



Case Study

Market Research - PRICING STRATEGY FOR MEDTECH PRODUCT

The client, a MedTech startup, is developing innovative non-invasive diagnostic tools aimed at transforming cancer detection in India. With a portfolio of six proprietary devices covering major cancers such as breast, thyroid, and gastrointestinal, the company sought to arrive at a competitive and financially sustainable pricing strategy for its diagnostic procedures. The objective was to benchmark its pricing within the Indian healthcare ecosystem, align with prevailing procedure-based norms, and ensure long-term commercial viability.

Problems

Introducing novel MedTech devices into the Indian diagnostic landscape presented several challenges. The absence of direct substitutes for these devices made conventional pricing frameworks difficult to apply. As the Indian market predominantly follows procedure-based pricing for minimally or non-invasive diagnostics, establishing device-based pricing required extensive mapping to existing procedures. In addition, procedure costs varied considerably across cities and hospital types, requiring a more granular pricing approach. Many existing diagnostic procedures involved multiple steps or components, which meant detailed cost breakdowns were necessary to arrive at representative pricing benchmarks.

Methodologies

DART Analysts developed a defensible pricing model using a dual approach. First, competitive price anchoring was conducted by mapping each device to equivalent minimally/non-invasive procedures such as FNAC biopsies for breast diagnostics. The team worked closely with the client's R&D division to understand device functionality and treatment workflows, followed by an extensive market scan across city tiers. Where procedures involved multiple components, detailed cost breakdowns were performed to establish realistic average prices for the "Device-as-a-Service" model.

Second, value-based pricing was applied to determine the device sale price, supported by insights from healthcare providers regarding capital expenditure expectations and typical three-year ROI requirements. Using validated per-procedure prices and estimated procedure volumes, the team calculated the maximum viable selling price for each device. A ten-year financial projection covering revenue, operational costs, and maintenance further validated the strategy, showing the client could achieve breakeven by year three—consistent with MedTech industry standards.



DART's Pricing Strategy Services

At DART Consulting, our Pricing Strategy services are designed to help businesses translate market insights into actionable pricing models. We combine analytical precision, industry knowledge, and financial modelling to develop strategies that balance profitability with market acceptance. Our expertise ensures every pricing decision supports long-term growth and competitive positioning.