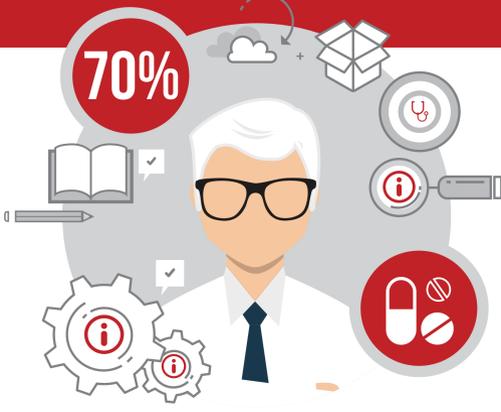


THE STATE OF MEDICAL AND HEALTHCARE E-COMMERCE IN 2019

With the introduction of Amazon into the online healthcare sales space, the industry is seeing a slew of changes and disruptors that are impacting the status quo.



TODAY:

OVER **70%** OF ALL HOSPITALS AND HEALTH SYSTEMS STILL PURCHASE THE MAJORITY OF THEIR MEDICAL SUPPLIES OFFLINE THROUGH DISTRIBUTORS

BUT

7 IN 10 BUYERS WANT TO MAKE **75% (OR MORE) OF PURCHASES ONLINE.**

WHY E-COMMERCE FOR HEALTHCARE:

A LOOK AT CURRENT MARKET VALUE, THE COMPETITIVE LANDSCAPE, AND THE OPPORTUNITY IN ONLINE SALES



Market value of medical supplies e-commerce in 2019:

\$3 BILLION



Market value of medical supplies e-commerce by 2023:

\$11 BILLION



New online competitors (2014-):

10%+



Market value of total medical e-commerce by 2022:

\$200 BILLION

IBIS World, Frost & Sullivan

HEALTHCARE ORGANIZATIONS HAVE IDENTIFIED SOME OF THEIR TOP GOALS FOR 2019:

Increase efficiency of purchase process

47%

Internal client satisfaction

38%

Cost savings

44%

And a strong e-commerce channel can help achieve them.

Sapio Research, 2019

STILL, CHALLENGES AND DISRUPTIVE TRENDS CAUSE FRICTION IN THE INDUSTRY'S MOVE TO ONLINE SALES, INCLUDING:

1. DIRECT-TO-CONSUMER SALES AND SUPPLY CHAIN CONSOLIDATION
2. COMPLIANCE AND REGULATORY PRESSURE
3. A FOCUS ON DATA, AUTOMATION, AND TECHNOLOGY



ACCORDING TO SAPIO RESEARCH, **IN THE NEXT 5 YEARS**, HEALTHCARE ORGANIZATIONS EXPECT TO CONTINUE TO BE IMPACTED BY THESE TRENDS.

IN ADDITION:

30%

EXPECT TO NEED TO CONSOLIDATE SUPPLY AND PRODUCT VENDORS (FURTHER) BY 2023 IN ORDER TO CUT COSTS.

TODAY'S BIGGEST HURDLE: THE AMAZON EFFECT

In 2017 alone, Amazon made up **35%** of all online healthcare supply sales (a value of **\$2.1 billion**).

In turn, the industry is consolidating, merging and beginning to sell online to remain competitive.



Amazon typically undercuts margins by **10-20%** which means businesses today need to keep pace, or catch up quickly if they're not.

HOW SANA CAN HELP DRIVE BETTER MEDICAL E-COMMERCE:



READ OUR 2019 GUIDE TO SELLING PHARMACEUTICALS AND MEDICAL SUPPLIES ONLINE

https://info.sana-commerce.com/int_wp_get-ahead-of-the-amazon-effect-in-medical-e-commerce.html



GET AHEAD OF "THE AMAZON EFFECT" IN MEDICAL E-COMMERCE

