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Executive summary

Reinventing MedTech with intelligent technologies

Human-centric healthcare for tech-savvy patients and organizations

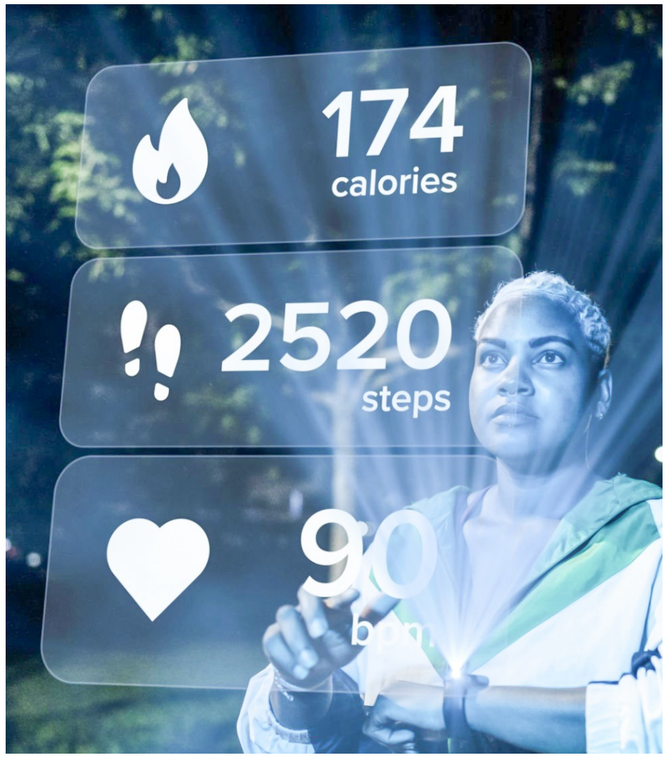
Introduction

Today's patients prefer the convenience and immediacy of technology that helps them access real-time medical information. Our research, which included 800 U.S. patients aged 13 to 72, found that 94% leverage devices and apps to manage their health conditions[1], signaling a growing market demand.

Just as intelligent technologies such as predictive and generative AI are bolstering patient awareness and behaviors, they are also opening new possibilities for MedTech companies to serve cash-strapped healthcare providers. These providers are dealing with acute talent shortages and need to deliver more efficient and effective care across a growing array of settings, ultimately leading to cost savings.

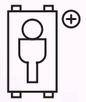
To thrive in this transformative landscape, MedTech companies must prioritize investment in new capabilities while lowering costs across the care continuum. A robust digital core, integrating cloud, data and AI, is essential for rapid development of new capabilities and driving enterprise-wide operational efficiency.

To better understand how leading MedTech companies can navigate this new future, Accenture has explored four segments—diabetes, cardiovascular (CVD), general surgery and diagnostic imaging—through expert research. This report delves into how leading MedTech companies can seize the opportunities of this digital era, offering in- depth analyses of key segments and actionable strategies for sustainable competitive advantage.



[1] Accenture Survey: "Connecting patients to better health" of 800 patients in the US

Strategic pivot in response to changing market dynamics



The shift to preventative care unlocks new value pools

Create new opportunities to move upstream in the patient care pathway

Intelligent technologies create opportunities to revolutionize daily operations

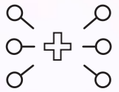
Disrupt the MedTech value chain model by automating, augmenting, and reinventing traditional workflows and drive top and bottom-line improvements

Intelligent technologies power new smart connected solutions

Enhance the core product portfolio and create new revenue streams

Business model innovation fuels growth despite cost pressures and shifts in care

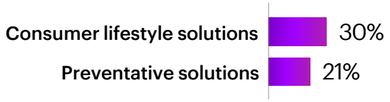
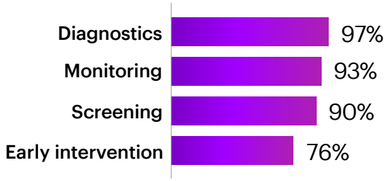
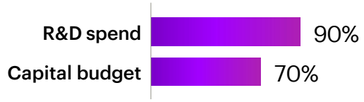
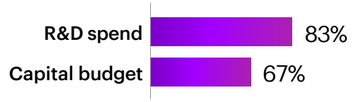
Promote a shift towards modern, less infrastructure dependent business models



Connected ecosystem across care continuum requires a broader set of capabilities

Deepen internal & external ecosystem partnerships to benefit broader care continuum solutions

Cost efficiencies driven by gen AI across enterprise operations

Trends	Diabetes	Cardiovascular	General surgery	Diagnostic imaging
The shift to preventative care unlocks new value pools	Disruptors are leveraging the idea of turning a medical device into a consumer product  CXOs believe if no action is taken, it could negatively affect their revenues by 3–5% in the next five years	Upstream care is gaining attention in CVD  CXOs rate high revenue generation potential in upstream care in next three years	Almost all CXOs agree to allocate more R&D spend to upstream care and seven in 10 are allocating more capital budget  CXOs note a shift in resource allocations for upstream care compared to three years ago	Similar to general surgery, CXOs agree to allocate more funds to R&D and capital budgets for upstream solutions  CXOs note a shift in resource allocations for upstream care compared to three years ago
Intelligent technologies create opportunities to revolutionize daily operations	• Drive **sales and customer support**, assist regulatory filings • Help **reduce R&D costs and failure events**, avoid product recalls	• Assess **demand for cardiac devices in a specific region** by analyzing internal data and external data • Help derive quick, dependable insights from the vast amount of data, **improve design effectiveness**	• Analyze various parameters such as ergonomics to **optimize design** • **Customize specialized general surgery devices** through data analysis and pattern recognition	• Drive **sales and customer support**, assist regulatory filings • Develop **personalized imaging protocols** by analyzing patient-specific data

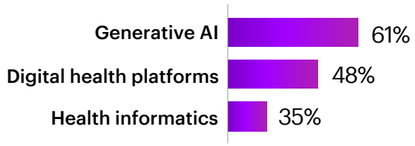
Source: Future of MedTech CXO survey. Accenture Research. See MedTech reinvention in the age of gen AI report for details.

Technological advancements and business model disruption will be critical to maintain and grow share in the evolving landscape

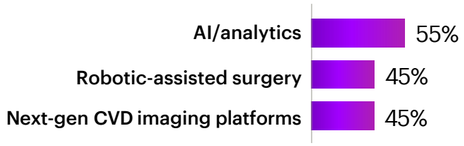
Trends	Diabetes	Cardiovascular	General surgery	Diagnostic imaging
Intelligent technologies power new smart connected solutions	• Provide **personalized guidance** for diabetes management • Identify trends, anomalies, and potential health risks, enabling **early intervention**	• Identify trends, anomalies, and potential health risks, enabling **early intervention** • **Develop gen AI-powered platforms**	• Assist in postoperative analysis by processing patient recovery data • Program surgical robots and analyze data from sensors to enable robots to adapt changing conditions	• **Streamline workflow processes**, automating routine tasks • Improve the **quality of medical images** by reducing noise, enhancing resolution, and optimizing contrast

Across different segments, companies are adding new tech-enabled features in their offerings

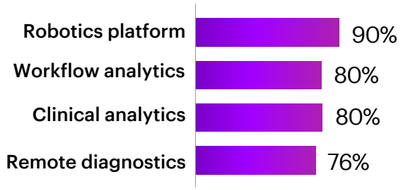
CXOs prioritize the following areas in the digital space for investment



CXOs believe that these technologies have the potential to disrupt the existing business model in the CVD space



CXOs rank these digital features as important for new surgical solutions



CXOs are prioritizing new solutions in the diagnostic imaging space

Source: Future of MedTech CXO survey. Accenture Research. See MedTech reinvention in the age of gen AI report for details.

Shifting from a product-centric to an end-to-end (E2E) platform mindset benefiting broader care continuum is imperative for success

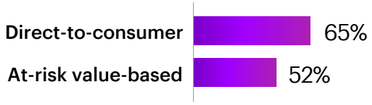
Trends	Diabetes	Cardiovascular	General surgery	Diagnostic imaging

Business model innovation fuels growth despite cost pressures and shifts in care

New tech-enabled feature is prompting companies to look for alternative business models

Diabetes

CXOs are preferring less infrastructure dependent model for their diabetes unit



Cardiovascular

With an increasing focus on minimally invasive tech-enabled solutions, CVD is also adopting newer business models

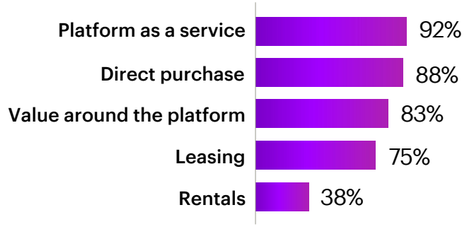
- Shift to consumer devices
- Movement into new business models
- Focus on value-based models

General surgery

In three years, CXOs see the following business models as the most viable options in the general surgery space

Diagnostic imaging

CXOs prefer innovative business models in the diagnostic imaging space today

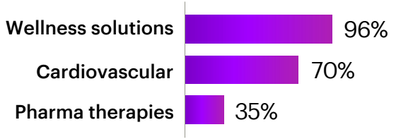


Connected ecosystem across care continuum requires broader set of capabilities

Every organization is developing connected solutions to benefit broader care continuum

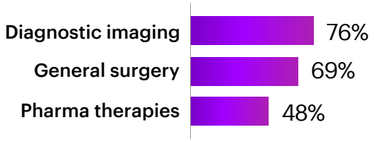
Diabetes

CXOs are confident that their organization's innovative diabetes care solutions could benefit a wider range of segment propositions. The primary segments poised to benefit include:



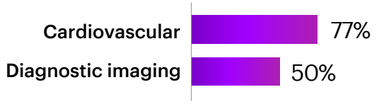
Cardiovascular

CXOs hold the view that their latest CVD solutions could bring advantages to various other segments. The key segments poised for potential benefits include:



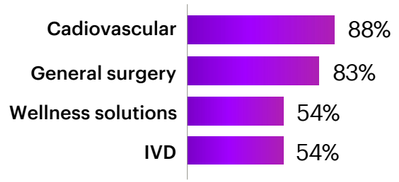
General surgery

CXOs anticipate broader benefits across various segments from their organization's new general surgery solutions. Top beneficiaries include:



Diagnostic imaging

CXOs anticipate broader benefits across various segments from their organization's new diagnostic imaging solutions. The top segments that could benefit are:



Source: Future of MedTech CXO survey. Accenture Research. See MedTech reinvention in the age of gen AI report for details.

Through the lens of our experts

	Diabetes	Cardiovascular	General surgery	Diagnostic imaging
Key insights	1. Adopt flexible business strategies with the direct-to-consumer (DTC) models 2. Shift from a product-centric to an end-to-end platform mindset 3. Shift from an engineering to an experience-first mindset	1. Enhance upstream care investments 2. Complement downstream portfolios with digital offering 3. Embrace minimally invasive care and connected solutions	1. Upgrade the “hardware” and “software” of general surgery portfolio 2. Explore new business models for general surgical devices 3. Customize to capture the outpatient market	1. Prioritize workflow optimization and scale clinical AI for long-term impact 2. Integrate imaging with procedures 3. Monetize through multiple streams
Role of intelligent technologies	• The future of diabetes care will emphasize the use of intelligent technologies for personalized guidance and early intervention, enhancing consumer engagement and fostering industry collaboration. • This approach not only promises to elevate patient care but also drives the sector toward becoming holistic solution providers.	• Companies will be compelled to develop a connected ecosystem of devices and adopt a continuum of care approach. • Investing in patient-centric research and interdisciplinary collaborations, along with developing comprehensive care strategies and solutions, leads to a dynamic and promising future.	• Intelligent technologies present opportunities to transform early screening and post-operative analysis. • To facilitate these transformations, companies must reimagine their existing technology and advisory ecosystems, including the development of advanced data capabilities.	• The transformation in diagnostic imaging includes hardware, the automation of workflows and the streamlining of data transfer. • To successfully introduce a new device to the market, companies must ensure interoperability, data sharing and a mature digital infrastructure.

What to do next

The MedTech industry is on the precipice of a new frontier, fueled by the extraordinary power of intelligent technologies such as predictive and gen AI. Here are five key actions that companies must take to seize the opportunities offered by enterprise reinvention and intelligent technologies.

Lead with value

Prioritize understanding how gen AI can redefine the company's value chain.

Reinvent talent and ways of working

Invest in developing new skills and behaviour changes, from the leadership team to each individual employee.

Understand and develop an AI-enabled secure digital core

Establish a robust digital core and data infrastructure to fully leverage the potential of gen AI and enable the continuous creation of new capabilities.

Close the gap on responsible AI

Prioritize responsible AI practices to avoid unintended consequences such as inadvertent biases and discrimination in direct-to-consumer areas and ownership of data used for AI applications.

Drive continuous reinvention

Foster a culture of continuous reinvention and build the capability, approach and tools that enable companies to adapt and innovate while maintaining day-to-day operations.

Authors

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Oliver Richards leads Strategy and Commercialization for Accenture Life Sciences Medical Technology. With a Ph.D. in Cell and Molecular Biology and over 15 years of experience in R&D, strategy and consulting, he specializes in designing and implementing innovative growth strategies for the MedTech market. His expertise spans various areas, including general and orthopedic surgery, cardiovascular and diabetes care, in vitro and imaging diagnostics, and digital health. Oliver is based in Milwaukee, Wisconsin.

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Garima Mishra is a member of the Life Sciences Research team and leads MedTech Research. Her research focuses on digital health, technology change, consumerization of healthcare, and market disruptions and their influence on shaping the future of the MedTech industry. She is based in Bangalore, India.

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