

Growing with Kapsule

CaseCatalyst Competition 2024
Team 17



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Executive summary



Key Question

How can Kapsule expand into a **new country**, while **diversifying** its revenue and securing **recurring** income streams?



Roadblocks

Lack of **global** healthcare data for profit driven firms and pharmaceuticals

Lack of stickiness, and Kapsule gaining only project-based contracts

Lack of **diversified revenue streams** apart from data solutions and consulting

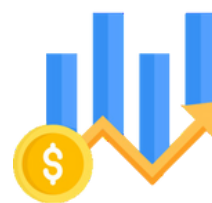


Solution

Expansion into India
Aggregating data from India and other large countries to increase database

Bespoke client packages
Providing subscription-based customisable packages from client request





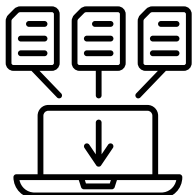
Selling AI training data
Specifically, for healthcare image analysis, a booming market



Impact

Reaching multiple **new clients** and building **reliable revenue** while serving as a global data provider at the forefront of **AI healthcare**.

Overview of three countries and comparison

	Indonesia	India	Brazil
 Population size	270 million	<u>1.429 billion, with 2000 ethnic groups</u>	215 million
 % GDP to healthcare	3.71% of GDP (2021)	2.1% of GDP (2023)	<u>9.47% of GDP (2023)</u>
 Digital health market size	2024: US\$ 2.296 billion 2029 projection: US\$ 3.647 billion (9.70% CAGR)	<u>2024: US\$5.34 billion</u> <u>2029 projection: US\$9.90 billion</u> <u>(13.14% CAGR)</u>	2024: US\$ 3.171 billion 2029 projection: US\$4.965 billion (9.25% CAGR)
 % private hospitals	63.38%	<u>67%</u>	62%
 Digitisation initiatives	Government launched “Blueprint of Digital Health Transformation Strategy” (BDHTS) in 2024: just beginning health-tech initiatives	Established healthcare data initiatives: Integrated Disease Surveillance Program (IDSP) and Ayushman Bharat Digital Mission (ABDM) Hospitals have adopted EMR/EHRs	LGPD (Lei Geral de Proteção de Dados): enforces data privacy laws. Committing US \$200 million for health IT upgrades in 2023

Merits of expanding into Indonesia and Brazil

Indonesia

- 4th most populated country (270M)
- 63.38% of hospitals are privately-owned
- Digital healthcare market size: US\$2.296 billion
 - Growth projection of ~9.7% CAGR
- Currently, low state of digitisation: just launched "Blueprint of Digital Health Transformation Strategy"
- Allocation of GDP of healthcare: 3.71%

Brazil

- Highest population in Latin America (215M)
- 62% hospitals are privately-owned
- Digital healthcare market size: US\$3.171 billion
 - Growth projection of 9.25% CAGR
- Some digitisation: some data security laws and US\$200M government investment in health IT upgrades
- **Highest allocation of GDP for healthcare: 9.47%**

BUT despite this, we chose India

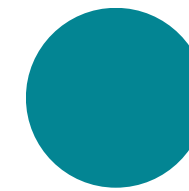
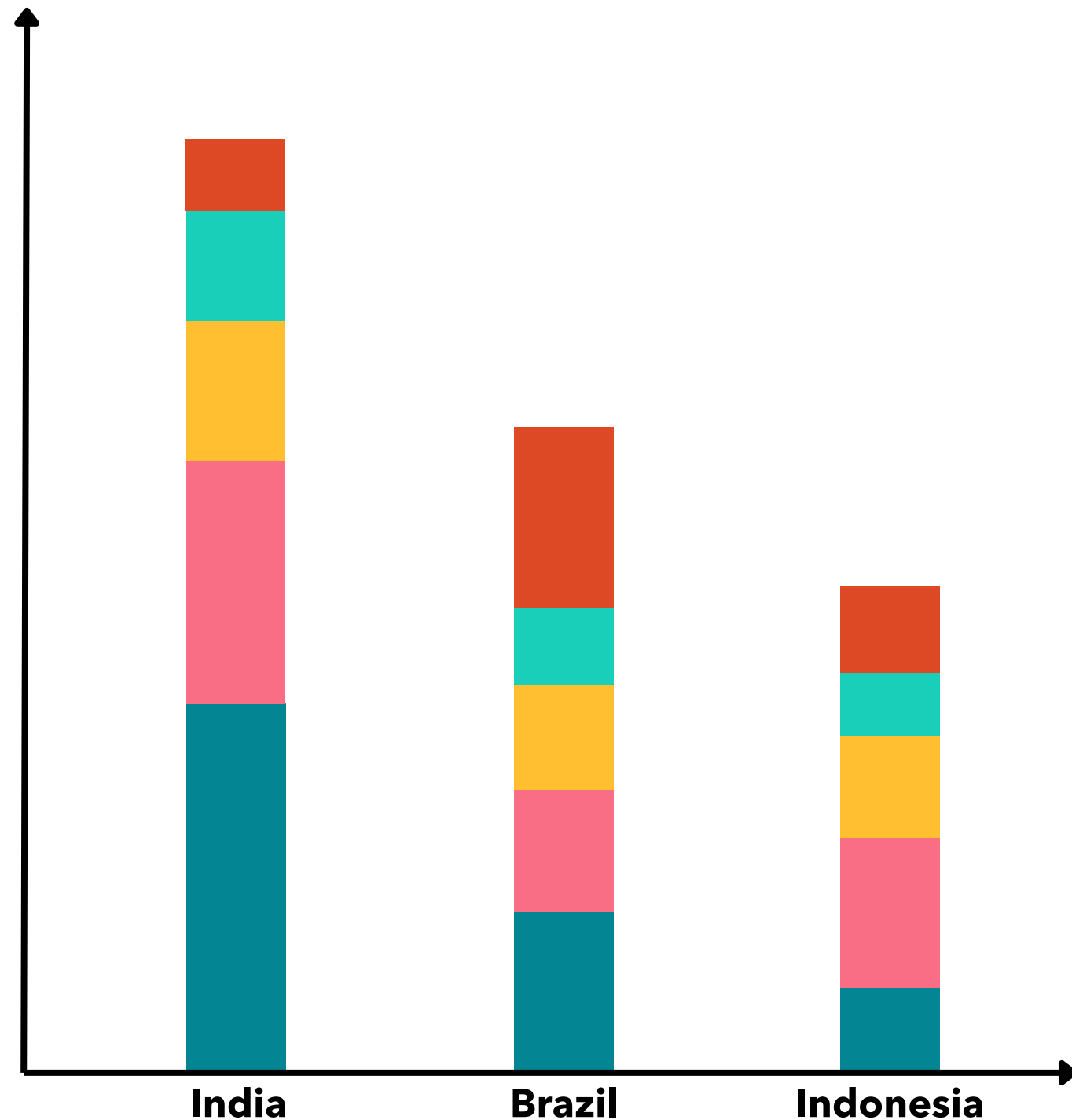
- **Highest** population: 1.429 billion
- **Highest** Growth potential: 13.14% CAGR
- **High** digitisation: government initiatives (ABDM, IDSP) and hospital adaptation of EMRs
- **Highest** percentage of private hospitals: 67%

Additionally...

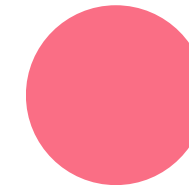
- Private equity investments of **USD \$5.5 billion** in 2023
- **Lowest level** of governmental corruption (according to Corruption Perception Index)

3-way comparison of expansion viability

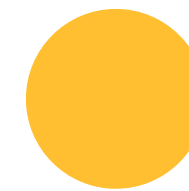
Viability of expansion



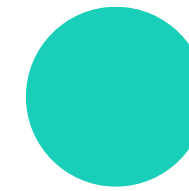
Extent of hospital and government digitisation:
A higher level of digitisation Kapsule can easily enter market and begin data aggregation



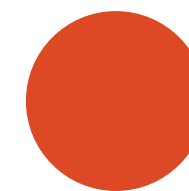
Size of digital healthcare market and CAGR:
a higher level enables Kapsule's returns long-term



Percentage of private hospitals: more private hospitals makes it easier to establish data partnerships



Population size: larger population creates a larger and more comprehensive data set



Allocation of GDP to healthcare: larger allocation suggests more growth in healthtech in the future and opportunity for Kapsule's expansion

5-year Timeline



Growth strategy



Revenue diversification: Provide AI Image analysis data

Product offerings

Creation of a testing environment for image analysis AI models

Provide a sandbox environment and charge on a usage-based model to retain consistent revenue

Selling AI image analysis data to relevant tech companies

Sell via a private dataset to create a subscription based business model

Steps for implementation

Data Aggregation from loyal health partners

Cleaning and labeling data

Product launch and maintenance

Creation of sandbox training and testing environments

Reasons for Kapsule providing image analysis data



Over **11 billion USD** invested into healthcare AI in 2024 paints it as a field where Kapsule can monetise



Kapsule has the **necessary healthcare partners** in Africa to obtain images of scans for AI data aggregation



Inclusion of **under-represented** demographics in Image analysis models, making it safer in practice



Data from under-represented demographics is considered unique and **valuable**, giving Kapsule a **leverage** in the Market

Client Engagement and Retention

Strategy

1 White papers

2 Conferences

3 Customisable packages

4 Newsletters

Implementation

Writing case studies on Kapsule's data solutions that brought exemplary results

Display wide range of services in conferences with 100s of participating companies

Allow clients to choose between data packages. Packages include type of service (data, insights, or both), country and healthcare trends

Kapsule-Collate: monthly newsletter about Kapsules efforts to aggregate high-quality data
Kapsule-Connect: biannual newsletter detailing the accomplishments clients made with Kapsule's help

Benefit for Kapsule

Clients **realise** Kapsule's data capabilities, **increasing acquisition**

Firms are **exposed** to Kapsule's services, **increasing acquisition**

Clients customise services to their needs, **boosting retention**

Clients are informed about Kapsule's improving datasets and importance to their operations, **boosting retention**