



Innovate to integrate

Tailoring MedTech solutions to Southeast Asia's unique healthcare needs

Executive Summary



Southeast Asia (SEA) stands at a pivotal crossroads in healthcare, caught between the demands of an aging population and strained healthcare resources.

Medical inflation in SEA is set to hit 15 percent in 2025, outpacing the global average of 10 percent.¹ These trends are likely to stay as the region's population continues to age — by 2050, 16 percent of Southeast Asians will be over 65 years old, led by Thailand (30 percent) and Singapore (27 percent).²

Amid this landscape, MedTech offers a lifeline. MedTech solutions encapsulate a broad range of technologies that utilize cutting-edge innovations to streamline healthcare diagnoses, treatment and monitoring. Advanced AI technologies, for example, could revolutionize the sector by slashing hospital wait time by over

 **122 hours**
and saving
US\$289,635 daily.³

Yet, the potential of MedTech in Southeast Asia remains largely unexplored.⁴

There has never been a better time for SEA to tap into the transformative potential of MedTech, which is projected to grow at a CAGR of

7.6 percent
between 2025 to 2030.⁵

Driven by a burgeoning middle class, supportive governments and digital transformation efforts, the MedTech sector could rewrite the playbook on what is possible in the healthcare space, and supercharge clinicians' capabilities to provide high-quality, customized care to all.



The KPMG Asia Pacific
Life Sciences Team presents

Innovate to integrate,

a research series that delves into the obstacles faced in MedTech adoption; and urges MedTech companies, policy makers and healthcare providers to strategically pursue the 3As:

achieving acceptance,
articulating value and
accessibility in affordability.

Part 1

Achieving acceptance

MedTech integration across SEA healthcare systems continues to encounter significant resistance due to the region’s rich cultural diversity, varying levels of technological skilling and local adaptation.⁶ Providers from diverse professional backgrounds and countries often prioritize aspects of new MedTech adoption that are most relevant to their specific local contexts. That can lead to significant fragmentation between systems and, ultimately, poor user experiences that can hinder adoption. This underscores the need for strategies that employ user-centered design, technology localization and effective change management to reduce resistance to adoption.

Case example

Siemens Healthineers, Qure.AI and the Global Fund have adapted their portable tuberculosis (TB) diagnostic tools by adapting the solution towards SEA’s clinical context to effectively target the TB diagnosis workflow regionally.⁷

Part 2

Articulating value

Value proposition, through Health Technology Assessments (HTAs), is the driving force behind MedTech integration in healthcare.⁸ Despite the development of HTA processes in many SEA countries, effective value communication is impacted by differences in economic and healthcare contexts.⁹ To better articulate the value of MedTech, the regional health ecosystem needs to establish crucial metrics for assessing both financial and non-financial returns on investment (ROI) that are specific to SEA cultures and system nuances. Additionally, cross-border HTA collaborations can support MedTech HTA, especially in countries with developing HTA systems.¹⁰

Case example

The development of the Asian preference-based measures 7 dimensions (AP-7D) allows stakeholders to prioritize health-related quality of life indicators that are localized to healthcare system goals in SEA.¹¹

Part 3

Accessibility in affordability

Financial constraints limit MedTech accessibility in SEA, where over 80 percent of the population cannot afford advanced medical care.^{12 13} To expand access to potentially life-saving solutions and treatments, the region needs innovative financing options and business models.¹⁴ Exploring innovative financing models and partnerships is vital for affordability and wider adoption, especially given the substantial capital demands of MedTech solutions.

Case example

A partnership between Gene Solutions and a hospital in Malaysia has helped enhance access to genomic testing for patients who may otherwise be unable to afford it.¹⁵



Advance, adapt and activate for medtech innovation

KPMG invites MedTech companies, government entities, healthcare providers and payors to actively participate in building a vibrant healthcare ecosystem. Here's how we can succeed:



Advance together

Co-invest and form strategic alliances across government, MedTech, healthcare providers and payors to drive effective MedTech adoption.



Adapt locally

Implement change management strategies and tailor value assessments to SEA's unique environments to ensure effective integration.



Activate regional expertise

Leverage the rich expertise in SEA to develop solutions for effective local and regional acceptance.

By adopting these strategies, we can turn challenges into opportunities for growth and transformation. KPMG is committed to ensure that the vision for MedTech innovation translates into tangible value for SEA's healthcare systems, providers and patients. Leveraging deep regional insights, extensive global networks and customized, actionable strategies, we're poised to make real impact.

Let's rethink and shape the future of MedTech innovation in SEA,

with shared vision and bold ambition.

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