



# Business Analysis Fundamentals -BUS701 CW-2

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Medtronic

The Medtronic logo is displayed on a large, semi-transparent circular graphic. The graphic has a dark blue background with a gradient of light blue and purple bokeh-like particles. The word "Medtronic" is written in a white, sans-serif font, centered on the circle.



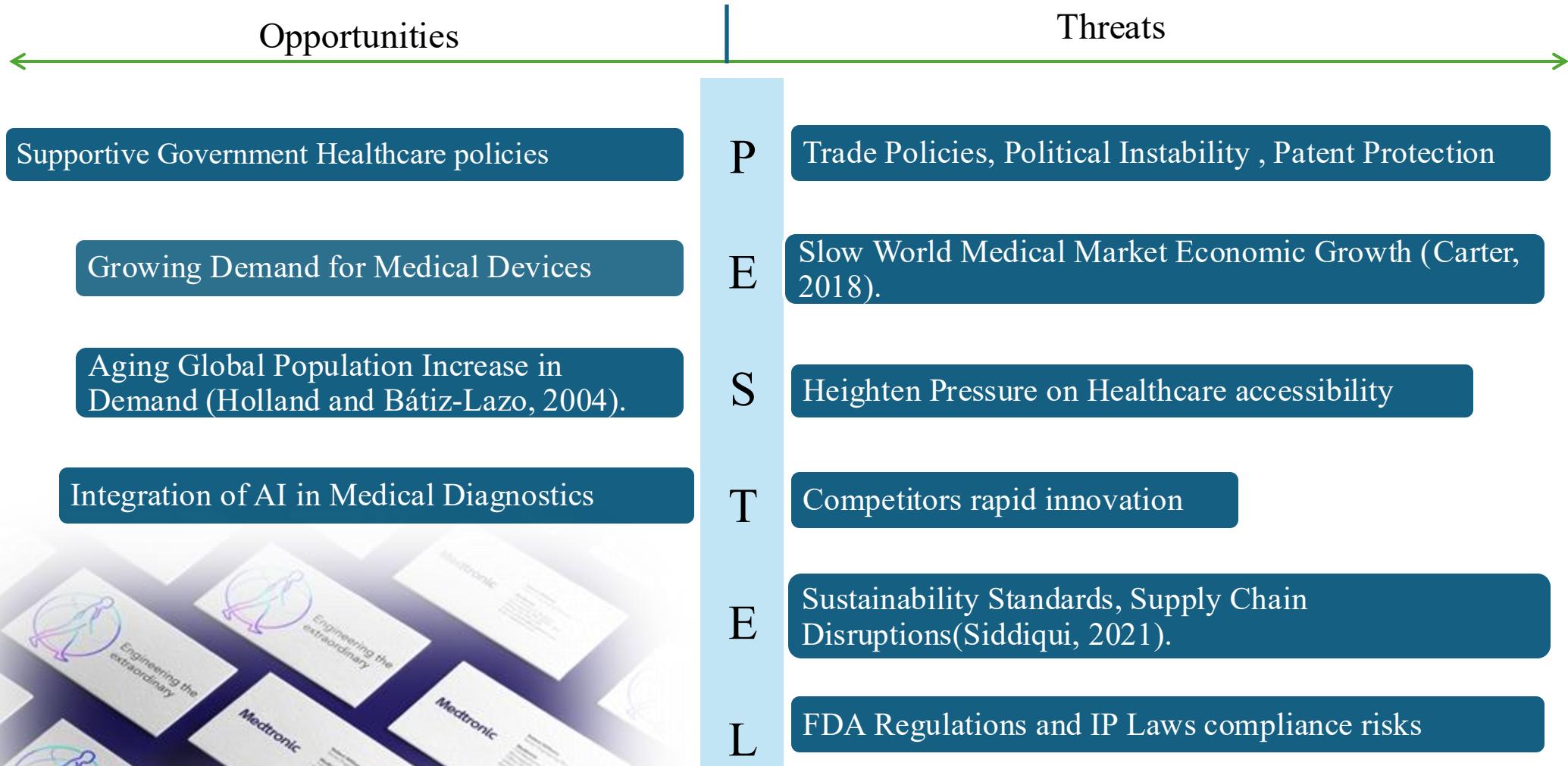
# Medtronic

- A global leader in healthcare technology since 1949, with 95,000+ professionals across 150 countries.
- From inventing the first battery-powered pacemaker in 1957 to advancing diabetes care and supporting global health during the pandemic, the company continues to transform care through AI-driven innovations and robotic-assisted surgery (Medtronic, 2025).

# PESTEL Analysis on Medtronic

- PESTEL - provides comprehensive view of external challenges and opportunities
- Helps anticipate global healthcare policy shifts, regulatory risks, and technological trends.
- Aligns Medtronic's innovation, sustainability, and partnerships with the external environment.
- As Siddiqui (2021) notes, PESTEL is particularly useful in healthcare to understand the complex interplay of external factors that shape business decisions.

# Pestel Analysis - Medtronic



# TWOS Matrix Analysis on Medtronic



For Strategic Alignment



For Turning Threats into Growth Paths

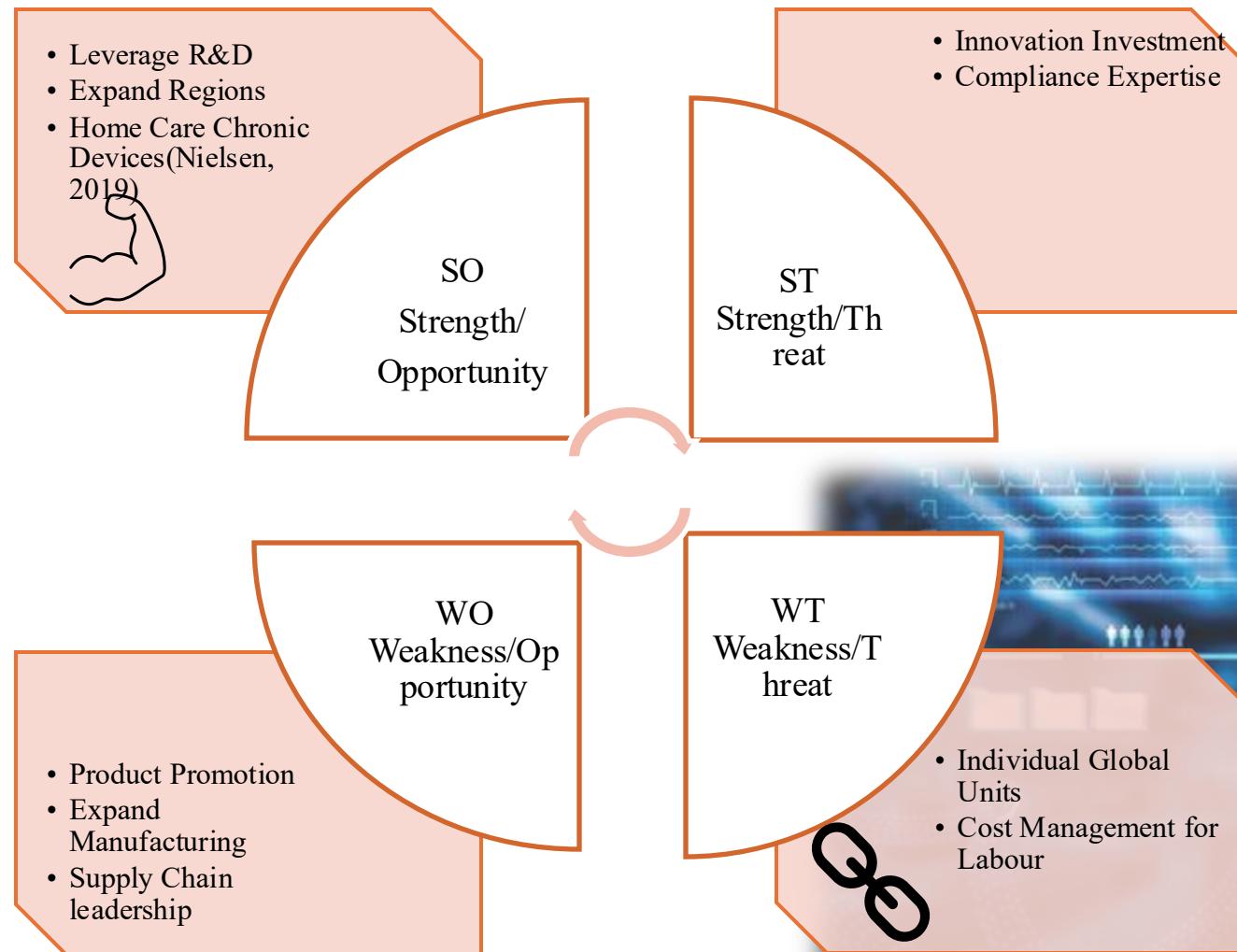


Maximizing Opportunities in Digital Health



Balance internal challenges and external capabilities

# TOWS Matrix – Medtronic Plc





# Porter's 5 Forces Framework on Medtronic

- Understand **industry dynamics and external pressures**.
- Benchmark its position against rivals.
- Identify strategies for **sustained competitive advantage** (e.g., innovation, partnerships, sustainability).
- As Holland & Bátiz-Lazo (2004) and Scott Morton (1997) suggest, competitive forces strongly shape how firms in healthcare and pharmaceuticals position themselves globally.

# Porter's Five Factors Framework

## Threat of Substitute(Low)

- Less Preference to Ayurveda, Homeopathy
- Cultural Ancient Medical Practices



## Bargaining Power of Suppliers(High)

- Dependence on Few Suppliers
- Uniqueness of Products
- Switching Cost (Bajada et al., 2015).



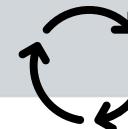
## Bargaining Power of Buyers(Varies)

- Product Importance
- Prescription from Doctor
- Purchase Quantity



## Threat of New Entrants(Moderate)

- High Capital Investments
- FDA Regulations (Scott Morton, 1997)
- Manufacturing Complexity



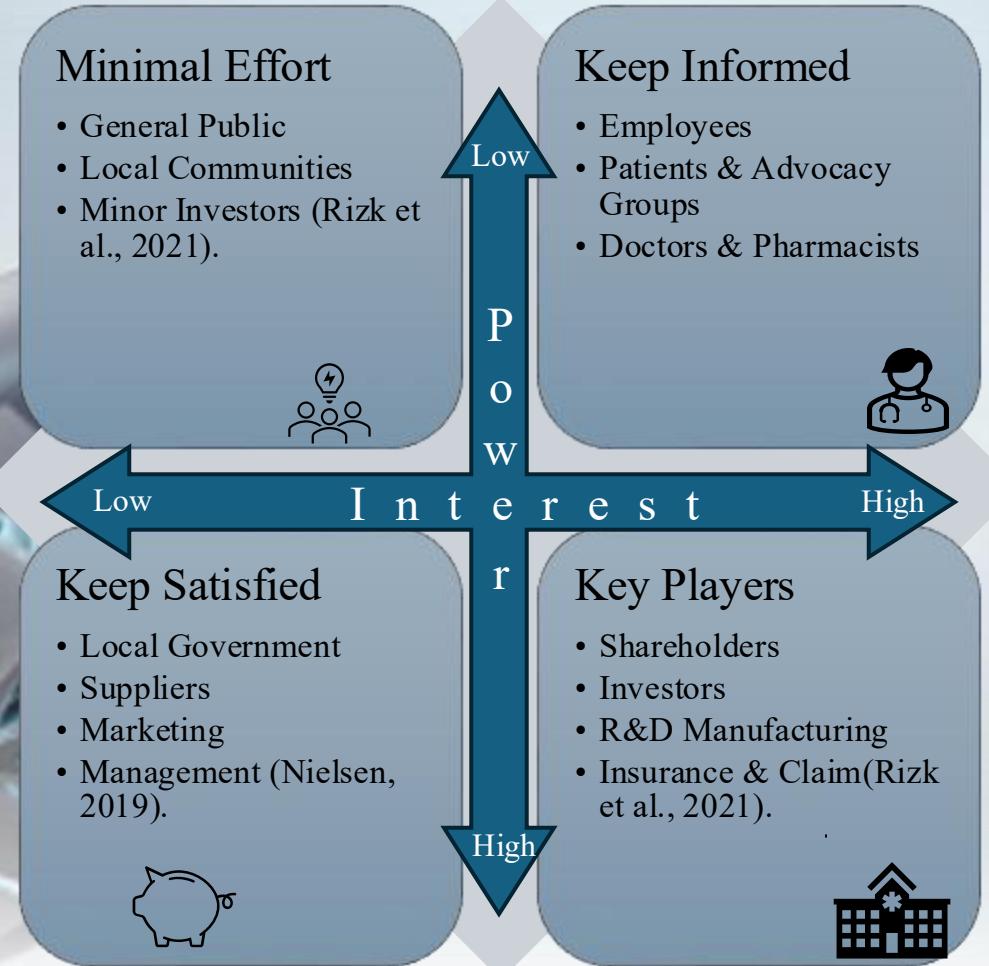
## Competitive Rivalry(High)

- Global Competition
- Fixed High Cost
- Innovation , R&D investments



# Mendelow's Matrix for Stakeholder Mapping

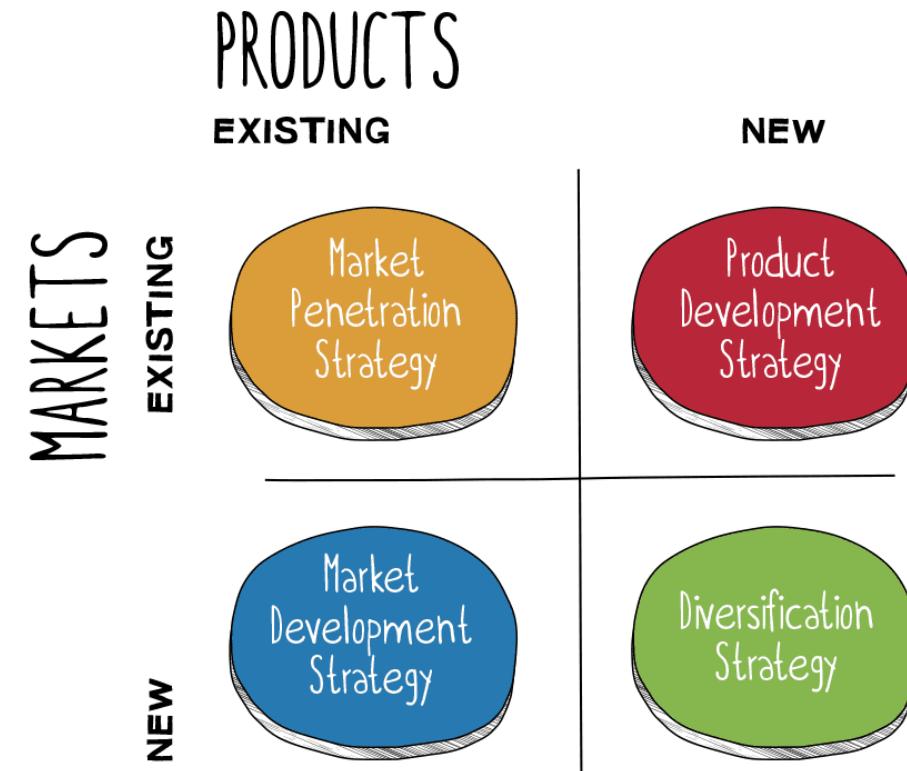
Medtronic



## ANSOFF Matrix on Medtronic

- Provides a **structured framework for growth strategies**.
- Encourages a balance between **defending core markets** and **exploring new opportunities**.
- Aligns with Medtronic's strengths in **innovation, global reach, and partnerships**.
- As Siddiqui (2021) notes, strategic tools like Ansoff help healthcare businesses navigate external complexity while identifying structured growth pathways.

## THE ANSOFF MATRIX



# Medtronic – Ansoff Matrix

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- **C- Market Development** (Existing products – New Market) is the positioning for Medtronic as per the Ansoff Matrix as a pharmaceutical company providing both healthcare services and devices

## Justification :

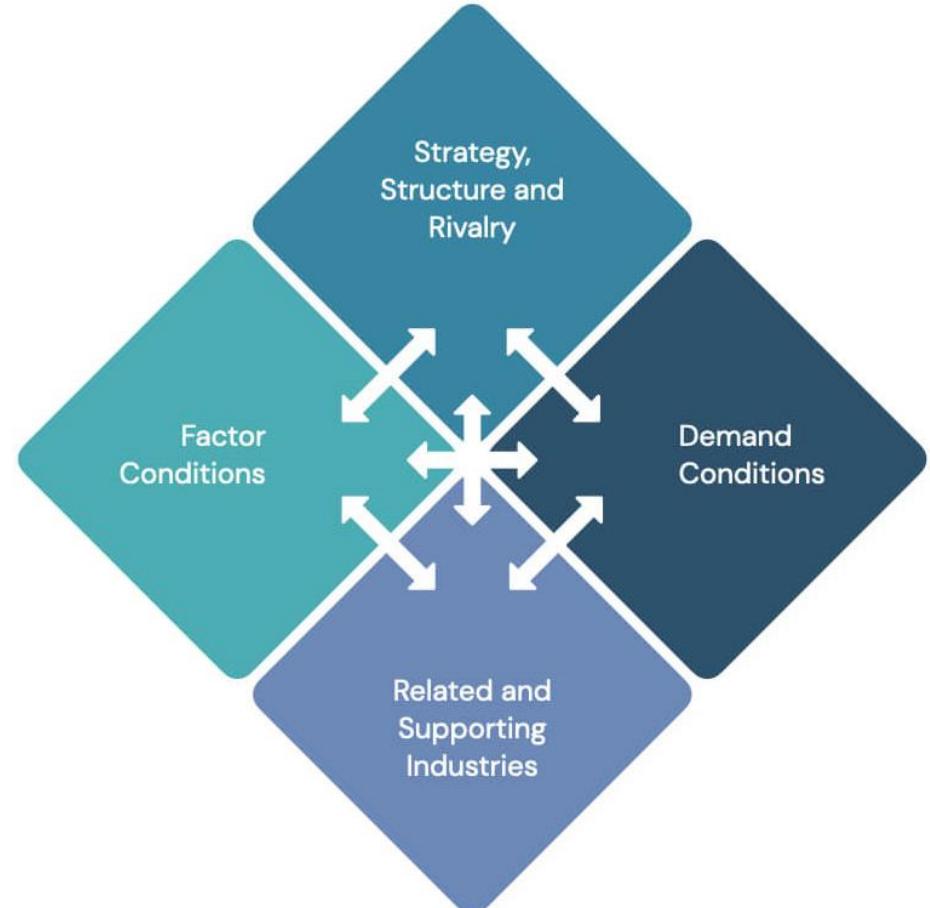
- Medtronic launched **targeted marketing campaigns** to strengthen presence in emerging healthcare markets.
- The company aims to expand internationally with a projected **\$15.3 billion in revenue from global markets by 2025** (DCF Modelling, 2024).
- Medtronic identified **3,500 potential new hospital network partnerships** across emerging markets (Medtronic, 2024).
- The company invested **\$2.1 billion in international market expansion** in 2022.
- Medtronic demonstrates a strong commitment to **advancing healthcare technology globally** (Medtronic, 2024).



# Porter's Diamond Framework - Medtronic

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- Explains how **home and host-country environments shape competitive advantage**.
- Shows how **demand, government, and rivalry fuel innovation**.
- Helps Medtronic identify **where and how to expand globally** while staying competitive.
- As Holland & Bátiz-Lazo (2004) note, analysing global healthcare industries requires frameworks that capture **national and international competitiveness**, making Porter's Diamond an ideal tool.



# Porter's Diamond Framework

## Factor Conditions:

- Strong **capital resources** fund innovation and growth (Essay48, n.d.).
- Investment in **HR and R&D** sustains competitive advantage.
- **Infrastructure support** boosts markets and local economies.

## Related and Supporting Industries :

- **Global suppliers** (65,000+ in 134 countries) ensure accessibility (EY, n.d.).
- **Rivalry with J&J and Abbott** drives innovation and expansion.
- **Partnerships** (e.g., Blue Yonder, IRACD NA) boost global growth (Banga, 2024).

Medtronic

## Demand Conditions :

- Large **domestic market** supports global expansion.
- **Demanding customers** drive innovation.
- **Domestic demand** shapes tailored healthcare solutions.

## Strategy, Structure & Rivalry:

- Medtronic drives growth through **AI-powered innovation** (Medtronic, 2025).
- A global **organizational structure** supports efficiency and collaboration.
- Strong **rivalry with global players** fuels competitiveness.

# Business Proposal -Digital Health Ecosystem Platform for sustained competitive advantage

## Platform Concept

- Individual Healthcare Monitoring with Personalized Patient Centric Vision for long-term sustainability (Benis et al., 2021).
- Explainable AI ensures fair, accurate, and reliable healthcare decisions. Hasan et al., 2023).

## Strategic Objective

- Expanded Market share by 20% by 2030 through integrated solutions
- Enhanced Global Brand Recognition (Hasan et al., 2023).
- Create new revenue streams from subscription-based digital health services. (Mauro et al., 2024).

## Competitive Advantage

- Strong business continuity, sustained market position, and reliable data integrity. (Chotia et al., 2023).
- Technology leadership and collaborative healthcare ecosystems.

## Strategic Approach

- Training to Healthcare professionals to ensure adaptation as 70% of potential customers prefer to know a company through content not just promotion
- Providing access for everyone and everywhere -Localized affordability models in emerging markets (tiered pricing, NGO collaborations).

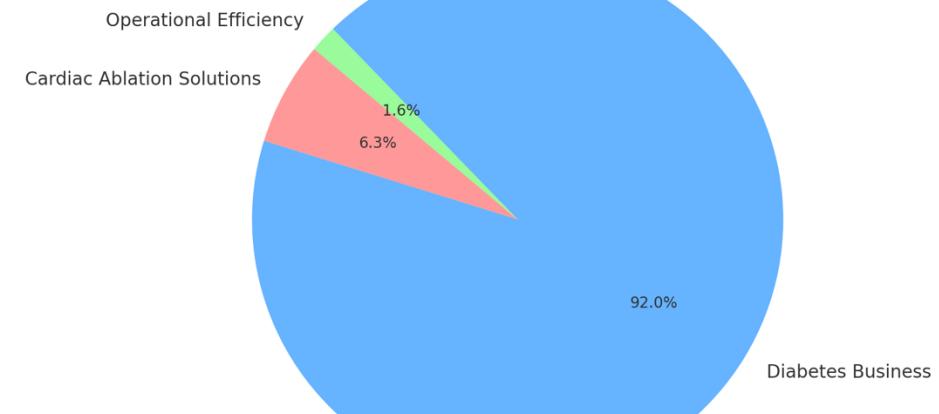
## Revenue Enhancement & Benefits

- Moves Medtronic from a medical device maker to a healthcare solutions ecosystem leader.
- Enhances the efficiency of financial management and reduces costs, ultimately increasing the financial flexibility of the enterprise (Fan et al. ,2024).

# Revenue Enhancement & Benefits

- Medtronic's digital initiatives are driving growth across several key areas :
- **Cardiac Ablation Solutions:** Revenue increased by nearly 50%, with U.S. sales rising 72%, attributed to innovations like pulsed field ablation technology.
- **Diabetes Business:** Achieved \$728 million in Q4 FY2025 revenue, a 10.4% year-over-year growth, reflecting strong demand for diabetes management solutions. (Medtronic, 2025)()
- **Operational Efficiency:** Digital tools have streamlined operations, contributing to a 13% increase in operating profit and a 70-basis point improvement in operating margin in Q1 FY2026. (Medtronic ,2025)()

Medtronic Digital Initiatives Contribution (Relative Scale)



# Implementation Road Map



## Planning and Design (1-3 Months )

System Design and Architecture – Setup Process and Approach AI solution Plan



## Technical Integration (4-8 Months)

Gathering Data from 3500 hospital network partnership worldwide (Medtronic, 2024).



## Pilot implementation(9-15 Months)

Training Infrastructure to Adaptation Marketing and Promotion , Awareness Co- Development Partnerships



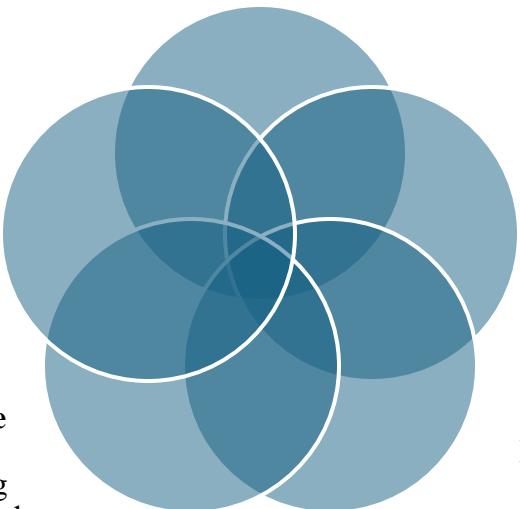
## Global Implementation(16-24 Months)

Expanding to new markets and Maintaining 24/7 responsive service. (Medtronic, 2025).

Global Scale of AI driven medical devices with diverse

# Risks & Mitigation

**High R&D costs & uncertain ROI -**  
->Stage-gate investment model, focus on scalable platforms first.



**Adoption resistance from healthcare providers -**  
->Training centers, incentives, and co-development partnerships.

Cyber Security Threats  
-> Invest in robust cybersecurity frameworks (Chotia et al., 2023).

Competition from Rivals (J&J, Abbott, Stryker) -  
-> Differentiate via AI-driven innovation and stronger partnerships.

## Metrics & KPI:

**International revenue growth** (Target: \$15.3 billion by 2025) (Medtronic, 2025a).

**Clinical trial success rate for new technologies** compared to industry benchmarks (Wu and Luo, 2010).

**Supply chain resilience score** (measured by on-time delivery >95%) (EY, n.d.; Banga, 2024).

**Customer satisfaction (Net Promoter Score, NPS > 70)** across global markets (Andolina et al., 2023).

**Annual revenue growth rate** (Target: 6–8% CAGR by 2028) (Medtronic, 2025b).

**Business continuity readiness index**, ensuring supply stability and resilience (Fan et al., 2024).

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