

# Strategy Analysis on AI in Healthcare Industry

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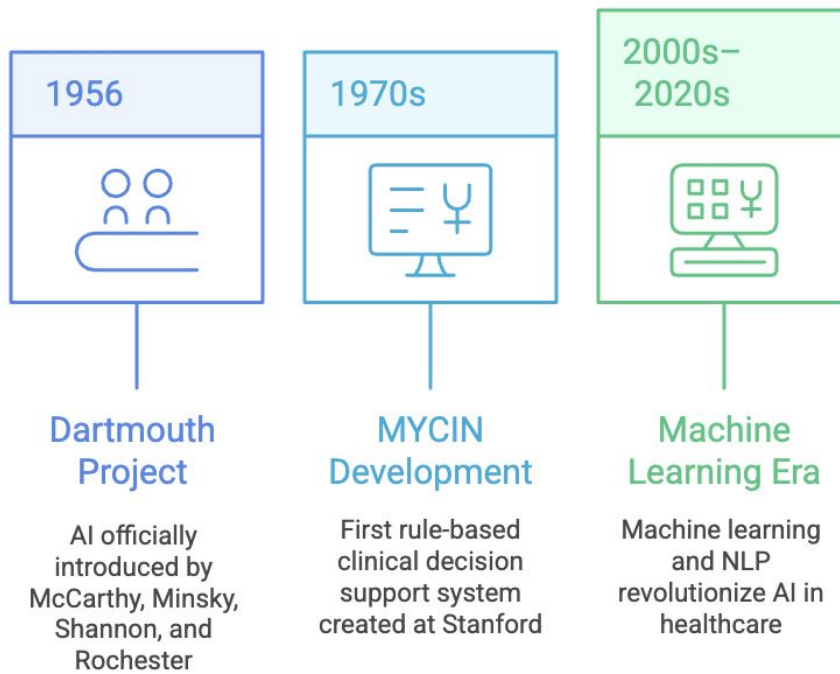
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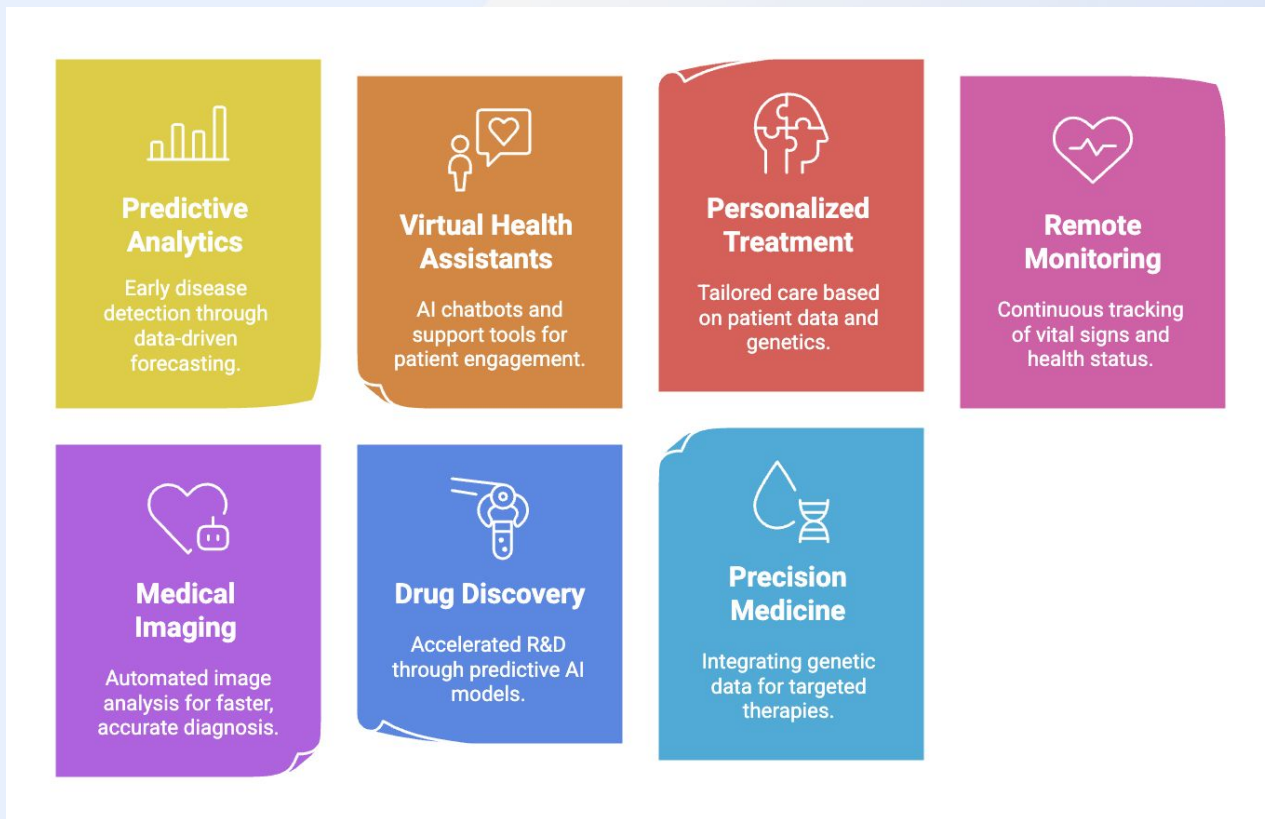
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# Introduction: The AI Revolution in Healthcare

## A Brief History of AI in Healthcare



# Introduction: The AI Revolution in Healthcare - Use Cases



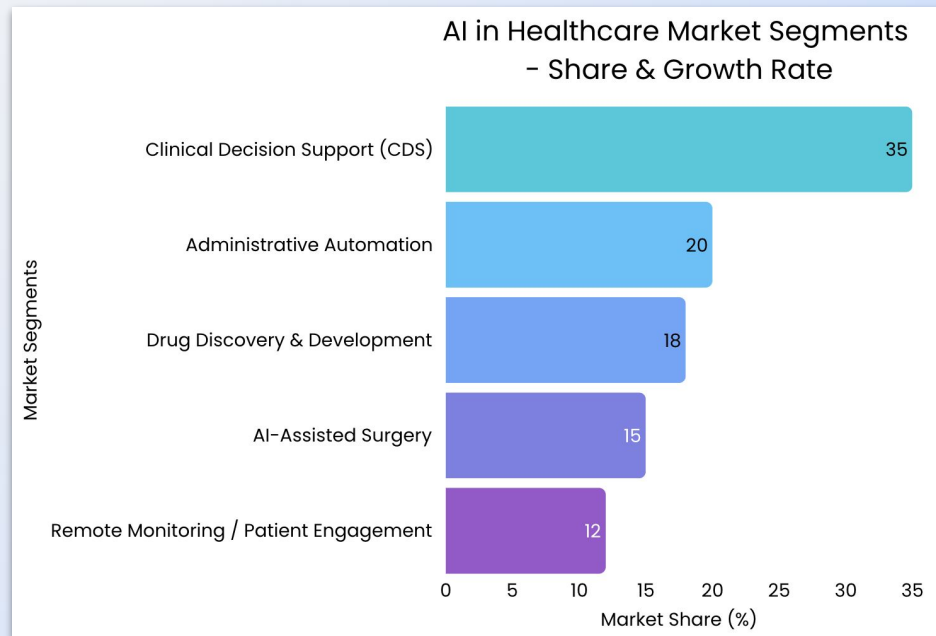
# Industry Overview: Market Size & Industry Insights

## Market Size:

- Global Healthcare Market  $\approx$  \$12T
- AI in Healthcare Market  $\approx$  \$14.9B
- AI in Healthcare Market Share  $\approx$  0.13%

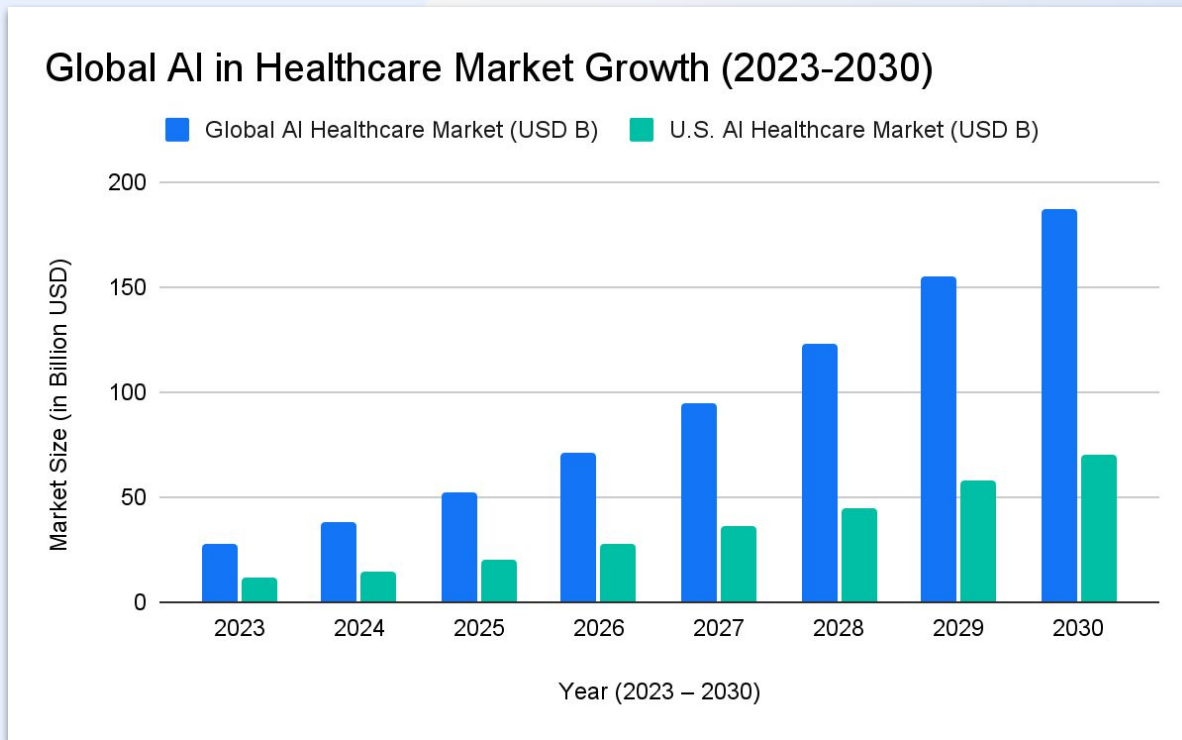
## Industry Insights:

- Annual Growth Rate  $\sim$  38%
- Administrative & Clinical Decision Support
- Accelerated AI tools approvals by FDA
- Asia is growing fastest in healthcare AI



Market segmentation by application area (in % share, 2024).

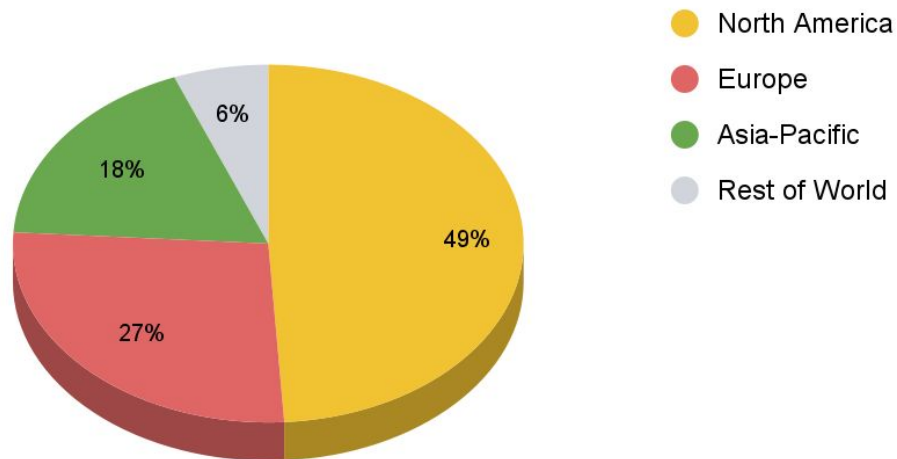
# Industry Overview: Market Growth



Measured in Billion USD; CAGR ≈ 37% (MarketsandMarkets, 2024)

# Industry Overview: Regional Share

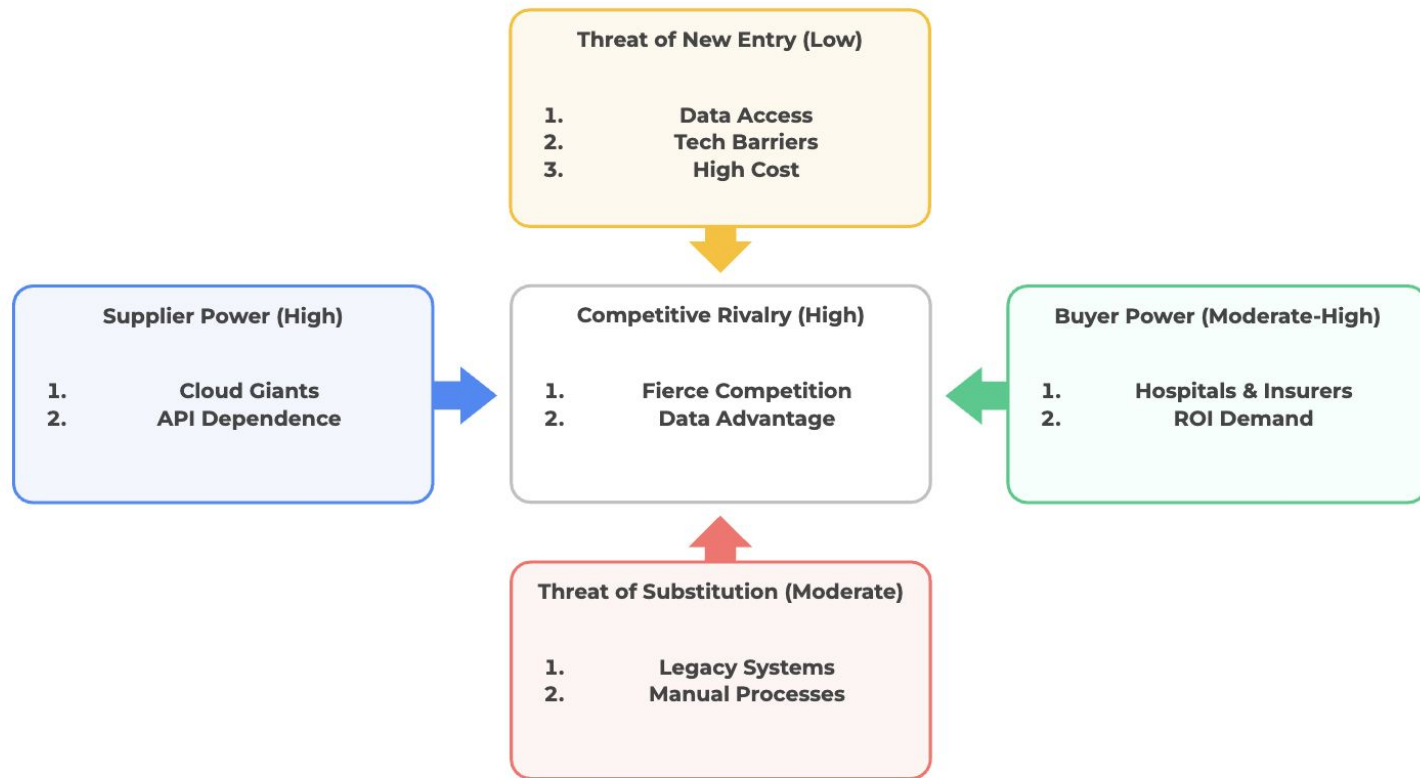
## Regional Market Share: AI in Healthcare



**CAGR: ~37% (2023-2030)**

North America leads with 49% share; Asia-Pacific growing fastest (>40% CAGR)

# Porter's Five Forces Analysis





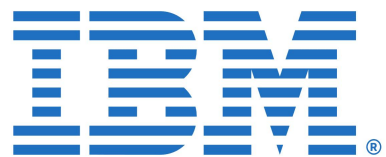
# Key Players: Selection Justification & Market Role



Nuance acquisition (2022),  
Epic–Azure integration  
🏁 \$19.7 B acquisition;  
40% provider-side share  
**“AI-powered  
documentation &  
decision support.”**



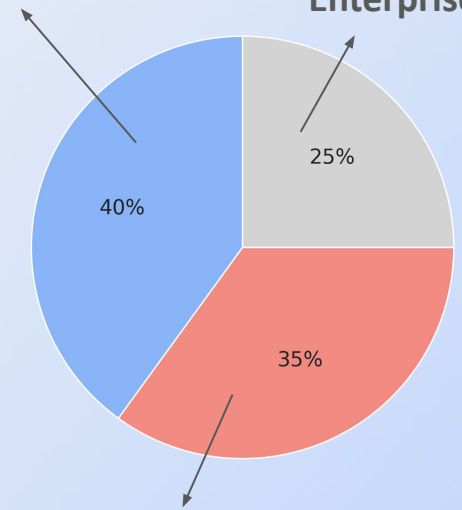
DeepMind + Med-PaLM  
for predictive healthcare  
🏁 35% share in AI  
research & analytics  
**“Predictive and  
personalized  
healthcare.”**



Watsonx for enterprise  
compliance AI  
🏁 25% enterprise AI  
share  
**“Trust, compliance,  
and hybrid-cloud  
solutions.”**

Microsoft – Clinical &  
Workflow AI




IBM – Secure  
Enterprise AI






Google – Predictive &  
Research AI

AI Healthcare Market Trends Driven by Major Players  
(2025 Estimate)

# RBV VRIO Analysis

Firm	Value	Rarity	Imitability	Organization	Advantage
 Microsoft	✓ Nuance DAX (Clinical Efficiency)	✓ Epic EHR (Exclusive Integration)	✓ Medical Voice Data (Proprietary)	✓ Azure HDS (Unified Ecosystem)	Sustained
 Google	✓ Med-PaLM 2 (Diagnostic Accuracy)	✓ Mayo & NHS (Research Access)	— R&D Process (High Cost)	✓ Cloud API (Health Integration)	Temporary & Potential
 IBM	✓ Watsonx (AI Customization)	✗ Healthcare Ties (Limited)	✗ Open-source (Replicable)	✓ Hybrid Cloud (IBM + Red Hat)	Competitive Parity

# KBV Competence Analysis

Competence Dimension	 Microsoft		
Knowledge Creation	GPT-4 Nuance (Clinical AI)	DeepMind AlphaFold (Bio-AI)	watsonx (Regulatory AI)
Integration & Application	Epic + Azure (EHR sync)	HDE (Health Data Exchange)	Hybrid Cloud (Deploy)
Knowledge Sharing & Partnerships	Health Alliances (Co-dev)	Mayo & NHS (Research)	Cleveland Clinic (Pilot)
Dynamic Capability	Adaptive Health Solutions	Continuous R&D Cycle	AI Governance Shift

# Corporate & Cooperative Strategies Analysis



Joint-Venture  
Alliance



2019

**Walgreens**  
partnership ,  
co-developed  
digital health (JV)

Vertical  
Integration



2020

Launch of  
**Microsoft Cloud  
for Healthcare**

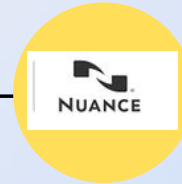
Merger &  
Acquisition



2021

**MDLIVE** Collaboration  
with MDLIVE for  
telehealth integration on  
Azure (not an acquisition)

Horizontal Integration  
+ Related  
Diversification



2022

**Nuance**  
Communications  
acquisition  
(\$19.7B)

Non-Equity +  
Equity Alliances



2023

**Epic Systems(E)  
& OpenAI**  
partnerships(NE)

# Corporate & Cooperative Strategies Analysis



**Related  
Diversification**



**2013**

**Calico founded**  
longevity research  
subsidiary.

**Related  
Diversification**



**2015**

**Verily launched**  
healthtech & AI  
subsidiary.

**Non-Equity  
Alliance**



**2019**

**Mayo Clinic**  
partnership AI for  
clinical data

**Horizontal Integration**



**2021**

**Fitbit acquired**  
(\$2.1 B) – wearable  
data integration

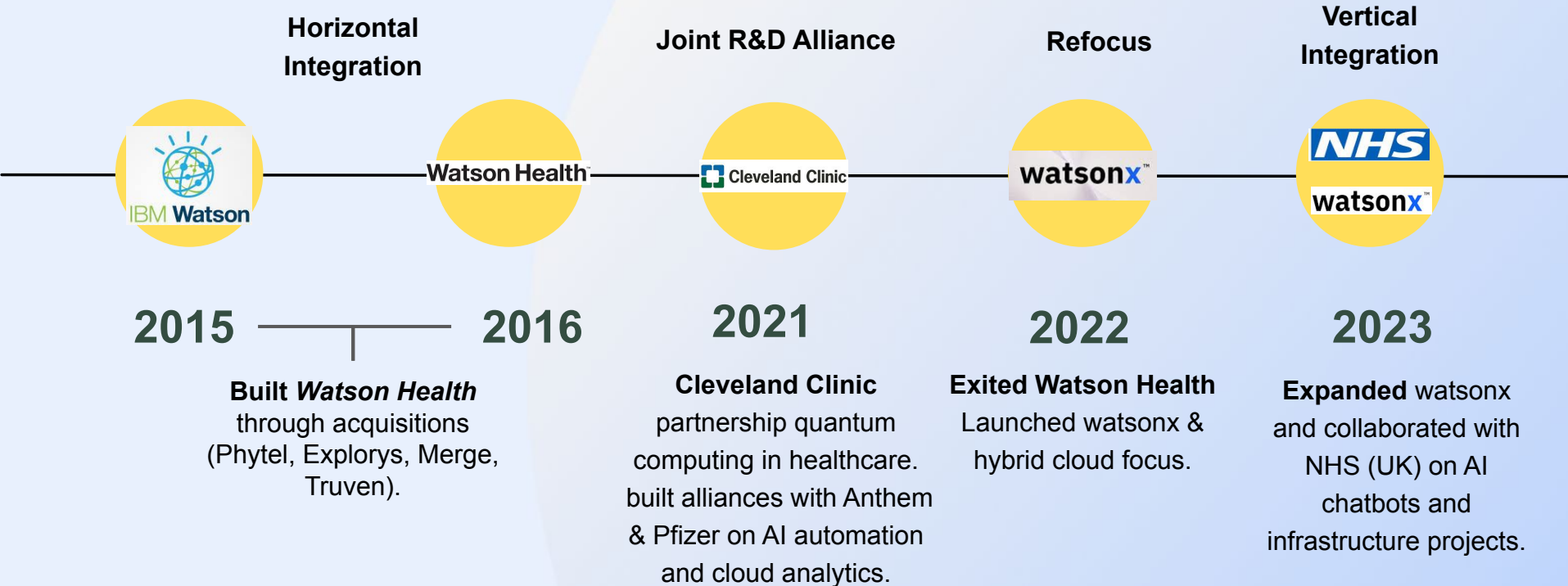
**Non-Equity  
Alliance**



**2023**

**MEDITECH**  
partnership  
GenAI in EHRs

# Corporate & Cooperative Strategies Analysis



# The AI in Healthcare Landscape



## The Market

The market is booming, set to exceed **\$180 billion by 2030**.

It's a race between **Big Tech giants** and dozens of **fast-moving startups**.



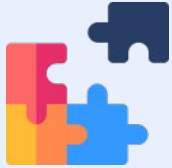
## Win in Healthcare AI

To build trust, companies must prove the AI is **safe and reliable**.

The technology must also **integrate seamlessly** into hospital workflows.

They must master **complex regulations** to secure FDA approval.

# Winning Strategies



## The Integrator



Build their one connected ecosystem.

(Cloud + AI + Partners)



## The Innovator



Provides secure, enterprise-grade AI infrastructure.



## The Trusted Partner

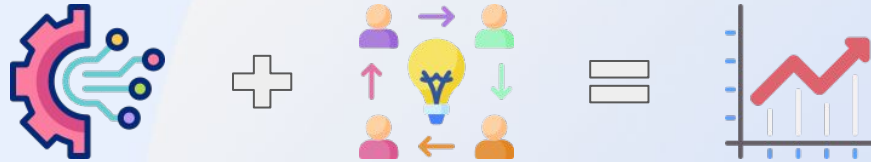


Leads with cutting-edge R&D and massive data scale.



# Conclusion

**“Technology Creates the Tool, Collaboration Creates the Impact.”**



- AI Provides the Power, Healthcare Integration Delivers the Advantage.
- Microsoft’s partnership-centric model is the current blueprint for turning great tech into practical solutions.

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**Thank You!**  
**&**  
**Happy Diwali**

