standardization across platforms
- Addressing time-to market challenges
- Addressing code hardening challenges
- Performance engineering capabilities
- Ability to deliver product differentiation
- Customization to local markets
- Ability to monetize rapidly

Integration of emerging technologies

- Cloud Enablement
- Business Intelligence Implementation
- Data Modernization
- Operational efficiency through AI/ML/NLP

Delivering unparallelled value

- Value engineering services to improve product performance and extend product lifecycle
- Flexibile engineering capacity
- Sustaining cost optimization
- Addressing compliance and regulatory needs

Product engineering facilitated by agile product development methodology, automated testing processes, reusable frameworks and accelerators undergo the following phases to ensure the product's digital maturity against industry benchmarks and improved responsiveness to customer needs:

Product Planning

- Requirement Analysis
- Concept feasibility and user research
- SaaS enablement

Product Architecture

- Wireframe and Prototyping
- Design specification and solution architecture

Product Development & Testing

- Core Development
- Agile Product Development
- Database Design

Product Testing

- Functional testing
- Beta testing

Product Deployment

- Platform Migration
- Final Release

Product Integration/Migration

- Addition of new features and functionality
- Ensuring performance for existing features
- Product Enhancement
- UX Modernization and Rebuilding
- Support for New Platforms

Product Maintenance and upgrades

- Post development support
- Product Advisory services

Moving forward

With the rapidly evolving healthcare ecosystem, healthtech organizations must leverage the services of product engineering vendors as a strategic imperative to stay at the top of their technology game. At Hexaware, with over three decades of Digital DNA culture and domain expertise in Healthcare & Life Science space, we enable healthtech companies to improve digital engagement strategies and drive business optimization by building high-quality customer-centric next-generation products that transform the customer experience landscape.

Our approach to digital product engineering starts with the creation of a design and development strategy ensuring a human-centered value proposition. Leveraging our expertise in design thinking and in building product development excellence frameworks, healthtech companies can navigate through the shifting landscapes and capitalize on opportunities ahead of competition.

To know more about Hexaware's solutions for Product Engineering, visit our website **www.hexaware.com**

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About Hexaware

Hexaware is the fastest growing next-generation provider of IT, BPO and Consulting services. Our focus lies on taking a leadership position in helping our clients attain customer intimacy as their competitive advantage. Our digital offerings have helped our clients achieve operational excellence and customer delight. We are now on a journey of metamorphosing the experiences of our customer's customers by leveraging our industry-leading delivery and execution model, built around the strategy - Automate Everything®, Cloudify Everything®, Transform Customer Experiences®. Hexaware services customers in over two dozen languages, from every major time zone and every major regulatory zone. Our goal is to be the first IT services company in the world to have a 50% digital workforce.

Learn more about Hexaware at **www.hexaware.com**

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Metro 101, Suite 600,101 Wood Avenue South, Iselin, New Jersey - 08830 Tel: +001-609-409-6950 Fax: +001-609-409-6910	152, Sector – 3 Millennium Business Park 'A' Block, TTC Industrial Area Mahape, Navi Mumbai – 400 710 Tel : +91-22-67919595 Fax : +91-22-67919500	Level 19, 40 Bank Street, Canary Wharf, London - E14 5NR Tel: +44-020-77154100 Fax: +44-020-77154101	#09-01, One Finlayson Green, 1 Finlayson Green, Singapore - 049246 Tel : +65-63253020 Fax : +65-6222728	Level 3, 80 Mount St North Sydney NSW 2060 Australia Tel : +61 2 9089 8959 Fax : +61 2 9089 8989