

Sustaining growth and margins in a pressured MedTech market



Focusing on strategic choices in an increasingly constrained market

Mid-sized MedTech companies are at a critical juncture. The industry's traditional playbook—incremental innovation, geographic expansion, and operational stability—is no longer enough to secure competitive advantage.

As care shifts beyond the hospital to outpatient, home, and digitally enabled settings, customers are increasingly expecting partners that can improve outcomes, reduce complexity and support more efficient care delivery. Combined with pressure on margins, the complexity of EU MDR/IVDR regulation, reimbursement scrutiny, and supply chain uncertainty, these shifts are forcing companies to

being forced to reassess where to play and how to win. The deep strategic question every MedTech leader must answer is: what role will your company play in the future of healthcare?

The companies that thrive in the next decade won't be those that optimise yesterday's model. They will be those that make deliberate, evidence-backed choices about their strategic identity and then mobilise relentlessly to execute.

Where to play and how to win: four external drivers

EXTERNAL DRIVERS IMPACTING THE MEDTECH INDUSTRY

1 Increased pressure on margins

Global macroeconomic inflationary headwinds, tariff uncertainties and overall increase in supply and labour costs. Accelerated competition from low-cost manufacturers.

2 Shifts in care delivery

Shift of care delivery from hospitals to alternative sites, such as outpatient clinics and homes, at the same time as a shift from treating sickness to promoting overall health outcomes.

3 Increased, rapidly evolving regulation

Following implementation of the EU's MDR, regulatory hurdles continue to grow in e.g., cybersecurity, AI and ESG, challenging mid-size companies.

4 Supply chain uncertainties

Ongoing supply chain disruptions and geopolitical tensions are resulting in shortages of critical components and unpredictable delivery times and cost.

INDUSTRY'S RESPONSE

Portfolio rationalisation

Sharpening portfolio by focusing on high-growth, differentiated products. Regular portfolio reviews and selective divestitures to help free up capital and strengthen competitiveness.

New "beyond the device" business models

Increase competitive differentiation and enhance customer experience while unlocking growth opportunities through health promotions.

Ecosystem partnerships

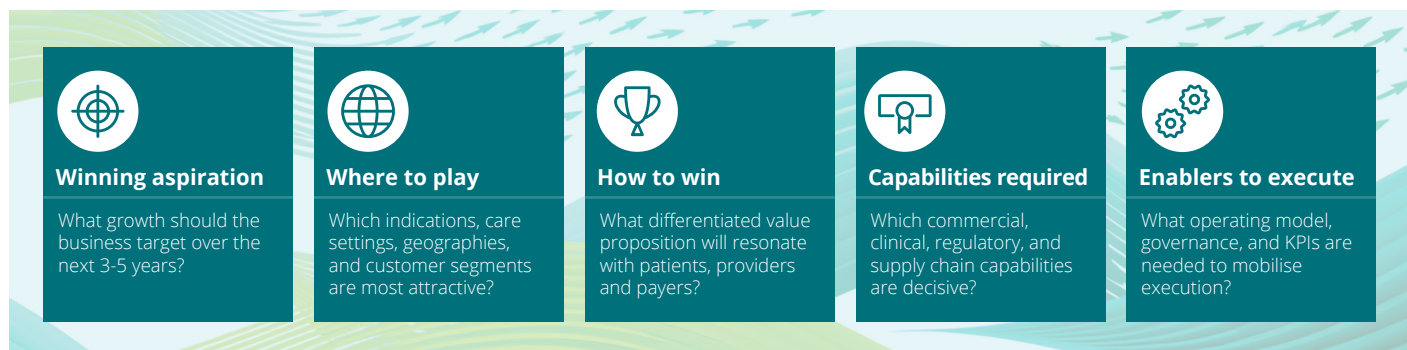
Increasing partnering to e.g., start-ups and non-traditional players to increase access to care, improve operations, and foster innovation.

Supply chain digitalisation and diversification

Enhancing supply chain resilience through digitalisation, supplier diversification and reassessing the manufacturing footprint (e.g., local to local).

How are leading MedTech companies tackling the challenge?

Leading MedTech companies are using choice-led growth strategies to focus on the opportunities with the greatest potential. Instead of pursuing every possible path, they are making deliberate decisions on where to play, how to win and what is needed to execute across five critical dimensions.



How can Deloitte help you?

We help you translate growth ambition into clear strategic choices, aligned priorities and an executable roadmap. Through a structured three-phase approach, we work with you to frame the ambition and market architecture, validate market attractiveness and strategic fit, and prioritise the growth bets most likely to drive sustainable value.

Frame the ambition and size the hypotheses	Validate attractiveness and strategic fit	Prioritise bets and execute
Align on growth ambition, scope, and decision criteria.	Assess market, competition and growth profile.	Prioritise a focused portfolio of growth initiatives.
Define the market architecture.	Test customer pain points, buying dynamics and the value proposition.	Define the route to market, core capabilities, and leadership priorities.
Develop initial hypotheses on where to play.	Evaluate the regulatory, reimbursement, operational, and capability impacts.	Translate strategy into an executable roadmap.
Structured stakeholder interview plan and data collection.	Score opportunities consistently	Align leadership on the investment case and governance model.

Which future are you building towards?

The pivotal strategic juncture is now. The companies that make deliberate, evidence-backed choices about their future role-and then mobilise relentlessly to execute will thrive in the next decade.

Deloitte's MedTech Growth Strategy practice helps leadership teams convert ambition into executable roadmaps at any stage of the growth journey across pre-revenue, commercial and scaling organisations. We work with mid-sized MedTech companies to clarify the strategic identity, identify high-impact growth opportunities, and mobilise execution across the organisation.

Explore what this could look like for your organisation.

Get in touch



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