

KANTAR



**Putting consumers at
the center of healthcare**

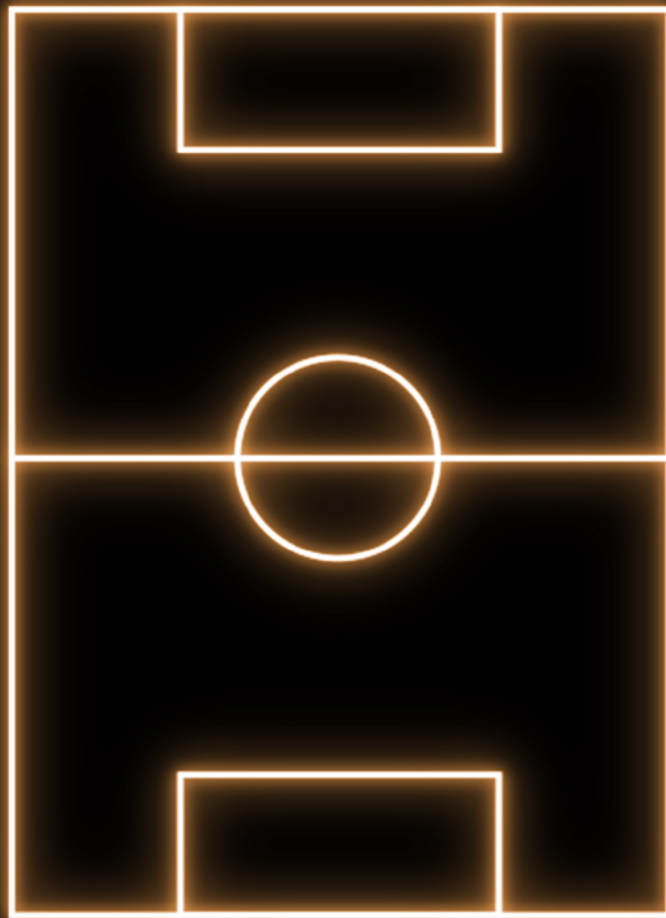
For decades, a person's relationship with their own health has been mostly a top-down affair – with physicians, institutions, hospitals and payers firmly in charge of decision-making. Today, however, a seismic shift is well underway, as individual consumers are increasingly taking control.

These empowered consumers are taking much greater accountability for their own health decisions – proactively managing their health and wellness and increasingly dictating how the healthcare industry operates. This power shift is aided by innovations in digital health and major developments in mobile and connected technologies, which are transforming everything from how we communicate, source information and shop, to how we monitor our health and wellbeing.

Innovations in healthcare technology, such as web-connected mobile health (mHealth) devices and applications, are putting health in the hands of the individual, whether for general health and wellness or for chronic disease management. In fact, since 2015, the use of health-related apps has increased 25%, the use of wearable technology has increased 12.3%, and today 21% of American adults report owning an mHealth device for the purpose of monitoring their health or fitness. There has also been a rise in telemedicine, with 4.8 million U.S. adults having benefited from telemedicine in the past year, marking a 35% increase since 2017,¹ and a projected market value of US \$35 billion by 2025.²

While digital health delivers significant benefit to the consumer in terms of enabling healthcare professionals to provide more informed recommendations to patients, adjust medication dosages, and improve communication, it also allows for remote monitoring of patients. This includes encouraging users to adhere to treatment plans and holding users accountable for their actions.

For digital health companies, pharmaceutical manufacturers and other industry stakeholders to succeed, it's vital that they understand user and physician attitudes towards mHealth devices, as well as relevant regulations around device safety and accuracy. Recognizing the importance of these factors, as well as privacy, trust and cost, will be key ingredients for success as the speed of change accelerates in the mHealth space.



KANTAR

The Field of Play

With a plethora of digital health products – each with their own capabilities and limitations – the first step is to get a comprehensive read on the key technologies.

Health-Related Smartphone Apps

Smartphone-based products are currently the most accessible to the general population, with 85% of Americans owning smartphones—a 21% increase since 2015, and that percentage is growing.³ Many digital health devices and tools connect to smartphones, including wearables, medical-grade devices and smart speakers.

Health-related devices are often aimed at tracking fitness, diet and sleep.

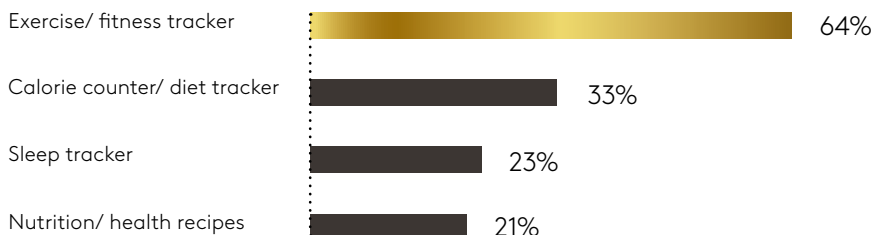
Additionally, while the use of health-related apps has increased 25% since 2015, health-related app users still make up a relatively small percentage of the total population.³

The number of health-related app users varies by age, with Millennials accounting for the highest percentage.⁴ Apps are not only used for general health and wellness, but also for medical purposes. Be My Eyes, for example, connects people with visual impairments and volunteers.

Despite the benefits of health-related apps, there are still drawbacks. Many apps require users to input data manually, such as logging meals and exercise; while other apps that passively track measures like steps have had issues with accuracy.

Healthcare professionals are also using health-related apps, with 57% saying apps are important to their work, and 33% using health-related apps daily. Drug reference, medical calculator, EMR/EHR access, and diagnostic reference apps are the most frequently-used apps among healthcare professionals.⁵

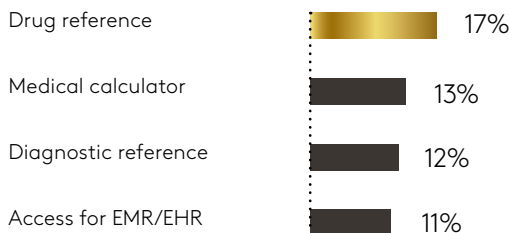
Top Health-Related Apps (among app users)



Top Health-Related Apps (Total Population)



Apps used by healthcare providers on a daily basis

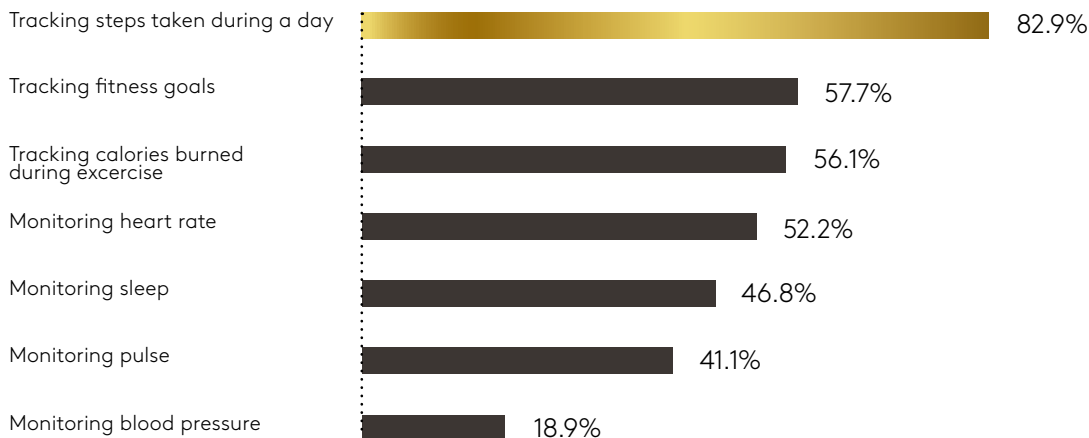


Wearables

The use of wearable technology to manage general health and wellness continues to increase. Currently 21% of American adults use wearable devices to manage their general wellness.⁶ Revenue in this segment is projected to grow at a rate of 5.1% annually over the next 5 years, resulting in a market volume of US \$3.7 billion by 2023.⁷ Wearables for consumer-facing devices are used for tracking steps and achieving fitness goals, as well as monitoring heart rate, sleep, pulse and blood pressure. Passively-collected data can help healthcare providers determine what is affecting patient outcomes, adjust treatments and make lifestyle recommendations.

Although wearables are easier to use than mobile apps because they do not require manual data entry, there are still concerns about accuracy. This has caused healthcare providers to be reluctant to embrace them as reliable tools to monitor patient health, unless the device has proven its accuracy and been approved by the FDA.

For what purposes do you use wearable devices?⁸



Web-Connected Devices for Chronic Disease Management

Regulated by the FDA, medical-grade web-connected devices are used to capture specific measures around specific conditions, and then transmit biometric data to the cloud, enabling healthcare professionals and caretakers to easily access and track patient data so that they can look at patterns and trends, provide more informed recommendations, and make better treatment decisions that ultimately lead to better outcomes for their patients. Medical-grade devices are more expensive than consumer-facing devices and usage of these devices among people with chronic diseases tends to be low—9% of patients with diabetes use a web-connected glucose monitoring system, and only 4% of patients with a heart condition use a web-connected blood pressure monitor.⁶

Smart Speakers and Voice-Enabled Virtual Assistants

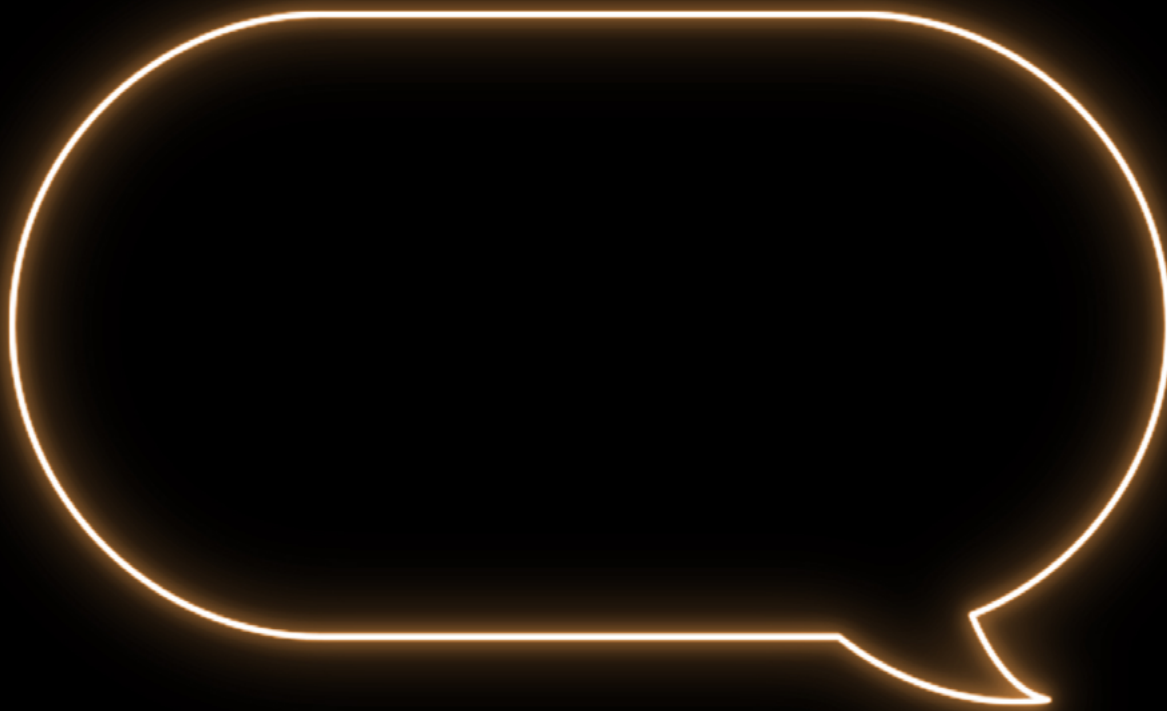
With smart speakers and voice-enabled virtual assistants such as Alexa rising rapidly in popularity, this is an important category of mHealth tools to address. Some devices have highly beneficial capabilities, such as monitoring speech to detect breathing and helping healthcare professionals transcribe clinical notes. Because these devices are voice-enabled, they are easier for people to use, especially those struggling with pain or limited mobility. They can also provide a viable way for people to receive healthcare remotely, including those who don't have access to healthcare services for physical, geographic or financial reasons.

Voice capabilities also provide an experience that feels more personal than other mHealth tools. Users don't feel as though they are interacting with a machine, which is an important factor when dealing with something as personal as healthcare. A 2018 Kantar TNS Request survey found that 20% of American households currently have smart speakers—a 57% increase in the past year.⁹ Ownership levels are increasing rapidly and the rise of voice-enabled devices marks the beginning of a shift as big as the launch of the smartphone in 2007.

The Internet of Things and the Connected Home

With household items increasingly embedded with sensors, connected to the internet and able to record data, these devices are allowing people to monitor their health with innovative products such as sleep-tracking pillows and smart toothbrushes. Digital health applications also allow users to control aspects of their environment that can influence health, such as temperature and air quality, and enable caretakers to monitor the health and wellness of their patients remotely with innovations such as in-floor sensors that detect changes in the gait of patients and mirrors that detect levels of oxygen in the patient's blood.

While many connected health tools have yet to be widely adopted – primarily due to cost and availability – their eventual increase in popularity will provide caretakers with new sources of data to make informed decisions, patients with new ways to monitor their own health and wellness, and categories outside of healthcare with new opportunities to integrate Health Tech capabilities into their products.



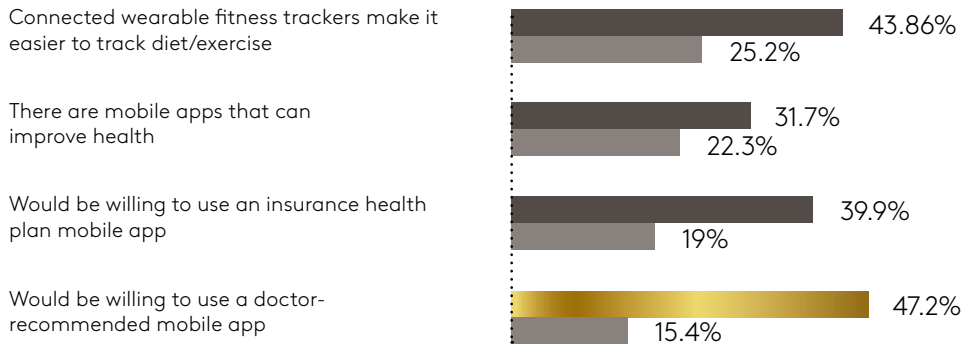
Attitudes Towards Digital Health

To fully grasp the opportunities in digital health, it's necessary to understand how people feel about digital health products and devices. Only by examining consumer's attitudes towards these tools and devices can it be determined where opportunities for growth will develop.

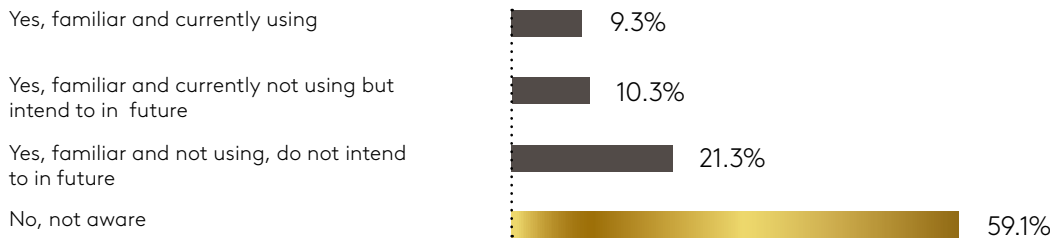
User's Perspective

Attitudes Towards Apps & Wearables¹⁰

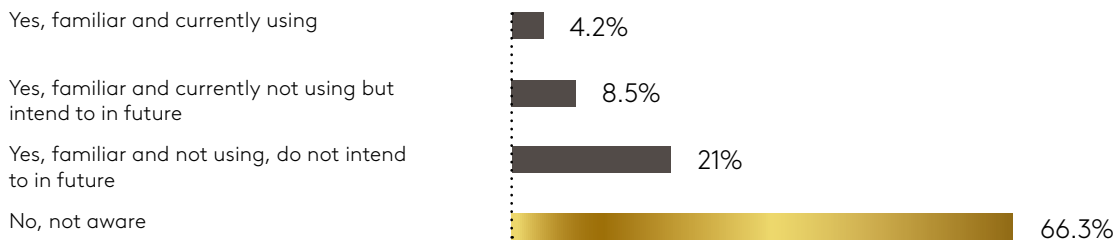
■ Agree
■ Disagree



Are you familiar with web-connected glucose-monitoring systems?¹¹



Are you familiar with web-connected blood pressure monitors?¹²



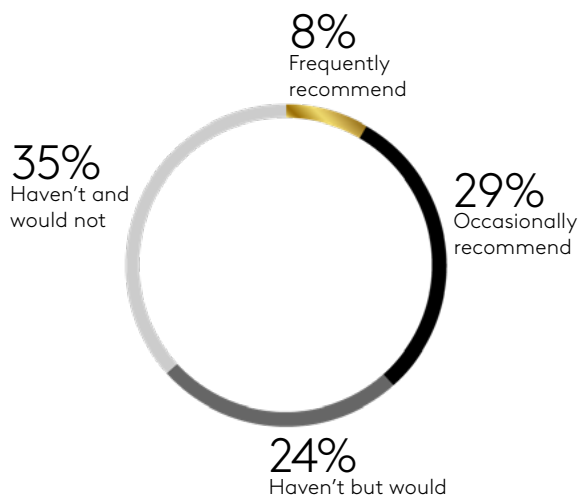
Physician's Perspective

Although most doctors say they have not recommended any general health and wellness apps or wearables to their patients, almost 35% say that they would recommend these tools.¹³

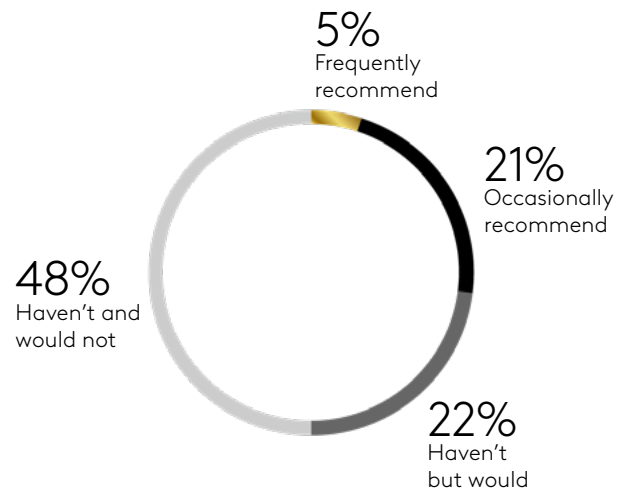
For medical-grade devices, the results are similar, with 70% of doctors saying they have not recommended medical-grade web-connected devices to their patients, but almost 50% saying that they would.¹⁴

While doctors overwhelmingly agree on the benefits of mHealth devices, with 83% believing that patients with chronic conditions would benefit from using mHealth devices or wearables to self-manage and monitor their conditions and 71% agreeing that these devices would better equip their patients to maintain and improve their health, many still have concerns. About 50% say that mHealth and wearable devices are too expensive for many of their patients, and 44% believe that the use of these tools and devices could actually mislead patients into believing that they are healthier or healthier than they actually are. Importantly, 72% say that they would only consider recommending mHealth devices that have been approved by the FDA.¹⁵

Frequency of recommending general health & wellness apps or wearable devices



Frequency of recommending medical web-connected monitoring or measurement devices



Patient Privacy and Regulatory Issues

As the healthcare industry increases its focus on patient centricity, healthcare researchers find themselves gathering insights on and from patients through a variety of channels, including healthcare providers, biometric data, social media and EHR data, as well as more intimate insights from patients themselves.

Privacy and security are more important than ever, as overall, 77% of American adults say they are concerned about the privacy and security of their electronic health information, with this number increasing among older age groups.¹⁶

There are a number of regulations in place to protect health data, including the Health Insurance Portability and Accountability Act (HIPA A), the Health Breach Notification Rule, and the California Consumer Privacy Act of 2018.

Beyond privacy, there are additional FDA and FTC regulations and guidelines that are relevant to the digital health space, aimed at protecting consumers and promoting fair and transparent practices among businesses.

While real world data presents much opportunity, it also presents much risk. Understanding the “patient as a person” – without violating patient privacy – can be extremely challenging. When patient data is collected and analyzed, the sensitivity level around this data needs to be raised another notch to ensure data protection requirements are met.

Demand for healthcare research involving patients will continue to increase, especially since the industry is realizing that in order to ensure that prescription drugs, medical devices, and related services and programs truly meet the needs of patients, more information from and on patients is required. The healthcare industry recognizes that to answer the many key questions at hand it needs comprehensive patient insights. Successfully navigating through compliance issues and regulatory mazes is a key component of success.

I am concerned about the privacy/security of electronic health information (age 18+)¹⁷

74% Centennials
(18-20)

75% Millennials
(21-38)

77% Gen X
(39-53)

78% Baby Boomers
(54-74)

81% Matures
(75+)

Barriers to Digital Health

Beyond privacy, which is itself a barrier to digital health, awareness is a significant barrier to the use of medical-grade web-connected devices, with 59% of diabetes patients unaware of the availability of web-connected glucose monitoring systems and 66% of patients with heart conditions not aware of web-connected blood pressure monitors.¹⁸

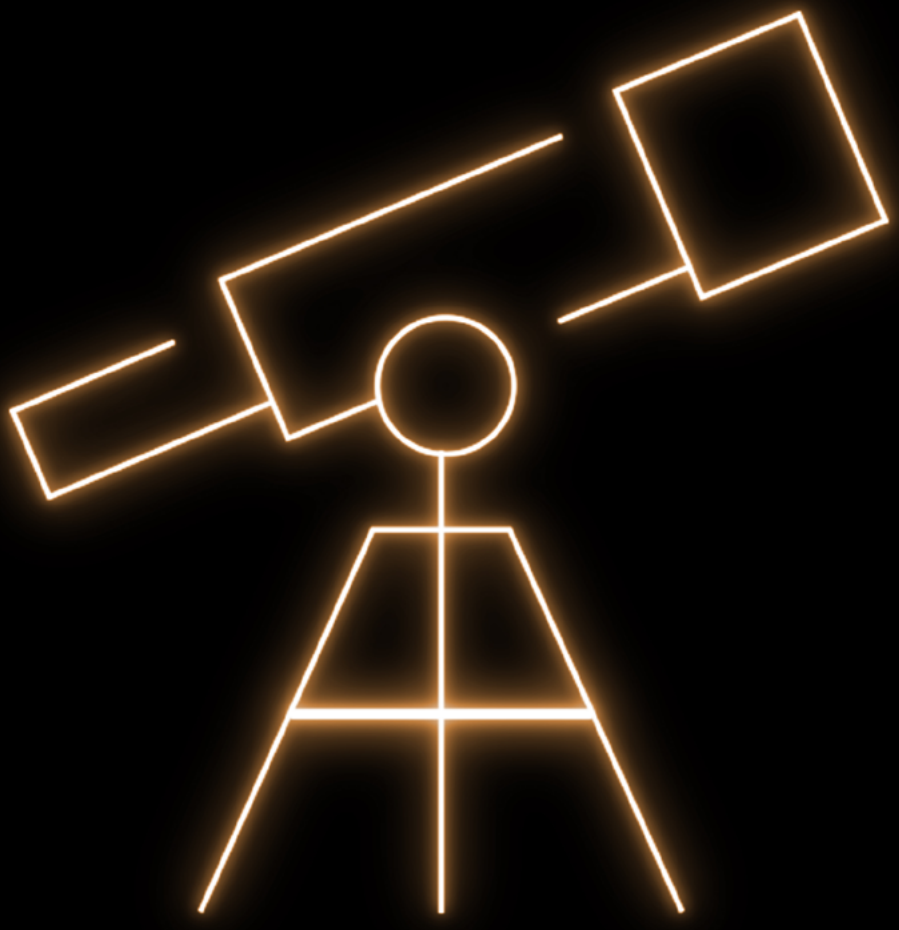
Many digital health products are also expensive – 50% of physicians say that mHealth and wearable devices are too expensive for many of their patients.¹⁹ Additionally, many physicians are concerned with the ongoing challenge of patient behavior, including patients not using their devices correctly or consistently.

Digital health devices should help Americans more easily manage their health and wellness. However, if people view a digital health product as just another chore on their to-do list, or if a digital health product provides information that is either difficult to understand or irrelevant to their lives, the product will have less of a chance of being successful.

Expanded Opportunities

As consumer spending on health and wellness grows, and lives become increasingly connected, personalized and automated, the scope of digital health will continue to expand into areas beyond healthcare, including automotive and home.

In automotive, the rise of the connected car has many automotive businesses looking to integrate health and wellness features into their vehicles – from glucose data displayed in the car's dashboard, to embedded heart monitors and telemedicine capabilities.



Looking Forward

While Health Tech is disrupting many aspects of the healthcare space, it's critical for key healthcare stakeholders to identify barriers for wide-scale patient adoption of digital health tools and to invest in solutions for overcoming these challenges and improving user's health-related quality-of-life.

Healthcare is clearly evolving toward a greater focus on the patient, information and holistic wellness, and these devices will be front and center for that movement. Any entities that choose to ignore these technological developments risk ending up like companies that discounted the impact of the Internet. They quickly became obsolete!

Opportunity and growth in digital health markets will always come from understanding people's motivations, needs, and challenges, and then finding ways to improve their lives. For businesses that are able to rise to the challenge and successfully navigate this landscape, the payoff will be extremely rewarding.

Sources

- ¹ Kantar Media MARS Consumer Health Survey, 2017/2018
- ² Statista, Total U.S. telemedicine market size forecast 2014-2025
<https://www.statista.com/statistics/938551/telemedicine-market-size-forecast-united-states/>
- ³ Kantar Media MARS Consumer Health Survey, 2017/2018
- ⁴ Kantar Media MARS Consumer Health Survey, 2017/2018
- ⁵ Kantar Media Physician Sources & Interactions Study, 2017/2018
- ⁶ Kantar Media MARS Consumer Health Survey, 2017/2018
- ⁷ Statista, Wearables, United States.
<https://www.statista.com/outlook/319/109/wearables/united-states>
- ⁸ Kantar Health National Health & Wellness Survey, 2018
- ⁹ Kantar TNS ReQuest Survey, Q2 2018
- ¹⁰ Kantar Media MARS Consumer Health Survey 2017/2018
- ¹¹ Kantar Health National Health & Wellness Survey, 2018
- ¹² Kantar Health National Health & Wellness Survey, 2018
- ¹³ Kantar Media Sources & Interactions Medical Surgical Study 2017/2018
- ¹⁴ Kantar Media Sources & Interactions Medical Surgical Study 2017/2018
- ¹⁵ Lightspeed Health survey of 222 primary care physicians, conducted August, 2018
- ¹⁶ Kantar Consulting U.S. MONITOR, 2017
- ¹⁷ Kantar Consulting U.S. MONITOR, 2017
- ¹⁸ Kantar Health National Health & Wellness Survey, 2018
- ¹⁹ Lightspeed Health survey of 222 primary care physicians, conducted August, 2018

KANTAR

Kantar is one of the world's leading data, insight and consultancy companies. Working together across the whole spectrum of research and consulting disciplines, its specialist brands, employing 30,000 people, provide inspirational insights and business strategies for clients in 100 countries. Kantar is part of WPP and its services are employed by over half of the Fortune Top 500 companies.

For more information visit www.kantar.com.



KANTAR