

New Business Model: Technology Convergence

Client A Fortune 250 consumer health company with solid core business seeking to move up the value chain with higher profit products in an adjacent market segment.

Challenge Provide a supported view of the possibilities for new business in an adjacent market segment. The adjacent market segment is highly concentrated with three companies holding close to 80% market share.

- Define potential market disruptions and opportunities to strengthen the product offer by determining the timing of introduction of innovative and feasible technologies over the near and long term.
- Determine market entry approaches and the technology insertion path forward.
- Qualify the impact on the Company's core business model.

Actions BIC performed several activities to deliver on our Client's mandate:

- Characterized market trends and consumer needs.
- Identified the basis of competition, competitor trajectories and their strategic technology position.
- Determined emerging technologies, the convergence of chemistry and devices, and the timing of adoption.
- Articulated possible market entry approaches and options.
- Created a business model to leapfrog entrenched competitors and capture significant market share.

Results BIC defined the likely scenarios for technology convergence and how this convergence will result in both product and service business models.

- Communications technologies will enable automatic replenishment, point of care diagnostics to signal consumer health and the onset of disease, and the transmission of health status to clinical settings.
- Advances in biologics is resulting in the introduction of low cost biomarkers and point of care immunoassays and creating a whole new generation of consumer diagnostic devices.