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Case Study

Practo Transforming Healthcare Dynamics with Technology



This case was written by Dr. Suchitra Mohanty & Dr. Azmal Hussain and reviewed by K. Bhagyalakshmi, Amity Research Centers Headquarter, Bangalore. It is intended to be used as the basis for class discussion rather than to illustrate either effective or ineffective handling of a management situation. The case was compiled from published sources.

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Practo: Transforming Healthcare Dynamics with Technology

Abstract: Founded in 2008, in Bangalore, India, Practo Technologies (Practo) popularly known as the 'Uber for doctors', became the leading 'doctor discovery and appointment' search platform in Asia in 2015, facilitating nearly 40 million appointments. With 0.2 million healthcare practitioners, 0.01 million hospitals and 5000 diagnostic centers, Practo attracted many investors and received funding worth \$124 million. Subsequently, the doctor search platform had acquired Fitto, Genii Technologies, Insta Health and Qikwell to support its growth strategy. Analysts emphasised that the aggressive international expansion and acquisitions were the two key strategies adopted by Practo to scale up its business. Practo was also planning for expansion into Southeast Asia, the Middle East, South Africa, Brazil and Indonesia. Apart from adding more doctors and customers, Practo was also aiming to foray into other health related areas such as wellness, fitness and healthcare device markets. However, analysts anticipated that, it might be a difficult task for Practo to depend on different revenue models for monetisation. Besides, rivals were also introducing similar models and throwing tough challenges to Practo's service model. Amidst this scenario, would it be possible for Practo to redefine the Indian healthcare market through its innovative service model? Would the company be able to capitalise on its expansion spree?

Case Study

*"Like you have your professional life on LinkedIn, social life on Facebook, we aim to be the go to platform for your health and well-being."*¹

Shashank ND, Co-Founder and CEO, Practo Technologies

Smartphone revolution in India had enabled people to order a pizza or even a delicious meal with the help of a single click. Likewise, Practo Technologies Pvt. Ltd. (Practo), a Bangalore based start-up was spearheading the healthcare revolution through its online doctor search platform.² Practo had 'four offline revenue models' that charged different rates for various services offered by different apps.³ In 2015, Practo accounted for almost 90% of the Indian healthcare market. The company was also having a significant presence in Indonesia, Singapore, Malaysia and the Philippines. Under the dynamic leadership of the two founders Shashank ND and Abhinav Lal, Practo was planning to expand its presence in at least in 10 developing nations by the end of 2015.⁴ However, lack of

¹ Soni Alok, "Practo is 'Do-ing Great', secures \$90M funding",

<http://yourstory.com/2015/08/practo-funding-series-c/>, August 6th 2015

² Arakali Harichandan, "Meet Practo, An 'Uber For Doctors' That's Revolutionizing Healthcare On The Indian Subcontinent", <http://www.ibtimes.com/meet-practo-uber-doctors-thats-revolutionizing-healthcare-indian-subcontinent-1989875>, June 30th 2015

³ Layak Suman, "How Shashank ND's Practo, a services marketplace, is trying to cater to healthcare needs", <http://economictimes.indiatimes.com/small-biz/startups/how-shashank-nds-practo-a-services-marketplace-is-trying-to-cater-to-healthcare-needs/articleshow/49208893.cms>, October 3rd 2015

⁴ Chakraborty Sayan, "Practo expands to Malaysia", <http://www.livemint.com/Home-Page/PQNSVqrTbwRgBUdH1tYEL/Practo-expands-to-Malaysia.html>, October 28th 2015

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standardisation was one of the key challenges for the virtual healthcare service platform in developing countries like India. Praised and criticised by many, the innovative healthcare service model of Practo was worth an in-depth analysis especially to understand how the company was planning to scale up its business from a regional level to a global level. While doing so, the case study would also analyse whether Practo could build global visibility amidst several challenges.

Practo: The Healthcare Facilitator

Practo, was an online platform for booking appointments with doctors.⁵ The personal hardships of Shashank ND (Shashank)⁶, in getting the medical reports of his father in digital format triggered the idea of starting the innovative online healthcare service platform Practo, which meant 'Practice Online'.^{7,8}

Shashank roped in his classmate Abhinav Lal (Lal) and co-founded Practo in 2008.⁹ Initially, Practo was started as a tool for the doctors to maintain the digital records of patients.¹⁰ In 2009, the company launched the first version of Practo Ray, the first Software as a Service (SaaS) product of Practo in India, which added cloud-based management technology to healthcare. According to Lal, "The first version of Practo Ray was created from scratch based on the feedback we got from doctors"^{11,12}

Known earlier as turbodoc.in, the service witnessed some noticeable growth, serving as many as 5000 doctors and 500,000 patients by 2011.¹³ "Practo is revolutionising healthcare by enabling consumers to find the best doctors, book instant appointments and make better, more informed health decisions," said Avnish Bajaj, Co-Founder and Managing Director, Matrix India.¹⁴ (Annexure II).

Practo Ray was an instant hit for the company. According to analysts around 30,000 doctors used Practo Ray as of 2015. Besides, the company stated that the number of subscribers (doctors) almost doubled every six months. Moreover, the app facilitated the doctors to upload as well as access the prescriptions, reports, patient's payment details, etc. without any hassles. Dr. Suman Reddy, Dentist, Bengaluru, opined, "With the help of Practo Ray, doctors can share reports, helping cut costs for patients."¹⁵ Besides, Practo Ray, one of the company's two main revenue streams, had more than 90% market share among clinics using software to manage their clinical practice.¹⁶ (Exhibit I).

⁵ "Practo: Online Patient Care", <http://yourstory.com/2011/06/practo-online-patient-care/>, June 24th 2011

⁶ A final year NIT Surathkal Student at the time of starting Practo Technologies.

⁷ Nair Sulekha, "How chemistry between two college mates triggered healthcare startup Practo", <http://www.firstpost.com/business/how-chemistry-between-two-college-mates-triggered-off-a-healthcare-startup-practo-2336268.html>, July 10th 2015

⁸ Goopu Biswarup, "Power of ideas: Bangalore-based venture Practo Technologies offers clinic management software solutions", http://articles.economictimes.indiatimes.com/2012-12-14/news/35820132_1_patient-records-medical-reports-digital-records, December 14th 2012

⁹ "Practo launches in Indonesia", <http://inc42.com/flash-feed/practo-launches-in-indonesia/>, September 1st 2015

¹⁰ "Power of ideas: Bangalore-based venture Practo Technologies offers clinic management software solutions", op.cit.

¹¹ "ND Shashank and Lal Abhinav give docs a digital helping hand", <http://forbesindia.com/printcontent/39587>, February 16th 2015

¹² Kashyap Sindhu, "The genesis and growth of the seven-year-old phenomenon called Practo", <http://yourstory.com/2015/08/spark-practo/>, August 18th 2015

¹³ "Practo: Online Patient Care", op. cit.

¹⁴ "Practo announces expansion to 35 cities in India and abroad", <http://www.financialexpress.com/article/healthcare/happening-now/practo-announces-expansion-to-35-cities-in-india-and-abroad/42087/>, February 12th 2015

¹⁵ Mishra Mayank, "Click online for health care records", http://www.business-standard.com/article/companies/click-online-for-health-care-records-115041200824_1.html, April 13th 2015

¹⁶ "How chemistry between two college mates triggered healthcare startup Practo", op.cit.

Practo Reach was another key product of the company that accounted for around 40% of the Practo's revenue generated from India. With the help of Practo Reach, the company offered more customised service to the hospitals and clinics. According to analysts, Practo Reach provided more visibility to the registered clinics and hospitals through appropriate advertisements specifically designed for the targeted customers.¹⁷ (Annexure II).

Exhibit I

Practo Products for Doctors

Apps	Function
Practo Profile	Help patients find doctors easily
Practo Reach	Enhance a doctor's visibility by highlighting clinic to relevant customers
Practo Ray	Digitize doctors' practice to enhance efficiency and patient experience
Practo Tab	Provide a premium in-clinic experience; streamline workflow in a clinic's reception; self-register to save a doctor's staff's time; collect and share patient feedback to Practo.com; engage patients with multi-media content
Practo Consult	Answer patient questions online and increase the visibility of a doctor

Source: "Practo", <https://www.practo.com/for-doctors>

Gradually the company shifted its focus and emphasised on mobile based strategy. "When we built the product for web, the doctors weren't even present online. A year later, we saw something surprising: everyone was shifting to the mobile. This got us to shift our strategy as well," said Shashank, the company CEO.¹⁸ Besides, experts added that with almost 300 million netizens (as of 2014), India was ranked among the top three internet using countries in the world.¹⁹ And the number of mobile internet users in the country was estimated around 173 million by the end of 2014.²¹ (Annexure III). A scenario like this made the company to adopt a 'mobile-first strategy' and Practo Search emerged as its first product in 2014.²²

As a healthcare app, Practo Search was designed to aid consumers in instantly finding the best doctors. Before choosing the doctor, a consumer could get full information about the doctors. This would include the doctor's qualifications, experience, fees and exhaustive feedback from other patients to top it all. With a list comprising over a hundred thousands of verified doctors as well as clinic profiles, Practo was claimed to give patients the widest options to choose the best doctor.²³ (Exhibits II & III). "An interplay of a SaaS offering and a consumer offering are very effective," claimed Shashank. This did sound prudent as Practo started adding more doctors with every passing year thereby scaling up its business.²⁴

¹⁷ Chakraborty Sayan, "Practo eyes developing countries in bid to expand global footprint", <http://www.livemint.com/Companies/ZZT5htfAcAe9QG6P7Vza7IM/Practo-eyes-developing-countries-in-bid-to-expand-global-footprint.html>, July 24th 2015
¹⁸ "The genesis and growth of the seven-year-old phenomenon called Practo", op.cit.
¹⁹ "Internet Users by Country (2014)", <http://www.internetlivestats.com/internet-users-by-country/>
²⁰ Reisinger Don, "India's Internet Population Could soon Rival China's", <http://fortune.com/2015/11/18/india-verma-shrutika/>, "India to have 213 million mobile internet users by June: Iamai-IMRB report", <http://www.livemint.com/Politics/RPQoGQA4hP8zwmECrChpk/India-to-have-213-million-mobile-internet-users-by-June-Rep.html>, January 14th 2015
²² "The genesis and growth of the seven-year-old phenomenon called Practo", op.cit.
²³ "Practo - Your Health App", <https://itunes.apple.com/in/app/practo-your-health-app/id953772015?mt=8>
²⁴ "The genesis and growth of the seven-year-old phenomenon called Practo", op.cit.



Practo: For the Consumers

Exhibit II

Source: "Practo", <https://www.practo.com/for-doctors/consult>

- Help in finding the best of doctors in major cities of India alongside Singapore and Manila
- Intuitive interface to enable finding as well as booking confirmed doctor appointments only with a few clicks
- Specialty, clinic and name-based search for doctors
- Area wise listing along with availability as well as consultation fees
- Instant and confirmed booking of appointment
- Doctors' profile views with key information like qualifications and awards
- Clinic details including address, photos, consultation fees and timings
- Opportunity to navigate clinics turn by turn from any part of the city
- Opportunity to create a secure account to ensure quicker appointment booking experience as well as store the entire appointment history at one location
- See various locations for Multi-chain clinics
- View previous as well as upcoming doctor appointments
- Opportunity to create a patient account by signing up an easy and private Facebook page
- Reminders and notifications concerning all upcoming appointments
- Opportunities to share post appointment feedback on the doctor as well as clinic experience
- Default saving of the last searched locality in the app for a quicker search in subsequent

Source: "Practo - Your Health App",

<https://itunes.apple.com/in/app/practo-your-health-app/id953772015?mt=8>

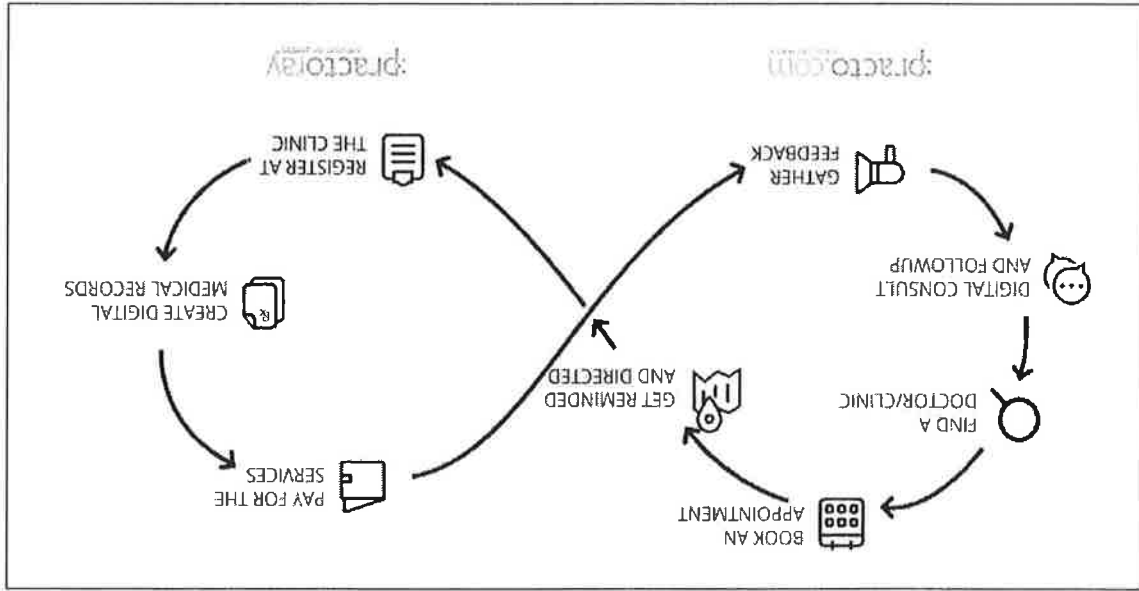
The mobile-first strategy further proved fruitful for Practo as its mobile platform alone brought in 60% of traffic, and thrice the engagement than its web platform. "It meant that a user is able to do many more searches on a mobile phone than a web platform," explained Shashank. Shifting to mobile-first approach was believed to give the company more advantages as it saw a 10% increase in traffic on weekends, a fact contrary to the web platform which suffered a dip in weekends. However, the mobile platform had an alleged downside since doctors' longer reviews could be seen only from the web platform.²⁵

Furthermore, Practo Ray had a firm integration with Practo Search - its consumer offering. This reportedly created a healthcare hyperloop to connect the whole healthcare environment besides

²⁵ "The genesis and growth of the seven-year-old phenomenon called Practo", op.cit.

enabling millions of consumers to make better healthcare decisions. (Exhibit IV). By late 2015, Practo grew more than six-fold with almost 0.2 million healthcare practitioners on board over and above an excess of 10 million monthly searches made by consumers and over 8,000 hospitals. The company's sheer focus on expansion and bringing doctors on the platform fuelled its exponential growth.²⁶ Practo had a plan to globally expand its product lines besides continuing its acquisition drive to accommodate key healthcare segments across medicine, wellness and fitness. The company supreme claimed that growth had been a reason for low attrition in Practo.²⁷ Practo had adopted a VUPIM (Vision, User, Practitioners (Employees), Investors and Me (the individual) model. Analysts emphasised that the VUPIM model further acted as a 'priority matrix' for the company and helped Practo to take various crucial decisions on a priority basis.²⁸

Exhibit IV
Hyperloop Model of Practo



Source: "Practo-Making Waves in Healthcare", <http://www.gadgetreactor.com/wp-content/uploads/2015/10/practo-hyperloop-e1444027738298.jpg>, October 5th 2015

In order to track its 'above the line' (ATL) marketing efforts, the Practo team had built a watchtower, which was helpful in tracking the usefulness of a synchronised marketing campaign. This also helped in tracking downloads to understand the effectiveness of the TV ads.²⁹

A strong focus on enterprise involving doctors, hospitals and diagnostic labs was integral to Practo's growth strategy. "If you want to bring great healthcare consumer experience, you need to bring the enterprise on track," noted Shashank. Besides, the mobile-first strategy reportedly helped the company expand its user base, which was vital for a SaaS company. In order to optimise benefits for the enterprises as well, the company launched a unique Practo tab which was meant exclusively for doctors. According to Practo, the tab enabled them to ensure increased engagement from doctors.³⁰

²⁶ "Practo is 'Do-ing Great', secures \$90M funding", op. cit.
²⁷ *ibid.*
²⁸ "Practo-Making Waves in Healthcare", <http://www.gadgetreactor.com/wp-content/uploads/2015/10/practo-hyperloop-e1444027738298.jpg>, October 5th 2015

²⁹ "The genesis and growth of the seven-year-old phenomenon called Practo", op.cit.
³⁰ *ibid.*

As the healthcare segment would be affected by government policies to a great extent, Practo was in constant dialogue with the government to engage as well as exchange standpoints. This was being viewed by Practo's supremo as an opportunity as well as a big responsibility in the healthcare segment. Ministries had reportedly announced e-pharmacies as well as e-prescriptions, which were hoped to align with Practo's vision to get hold of healthcare records online.³¹

In the years following its inception, Practo scripted some landmark developments and in 2015, the Practo supremo Shashank surfaced as the CEO having the highest employee approval ratings among the chiefs of 'new-age' firms.³² According to Glassdoor.com, a US-based job hunting website, Practo had 100% of its reviewers having approved Shashank as the CEO. "Companies with high ratings tend to have engaged and motivated employees who believe in the company's mission, feel that their job matters, and feel they have career opportunities to advance within their organization. They also tend to share that they feel they get paid fair market value, are heard by senior leaders, and enjoy some great benefits and perks, too," said Glassdoor's career trend analyst Scott Dobroski.³³ By 2015, with its presence in 35 cities across six countries, Practo was claimed to be the number one platform for healthcare technology in Asia.³⁴

Can Practo Transform Healthcare?

Though Practo was being claimed to aid doctors as well as clinics in managing their practice at anytime from anywhere to offer improved services to their patients, some critics perceived a problem or two. For instance, some old school doctors as well as patients might not be able or even willing to convert from an age-old system which they had been quite adept into. The doctors in particular might better use their prolonged reputation as a cushion. For the same reason they might not even feel the need to woo the changing technologies. Practo was expected to face the challenge of targeting such doctors or even clinics. However, the company was at the same time likely to have a market big enough even without focusing on the doctors or clinics representing the old-school system of healthcare.³⁵

Along its journey, Practo was expected to face strong competition in an increasingly developing landscape. Though smaller than Practo, Qikwell Technologies, another Bengaluru based startup was considered as the strongest of such competitors alongside others like Ziffi and Savetime.³⁶ To keep itself afloat in the competition, Practo considered acquisition of allied startups as an apt strategy. "We believe acquisitions are a fantastic way to add world class, like-minded talent to our team," noted Shashank. We continue to look at acquiring great talent and technology," he added.³⁷ Eventually, it went on an acquisition spree in 2015.³⁸ With time, Practo also realised the importance of preventive healthcare in its portfolio and the company marked its entry into this segment in April

³¹ "Practo is 'Doing Great', secures \$90M funding", op. cit.
³² Shankar Besta, "Practo's Shashank, Flipkart's Bansal Rated as Most Popular CEOs Among Start-ups", <http://www.ibtimes.co.in/practos-shashank-flipkarts-bansal-rated-most-popular-ceos-by-employees-645092>, September 2nd 2015
³³ Das Avik, "Flipkart, Practo, Infosys, Indegene CEOs get highest employee approvals", <http://timesofindia.indiatimes.com/tech/jobs/Flipkart-Practo-Infosys-Indegene-CEOs-get-highest-employee-approvals/articleshow/4871836.cms>, September 2nd 2015
³⁴ "The genesis and growth of the seven-year-old phenomenon called Practo", op. cit.
³⁵ "Practo: Online Patient Care", op. cit.
³⁶ Dhamaile Aniket, "With 1+ million appointments, Qikwell is a perfect competitor to Practo", <http://tengible.com/2015/04/a-leading-step-in-healthcare-industry-qikwell-technologies/>, April 30th 2015
³⁷ Vardaan, "Bengaluru-Based Practo Acquires Mumbai-Based Genii", <http://www.indianweb2.com/2015/07/10/bengaluru-based-practo-acquires-mumbai-based-genii/>, July 10th 2015
³⁸ Ibid.

2015 by acquiring Fitno,³⁹ a Delhi-based fitness tech startup. In April 2015, Practo acquired Genii Technologies (Genii), a Mumbai-based startup dealing in product design and development. As part of Practo's Genii acquisition, the latter's 11-member team would join Practo and its founders would lead product teams besides hastening Practo's foray into the enterprises landscape with products mainly hovering around hospitals and diagnostic centres.⁴⁰ Subsequent to the above acquisitions, the doctor discovery platform also acquired Qikwell in September 2015.⁴¹ With a network of 1,000⁴² specialists only in Bangalore that included cardiologists, gynaecologists and urologists, Qikwell was arguably the biggest of Practo's competitors erstwhile. With this acquisition, the company was upbeat about gaining a leadership status in the sphere of online healthcare amidst the presence of players like Healthians, 1mg, MediAngels.com and Ziffi.com.⁴³ (Exhibit V).

Exhibit V

Practo's Strategic Acquisitions in 2015

Acquired Startup	Intended Strategic Outcome
Genii	As a provider of mobile application development, technology consulting, web application development and agile product development services, Genii was expected to enhance Practo's capabilities in building bespoke e-commerce portals and Software-as-a-Service platforms.
FitnoWellness:	The acquisition aimed at helping Practo expand its offerings and move into the preventive healthcare space. This was also in alignment with Practo's vision to be the single health app for consumers, reaching a huge lot of consumers
Qikwell	As Qikwell was building a strong foothold in generating revenue from hospitals, the acquisition was expected to help Practo in consolidating its leadership position leader in the booming market for online healthcare services

Compiled by the authors from various sources

For capital accumulation, Practo aggressively initiated talks to attract global investors like Google Capital and Yuri Milner, the Russian billionaire who was also head of investment firm DST Global. According to analysts, Practo was aiming to raise around 4 billion funding from the global investors. Besides, the startup already backed by Matrix Partners and Sequoia Capital was hopeful to attract more global investors with an aim to become the biggest online healthcare platform in the world.⁴⁴ Besides, in the overall healthcare industry in India worth over \$100 billion, diagnostics alone constituted a market worth \$15 billion.⁴⁵ By visualising the immense potential of the country's healthcare industry, Practo was planning to expand its reach in 35 cities of India by 2016.⁴⁶

Overseas expansion was yet another strategy adopted by Practo to take its journey forward. In August 2015, Practo became a part of Altimeter capital's portfolio, and eventually became the first Indian company to achieve this fate. At that time, the company closed \$90M through Series C

³⁹ "Practo is 'Do-ing Great', secures \$90M funding", op. cit.
⁴⁰ "Bengaluru-Based Practo Acquires Mumbai-Based Genii", op. cit.
⁴¹ Pani Priyanka, "Practo acquires Qikwell Tech", <http://www.theindianbusinessline.com/info-tech/practo-acquires-qikwell-tech/article7625880.ece>, September 7th 2015
⁴² "Saff Partners Invests \$3 Mn in Bangalore Based Healthcare Startup Qikwell Technologies", <http://inc42.com/buzz/qikwell-funding/>, November 24th 2014
⁴³ "Practo acquires Qikwell Tech", op.cit.
⁴⁴ Chanchani Madhav, "Practo in talks internationally for Rs 400 crore funding round", <http://economictimes.indiatimes.com/tech/interet/practo-in-talks-internationally-for-rs-400-crore-funding-round/articleshow/47593108.cms>, June 9th 2015
⁴⁵ "Practo is 'Do-ing Great', secures \$90M funding", op.cit.
⁴⁶ "Practo announces expansion to 35 cities in India and abroad", op.cit

funding. The leading contributors included Tencent, Sofina, Sequoia India, Google Capital, Altimeter Capital, Matrix Partners, Sequoia Capital Global Equities and Yuri Milner. For Tencent also, it was the maiden funding disclosure in any Indian company. The deployment of funding would help in expansion in other areas, hiring and building product potentials. Earlier, from Matrix Partners and Sequoia India Practo raised \$30M Series B round. By bringing insights of European market, Sofina was being expected to help Practo in its future expansion. Likewise, Tencent's experience in growing from a messaging app to a scalable platform was expected to help Practo. As hoped by Practo, Matrix could bring in the capability to participate in building credible global SaaS companies. Thus, Practo was hoping to acquire certain unique and complimentary value proposition by each investor on board.⁴⁷

⁴⁸ During September 2015, the company formalised its penetration into the Indonesian market. During Practo's entry, the rising healthcare sector in Indonesia was characterised by a blend of a number of demographic, economic and critical factors. Besides, the country's rising middle class, a shift to healthier lifestyle choices and a transformed social security system were expected to contribute amply towards a growing healthcare market.⁴⁹

As suggested by a Frost and Sullivan analysis, Indonesia's healthcare market was likely to reach \$21 billion by 2019. It was also noted in the analysis that there was a vast opportunity for the market to attract new healthcare players following a number of open as well as friendly policies on foreign investment. As Shashank was quoted, "While there is a rapidly growing internet user base in Indonesia, the country also faces unique challenges with healthcare access and information asymmetry, with consumers not having adequate information about which healthcare practitioner to visit."⁵⁰

Following its ingress into the Indonesian market, Practo was also set to spread out its coverage to the wider Jakarta Raya area that would cover Bogor, Depok, Tangerang and Bekasi in a few months. In addition, sources claimed that Practo's consumer offering would get expanded to cover more healthcare segments like wellness, fitness, and allied healthcare requirements. As claimed, the app would be available in Indonesian bahasa as well as in English in the country.⁵¹ It was expected to cover over 60% of clinics located in and around Jakarta Daerah Khusus Ibukota, and the Indonesian consumers could search through more than 4200 verified doctors by using Practo website or app customised for the region.⁵²

At the same time, Practo was also out to embark on its expansion into the Philippines aimed at complete coverage for regions encompassing Cebu, Cavite and Batangas. This expansion would be taken forward from its erstwhile coverage of the Greater Manila area besides listing of more than 70% the region's doctors numbering over 11,000. In the Philippines, the company was also witnessing a great deal of adoption of Practo Ray, - its cloud based management solution for SaaS practice. Practo Ray was claimed by the company as turning into the default software option for Filipino doctors besides making their way into the digital age. "Over the next several months we will

⁴⁷ "Practo is 'Do-ing Great', secures \$90M funding", op. cit.

⁴⁸ Krishnamurthy Krithika, "Practo sets foot into Indonesia, expands presence in Philippines",

<http://health.economictimes.indiatimes.com/news/health-it/practo-sets-foot-into-indonesia-expands-presence-in-philippines/48767729>, September 2nd 2015

⁴⁹ Kashyap Sindhu, "Why it makes sense for Practo to eye the \$21B Indonesian healthcare market", <http://yourstory.com/2015/09/practo-indonesian/>, September 3rd 2015

⁵⁰ Ibid.

⁵¹ "Practo enters into Indonesian market", http://www.business-standard.com/article/companies/practo-enters-into-indonesian-market-115090100243_1.html, September 1st 2015

⁵² "Practo launches in Indonesia", op.cit.

continue our global expansion to be present in over 10 countries by March and enable over 2 Billion consumers to make better healthcare decisions," claimed Shashank.⁵³

Practo also signed a global partnership with the taxi hailing platform Uber. With the help of Uber, Practo would help the customers to reach doctors without difficulty. The facility would be available in Indonesia, Singapore, India and Philippines from mid November 2015. The association would notify the Practo users about the availability of nearby Uber taxi while getting their appointment reminder. The new Practo users would also avail two free rides in Uber (200/driver) till December 31st 2015.⁵⁴ Regarding the benefit of the partnership Amit Jain, President, Uber India said, "At Uber, our mission is to bring safe, convenient and reliable rides at the push of a button to everyone, everywhere. We are delighted to partner with Practo to provide people with convenient access to quality healthcare services. The technology integration through this partnership reflects our common commitment to create seamless experience for all our users."⁵⁵

However, lack of standardisation was one of the key challenges for the virtual healthcare service platform in India. Multiple entries in the diagnostic industry and adoption of various prescription formats further increased the complexity for Practo in the country's healthcare market.⁵⁶ Besides, the rivals such as 1mg, HelpingDoc, Lybrate, DocSuggest, etc. were taking cautious strategies to throw tough completion to Practo in the Indian healthcare segment.⁵⁷ (Exhibit VI).

Exhibit VI

Key Rivals of Practo

Name of the Rivals	In Detail
1mg	A doctor discovery and appointment booking Android app
Justial	Developed a new vendor application targeted at doctors that would allow doctors to schedule appointments with their patients as well as save patient records on the cloud
HelpingDoc	Delhi-based healthcare venture raised around 0.1 billion and was planning to enrol 20,000 doctors by 2017
DocSuggest	Introduced a health and personal care search and appointments service Ziffi and also raised 0.15 billion for further expansion
Lybrate	Raised around \$1.225 million investment in August 2014. Lybrate enabled patients to identify doctors based on specialty and location. The service was available in more than 20 cities in the country.

Source: Mukherjee Riddhi, "1mg launches doctor search & appointment booking app", <http://www.medianama.com/2015/07/223-1mg-doctor-search-app-doctors-by-1mg/>, July 2nd 2015

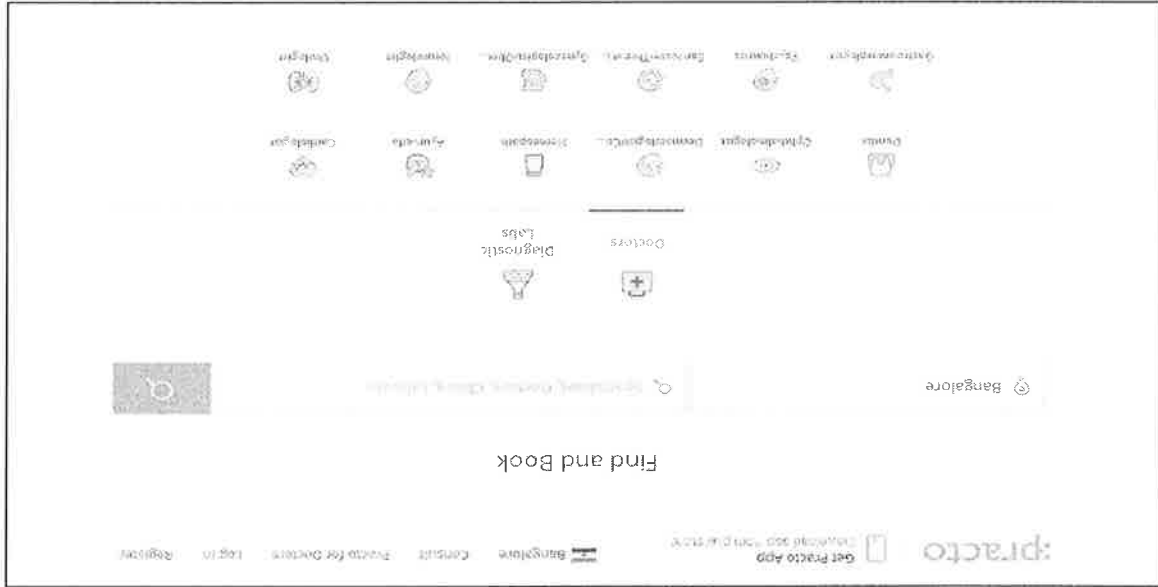
Over and above, Practo could as well find in its way certain cultural factors guiding people's quest for healthcare service in India. "Practo is not completing the service cycle. In India, doctor discovery is

⁵³ "Practo launches in Indonesia", op.cit.
⁵⁴ "Uber, Practo announces partnership to help patients reach doctors", <http://auto.economictimes.indiatimes.com/news/aftermarket/uber-practo-announces-partnership-to-help-patients-reach-doctors/49811303>, November 17th 2015
⁵⁵ "Uber, Practo Partner for Healthcare Booking", <http://gadgets.ndtv.com/apps/news/uber-practo-partner-for-healthcare-booking-765745>, November 16th 2015
⁵⁶ "Click online for health care records", op.cit.
⁵⁷ Mukherjee Riddhi, "1mg launches doctor search & appointment booking app", <http://www.medianama.com/2015/07/223-1mg-doctor-search-app-doctors-by-1mg/>, July 2nd 2015

very much word-of-mouth publicity. The actual utility and revenue model is completely disproportionate to the hype around the company;” commented one industry veteran. However, he added that Practo would have the first-mover advantage in the Indian market.⁵⁸ Besides, with more than a million doctors, 350 medical colleges (highest in the world), 0.05 million graduates per year, India could be a favourable destination for the virtual healthcare service companies including Practo.⁵⁹ Regarding the success quotient of Practo, Tarun Davda of Matrix highlighted, “We believe the next big health care company will come out of India as the sector here is user-driven, unlike the insurance company-driven sector in the US and mostly state-dominated sector in western Europe. Practo has the potential to become a big company.”⁶⁰

Annexure I

Glimpse of Practo's website



Source: "Practo", <https://www.practo.com/>

Annexure II

Glimpse of Practo's Revenue Model

- Practo followed a Subscription Based Model
- Generated revenue from its products (Practo Ray, Practo Reach, Practo Search and Practo Tab)
- Practo Ray and Practo Reach were the flagship products of the company
- Practo Ray offered the product in two price categories i.e. `999/ month and `1999/month to the registered doctors
- The premium plan of Practo Ray also offered cloud telephony based IVR system to the doctors
- Practo Reach was similar to Google Search and featured contextual advertisement of the registered clinics/doctors
- In 2014 the revenue of the company was estimated \$2 million and was anticipated to reach \$10 million by 2016

Compiled by the authors from various sources

⁵⁸“Practo eyes developing countries in bid to expand global footprint”, op.cit.

⁵⁹ “After Flipkart & MakeMyTrip, will healthcare industry give India its next big internet business?”, op.cit.

⁶⁰ “Click online for health care records”, op.cit.

Annexure III

Online Healthcare and India

Why Online Healthcare Startups are in a Sweet Spot

- No. of doctors in India only a small fraction uses technology of any sort
- India has one doctor for every 1,700 people
- Patients have had to rely on referral and word-of-mouth to locate specialists
- Unlike the West, where insurance compels patients to doctors, here the market is dominated by cash payments and choice of doctor
- The internet enables doctors to reach a much wider audience
- Some startups also allow doctors to bring order to otherwise paper-heavy patient records
- Software tools are much cheaper and simpler (most built mobile-first) than legacy hospital management systems

Source: Sachitanand Rahu, "After Flipkart & Makemytrip, will healthcare industry give India its next big internet business?", http://articles.economictimes.indiatimes.com/2014-11-30/news/56582803_1_matrix-partners-shashank-nd-internet-revolution/2, November 30th 2014