

ARE INDUSTRY LINES BLURRING OR THICKENING?



Rohan Kulkarni

Practice Leader – Healthcare and Life Sciences
HFS



Melissa O'Brien

Executive Research Leader
HFS

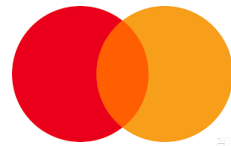
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Industry lines are blurring as enterprises in multiple industries stretch into healthcare

Big Tech



Financial



Retail



Other



Industry lines are blurring...

One Medical signed a deal to be acquired by Amazon for \$3.9B pending regulatory approvals. One Medical, a San Francisco-based national primary care provider delivers services through both virtual and in-office modalities. Amazon's potential acquisition scales up its Amazon Care offering with One Medical's more mature and experienced offerings.

Implications

- All Amazon Prime customers will likely have access to One Medical for free for 12 – 18 months
- Amazon's deep consumer insights will feed and enhance patient engagement
- A whole person health approach with nutrition (Whole Foods) and primary care (One Medical)

Opportunities

- **Adoption:** Amazon will likely encourage consumers to use care outside of health insurance, leveraging retail expertise to drive adoption.
- **Whole person health data:** A full lifecycle approach from health food to primary care to pharmacy to high quality after service support.

Challenges

- **Engagement:** Health consumer behavior is not the same as a retail behavior. Amazon's retail approach unlikely to meet health consumer needs.
- **Outcomes:** Can Amazon impact the triple aim of care? What sort of a partnership ecosystem will be needed to do that?

Questions for discussion

- How real is the shift?
- What does that mean to you?
- Where should you consider investing and where you should start pulling back?



...or are they thickening?

Many companies opt for simplification, focus, and creating maximum shareholder value. Is this a pandemic-induced pharma exception due to vaccines, or will an economic downturn push other industries to follow suit?

GSK Spins Off \$36 Billion Consumer-Healthcare Business Haleon

Pharmaceutical giant sheds toothpaste-to-painkillers arm to sharpen focus on drugs and vaccines

Sanofi offloads 16 consumer health brands to Stada amid CEO Hudson's refocusing effort

It's a spinoff: Novartis parts ways with Sandoz just as its generics biz shows signs of recovery

J&J to spin off consumer products and focus on pharmaceuticals

3M Announces Plans to Create Long Term Value Through Spin-Off of Health Care Business

GE Is Worth More in Pieces. Wall Street's Math Shows Why.

EY bosses approve radical break-up of Big Four firm

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About HFS

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