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Healthcare providers in India will spend Rs 57 billion on IT products and services in 2013, an increase of 7 percent over 2012 revenue of Rs 53 billion, according to Gartner, Inc. This forecast includes spending by healthcare providers (includes hospitals and hospital systems, as well as ambulatory service and physicians' practices) on internal IT (including personnel), hardware, software, external IT services and telecommunications.

Telecommunications, which includes telecommunications and networking equipment and services, will remain the largest overall spending category throughout the forecast period within the healthcare providers sector. It is expected to grow 3.9 percent in 2013 to reach Rs 17.2 billion in 2013, up from Rs 16.6 billion in 2012 - most of this growth will be in enterprise communication equipment.

Internal services will achieve the highest growth rate amongst the spending categories - forecast to be 18 percent in 2013. Internal services refer to salaries and benefits paid to the information services staff of an organization. The information services staff includes all company employees that plan, develop, implement and maintain information systems. IT services will achieve the next highest growth rate amongst the spending categories - forecast to grow 9.7 percent in 2013 to reach Rs 14.5 billion in 2013, up from Rs 13.2 billion in 2012 led by growth in process management and consulting.

"Rising demand from the growing middle class in India's large cities is fueling growth in private sector healthcare. Large national and state government programs will spur growth along the primary (and secondary) care sector and public health domain," said Anurag Gupta, research director at Gartner. "Hospital information systems, picture archiving and communications systems, electronic health records and mobile technologies will be high on the agenda. We expect to see providers benefit by offering cost effective business models which show quick returns on capital by improving patient coverage and improving quality of care. Health insurance growth will also catalyze technology adoption in healthcare provider segments."