



CLIENT STORY | OPPORTUNITY AND BUSINESS MODEL ASSESSMENT OF RETAIL DIAGNOSTICS TESTING MARKET

Region :

SOUTHEAST ASIA

Consulting Services :

TRANSACTION SUPPORT / PARTNER EVALUATION

CLIENT SITUATION

- The client is a leading PE firm
- The client wished to evaluate the opportunity and business model of the Pathology and Imaging testing services market – this was in the context of an investment being planned in this space

OUR APPROACH

- The assignment was structured to deliver the following : market characteristics , competition scenario, alternative business models, drivers of decision making, perceptions of Medical practitioners about retail chains etc.
- Interviews were held with Medical practitioners (various specialities such as Physician, Gynaecologist, Paediatrician etc.), to understand the existing demand for diagnostic testing, decision making criteria in the choice of labs and perception rating of key retail labs
- Discussion with standalone labs, hospital centres and retail chain diagnostic centres to understand average revenue, patient footfalls, type of service rendered etc.
- Discussion with Industry experts and Reagent suppliers to solicit their views on market growth
- Discussion with diagnostic centers (standalone / retail labs) and few experts to understand implication of the business model on revenue and profitability
- Understand various routes adopted for expansion of network by organized players and the implications

OUR RECOMMENDATION/ IMPACT

- The BOD has approved the investment, land for the factory has been acquired and construction of the factory is on track to commence production in Q2 of 2014