

DR. GSK VELU: INDIAN HEALTHCARE NEEDS MORE "VELU-ADDITION"

Bridging " Medical Technologies & Device" devide between Urban and Rural healthcare.

What is the breakup in market size for Trivitron between tier 1 and tier 2/3?

With the increase in urbanization and the problems related to modern world society, there has been a hike in demand for special care and new age technology infrastructure. This need for the advancement is attracting all the medical manufacturers. Tier 2/3 has a great potential to become a business destination and certainly of high focus for manufacturers like us. The most significant edge Tier 2/3 has over Tier 1 is their cost factor that means economical infrastructure, low service cost, etc.

Trivitron manages to maintain the balance between tier 1 and tier 2/3 with prime vision to provide accessible and affordable healthcare products.

Have you consciously gone after rural India since you began, instead of focusing solely on tier 1? Why or why not?

As a leading manufacturer of medical equipment, it's our responsibility to extend our services in Tier 2/3 cities. In the west, innovation in medical device technology means things to get more expensive but in India innovation has to mean greater access and affordability. Given the dynamic nature of the Indian healthcare market, access to these areas is important.

The Indian healthcare delivery environment, especially in the Tier 2 and 3 market segments, requires proper infrastructure and availability of Medical Technology products for Healthcare providers. Access to affordable healthcare is very important in order to bring continuity in patient care through understanding customer needs. The opportunities in these markets require a well-thought-out strategy for market success. Thus we took conscious decision to reach out to rural markets.

Others, from Phillips to GE, have tried to go after tier 2/3. They have had limited success. Would you say you've been more successful?

With so much diversity in products range and the cut throat competition prevailing into the market, this is quite difficult to mention whose better or who is best. The success of our organization is completely relying on our reach to the customer. Gladly, Trivitron caters a huge volume of business from tier 2/3 cities through direct selling and our channel partners spread all across the country. Regardless, the size of demographic region, tier 2/3 areas has always been a priority market for the organization. Being a domestic manufacturer headquartered in India, we always have the advantage to provide affordable products, quick delivery and active installation services to the healthcare institutions, hospitals, laboratories located in tier 2/3

regions of the country. The strong Indian brands have strong brand equity, consumer demand-pull and efficient and dedicated channel network which have been created over a period of time.

If you have, then what strategy have you employed to reach rural India?

Promoting brands in rural markets require the special dealings. Due to the different social & economic conditions, the personal selling efforts become a crucial factor to play. It is important to clearly define, in the early stages, what you want your rural marketing efforts to achieve. Generally, the rural initiatives of corporate can be classified into:

- ☞ Tactical efforts to achieve increased sales in specific areas, targeting specific audiences.
- ☞ Building a strong equity for a brand in rural India.

Looking at the ground challenges and the opportunities to the marketers and the manufacturers, it can be said that the future is very promising for those who can understand the dynamics of rural markets and make use of them to their best advantage.

Are you bullish on the space now due to Ayushman Bharat?

Ayushman Bharat is a game changer, but the way it is going to get implemented we have to wait and watch because the biggest problem which we are facing in the health care industry is lack of proper infrastructure. We lack manpower, particularly doctors, nurses, and paramedical in order to multiply. We are well advanced in cities and towns of the country, but if you go to the village or PHC level we are actually lacking infrastructure of people, equipment's, processes and operate at level trainings. For making Ayushman Bharat successful, the need of the hour is to build proper infrastructure. Thus in my opinion, public-private partnership will play an important role in this segment. Ayushman Bharat is good initiative as its intent is to cover the entire country through an insurance program, but the real impact would take some time and particularly domestic medical device the industry has to play very, very integral part for success of this.

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