

Addressing the needs of an emerging market



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Published in Medical Plastics News, 2015

In the last five years there have been some great changes within the emerging markets of China and India, with an attitude shift towards innovation and quality. And with the huge growth opportunities presented – 10% a year in Chinese medical markets – can Western companies really afford not to buy in? Industrial Design Consultancy (IDC) advises about emerging markets with IDC China’s MD, YiFei Dai, sharing her experience on the ground in China and Stephen Knowles, MD for IDC in the UK, talking about Western companies developing products for China and India.

Since IDC established a Chinese arm of its product design consultancy back in 2008, the company has seen an emerging market that is ready to embrace many Western medical design principles. YiFei Dai explains, “China no longer wants a culture that just copies Western medical products with inferior quality. Leading Chinese medical companies understand this and they want both quality and innovation that competes with the best products globally. There is also a focus on the longer term and developing products that can bring sustainable profits.”

So if Chinese manufacturers are already doing this, is there still an opportunity for Western companies? “Absolutely,” says Stephen Knowles, “This change in attitude is a great opportunity for Western companies who have design processes, creativity, quality and products developed to meet stringent international standards. However, the greatest challenge lies in understanding these markets, which are so different to the West and adapting or developing products to meet the local market needs. As is the case with best practice design, companies need to thoroughly research and test – there is no general approach when it comes to emerging markets.”

At the simplest level there is a cost challenge – products for emerging markets have to be more competitively priced and offer good value. Manufacturers also need to understand the different practice and behaviour of these medical markets, which very often determine a different product strategy to the equivalent product in a Western market. The way healthcare is managed in the community also varies greatly and is dependent on the education of patients – this all needs to be factored into the design.

“We have seen a lot of manufacturers who have successful products in Europe and the US but have failed to take them into China. By working between IDC in the UK and Shanghai we are able to research and understand the market, to develop products that fit each unique requirement. One good example of the different market needs between the West and China is a project that IDC worked on for a disposable surgical stapler. The client’s product was a market leader, but had been unsuccessful in China. By thoroughly researching the market, we learned that with cheaper labour in China, there isn’t such a requirement for disposable products as there is in the West and there is a preference for reusable surgical tools that can be easily sterilised by the workforce. With this knowledge we could take the existing product and adapt it to suit. So we turned it into a stapler that could be reused, with a more streamlined shape to maximise cleanliness, and used the best materials for autoclave sterilisation. The product then matched what the market needed, with the benefit of better design and overall quality,” explains Knowles.

Western companies may assume that if their products have the highest global regulatory standards they will be acceptable in all markets. But some emerging markets, despite much lower standards of regulations, still require their own regulatory standards to be met. As a guideline for India, if products have CE approval, this is usually a sufficiently high level for products to be acceptable. China requires that products meet CFDA approval which can be more demanding – even products with CE approval may not receive CFDA approval and it is advisable to have a local partner on the ground to

manage the approval process. Nevertheless CE approval is always well regarded in these emerging markets as it is seen as an independent stamp of good quality.

YiFei Dai emphasised just how tough it can be working to balance all these requirements, “The user needs are often initially not well defined and we are working in a market that is very brand-conscious, so even when developing lower cost products, we still need to ensure an image of quality.”

Despite the challenges that emerging markets present, IDC firmly believes there are huge opportunities for Western companies looking to develop medical products for China, India and other emerging markets. With populations of over a billion people and a change in lifestyle and diet that is leading to an increased incidence of medical conditions such as diabetes, the West has much medical support to offer China, India and other emerging markets.



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