

TrendForce Anticipates Soaring Growth for Global Medical Device Market as Healthcare and ICT Industries Converge

2016-03-10 [Jason Huang](#)

Currently, the healthcare sector can be divided into three major subfields – pharmaceuticals, medical devices and biotechnology. The medical device industry in particular has huge growth potential due to advances in information communication technology (ICT). “New technologies have significantly enhanced the capabilities of medical devices,” said Jason Huang, [TrendForce](#)’s research manager for the healthcare industry. “Furthermore, concepts such as smart systems, electronic medical records and medical Internet of Things are transforming the fundamentals of the global medical device industry.”

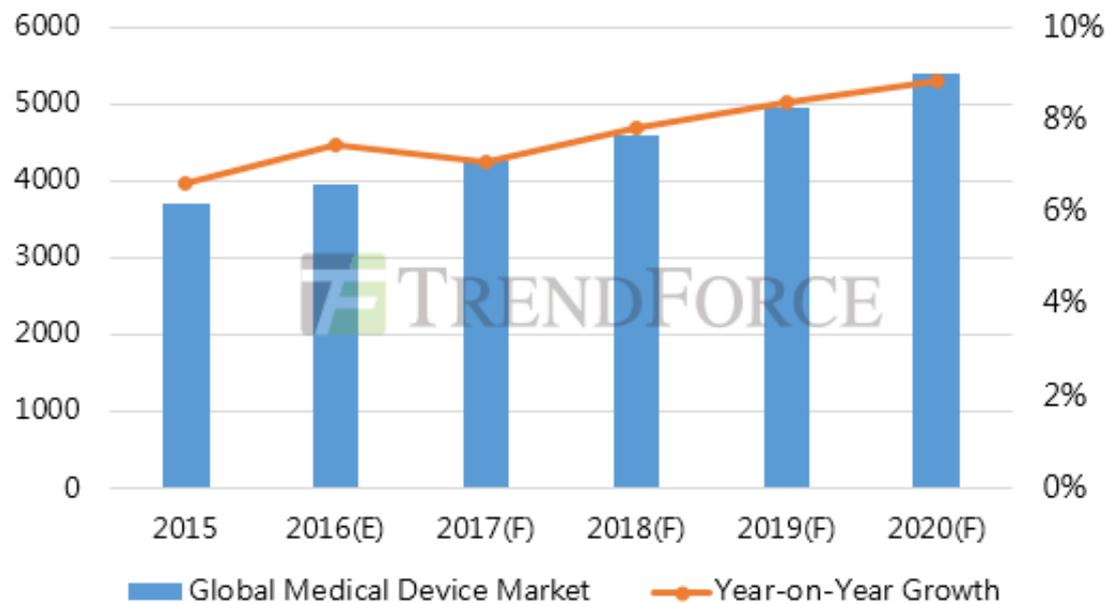
The integration of ICT and healthcare will create solutions outside the confines of traditional hospitals and clinics. Home healthcare devices, wearable medical devices, and telehealth are some of the applications that resulted from such integration. The scale of the telehealth market in particular will exceed US\$7 billion by 2020, according to TrendForce. In addition to the expansion of applications, the convergence of ICT and medical device industries will also result in cross-sector innovations. For instance, some of the new entrants to the medical device market traditionally belong to other industries such as information technology, advanced materials, precision manufacturing, optoelectronics and imaging technology. In the near future, inter-industry efforts will be crucial in the development of healthcare products and services, including medical imaging, clinical medical electronics and minimally invasive surgery.

Furthermore, the merging of healthcare and ICT industries will generate solutions that will give patients instant and convenient access to healthcare services. Consumers could look forward to affordable, user-friendly products that offer multiple functions in one device. On the whole, the development trends of the medical device industry will benefit home healthcare market and generate demand in the emerging markets.

The scale of the global medical device market will reach US\$539.5 billion in 2020, according to TrendForce. Thus, there are enormous growth opportunities for new market entrants.

Figure: Scale of the Global Medical Device Market, 2015~2020

(in US\$100 million)



Source : TrendForce, Mar., 2016

ICT companies have certain technological advantages when it comes to developing medical device products, but they also face challenges from established players in the healthcare industry. “Currently, a few multinational corporations control upwards of 70% of the medical device market in many countries,” said Huang, “ICT companies branching into this field will encounter a lot of difficulties. To survive the competition for distribution channels and brand awareness, newcomers have to choose the right local partners and devise a clear strategy early on. They can also take a step back and become suppliers to the established international brands. In sum, ICT companies entering the healthcare market need to design their roadmaps in advance.”

About TrendForce

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