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'Corporate players focusing more on small towns and rural areas'

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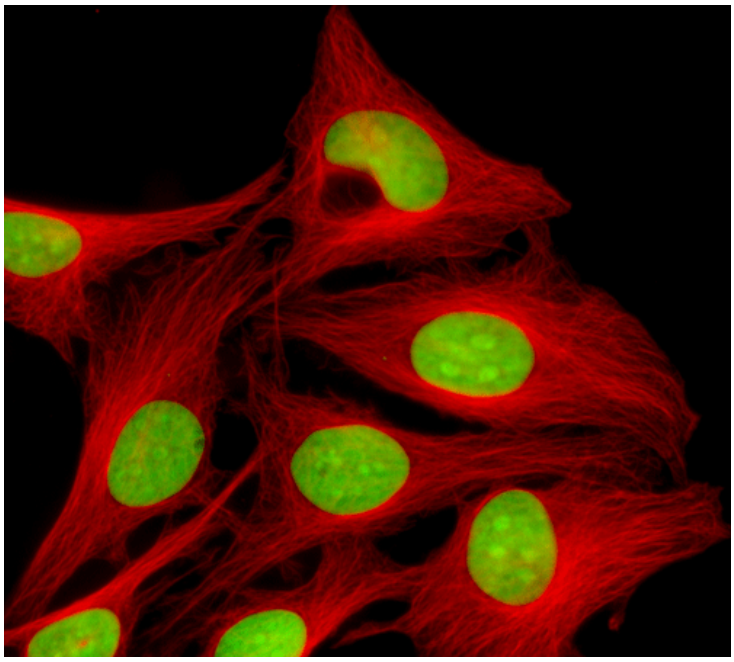

The total market size for the medical imaging reagents in India is pegged at US $250-300 million.

In the global arena, India acts as an attractive destination for biopharmaceutical companies across the world, serving as a magnetic place for executing strategic R&D functions.

In such a situation, more and more lab in the country is facing the need for better understanding in molecular pathology and accurate tools for cell analysis.

Mr Ravi Shastri, MD, South Asia, Life Science Solutions, Thermo Fisher Scientific, says that enhanced accuracy of cell imaging and analysis systems helps in reducing the time and costs involved in the drug discovery process.

"This is a major factor driving the growth of the cell analysis market. Furthermore, the market is witnessing significant technological innovations and continuous improvements in cell analysis instruments and consumables for applications such as cell identification, cell proliferation, and target toxicity studies," he commented.

Market growth accelerators

A number of factors, including rising R&D activities by big pharma and biotech companies, increased government funding for development of pharmaceutical industry, and growing number of CROs in markets such as India are stimulating the growth of

the preclinical imaging market in the Asia-Pacific region.

According to a report by Market and Research, the APAC is expected to foresee the highest growth due to strong economic developments, high incidence rate of cardiovascular diseases coupled with increasing demand for non-ionizing imaging reagents.

"The growth can also be attributed to a number of factors such as the rising cases of cancer. Furthermore, government bodies have extended their help in the form of investments, grants, and funds for cell-based research activities. Government funding and funneling investments to faster and accurate diagnosis to combat infectious disease and advance researches in cancer are also boosting the growth," pointed out Mr Shastri.

Another report published by Transparency Market Research states that medical imaging reagents' application in the drug discovery and development is expected to act as a growth propeller for the imaging reagents business.

Rural and small towns

A major key trend in the industry is the establishment of healthcare imaging and diagnostic centers by corporate players with more focus on small towns and rural areas.

"The market for imaging is mainly driven by consumables and reagents. The intense competition adds pressure on laboratories and healthcare settings to differentiate from the others by using better reagents and high-tech devices," added Mr Faisal Ghaus, VP, TechNavio, a global technology research and advisory company.

Emerging markets

In the APAC region, India, China, Malaysia, Indonesia, and Philippines are seen as emerging markets for medical imaging reagents.

Growth in the Asian market is largely spurred by government support for the development of innovative screening technologies and rising demand for outsourcing of drug discovery services.

"Increasing diagnostics and imaging procedures, medical tourism activity in these regions and competition forcing the healthcare services to upgrade their existing medical imaging systems or to build new centers is increasing the demand for more medical imaging systems and reagents market in the region," revealed Mr Ghaus.

In the West, North America and Europe are considered to be the largest markets.

PPP strategy

Analysts observe that companies are entering into public-private partnerships (PPP) with various state governments to increase the number of imaging and diagnostic centers and to upgrade the existing facilities.

For example, GE healthcare signed MoU with government of Gujarat and Maharashtra to upgrade medical technology and set-up diagnostic imaging centers in medical colleges and hospitals under the PPP model.

India's price sensitivity

Major global players are trying to strengthen their opportunity in India using its strong position in CROs (contract research organizations), large pool of skilled medical and paramedical professionals, and cost advantage.

Again, for example, GE healthcare manufactured high-end CT in India for the first time, making it the first global player to manufacture in India.

Mr Ghaus believes that the main strategy behind this is to reduce costs associated with imports, and tap the price-sensitive market in India.

Due to the price-sensitive nature of Indian market, many healthcare settings use low-cost reagents supplied by local players. This could deter the market growth to its potential.

Key growth drivers:
- Rise in incidences of cardiovascular, oncological, and neurological disorders
- Increasing adoption of diagnostic and imaging devices
- Increasing healthcare accessibility and facilities

Key challenges:
- Lack of reimbursements for imaging procedures
- Cost-sensitive market
- Disparity of healthcare imaging and diagnostic services in rural and urban areas

Key players in India & APAC:
Bayer Healthcare AG
BioHouse Solutions
Bracco Imaging SpA
Central Drug House
GE Healthcare
Loba Chemie
Siemens Healthcare
Thermo Fisher Scientific

Global medical imaging reagents market segments (Courtesy: Transparency Market Research)

By Class
Contrast reagents
Optical reagents
Nuclear reagents

By Technology
Nanoparticles
Fluorescent proteins
Fluorescent dyes and probes
Radiopharmaceuticals
Quantum dots

By Applications
Diagnostics
Drug discovery and development
R&D