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BEST PRACTICES AWARD

2020

VeeMed

2020 NORTH AMERICAN TELEHEALTH ENTREPRENEURIAL COMPANY OF THE YEAR AWARD
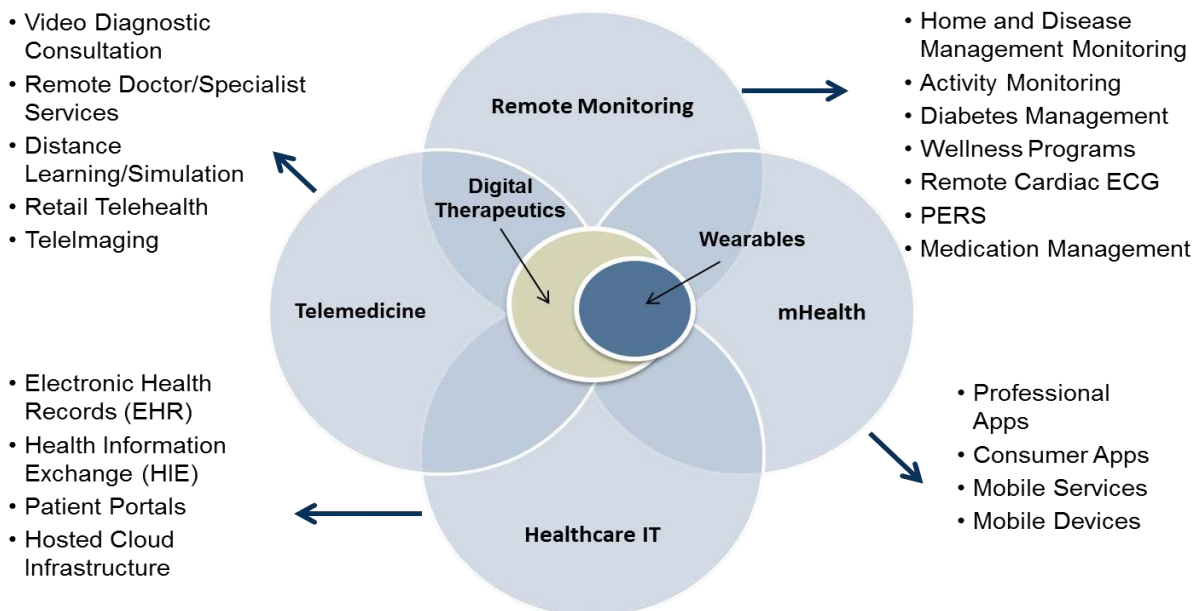
Contents

Background and Company Performance

Industry Challenges

Telehealth is crucial for value-based care and provides remote healthcare services within and outside traditional settings. It involves leveraging communications technology to monitor and deliver medical care to patients without interacting with them in person. Virtual healthcare solutions cost-effectively overcome restrictions such as limited access to challenging geographic locations, mobility impairments in patients, unequal healthcare resource distribution, healthcare personnel shortages, and disaster response obstacles. It is essential to converge technologies effectively to offer affordable and high-quality health services. Telehealth connects digital health sectors such as virtual visits, remote patient monitoring, mobile health, and health information technology.

Telehealth: Centric to Converging Digital Health Technologies

Digital Health, Global, 2019

- Video Diagnostic Consultation
- Remote Doctor/Specialist Services
- Distance Learning/Simulation
- Retail Telehealth
- TeleImaging

Remote Monitoring

Digital Therapeutics

Wearables

Telemedicine

mHealth

- Home and Disease Management Monitoring
- Activity Monitoring
- Diabetes Management
- Wellness Programs
- Remote Cardiac ECG
- PERS
- Medication Management

- Electronic Health Records (EHR)
- Health Information Exchange (HIE)
- Patient Portals
- Hosted Cloud Infrastructure

Healthcare IT

- Professional Apps
- Consumer Apps
- Mobile Services
- Mobile Devices

Source: Frost & Sullivan

Stakeholders in the healthcare space acknowledge the telehealth market's invaluable bearing in the industry. In the pre-COVID-19 era, Frost & Sullivan predicted the United States' (US) telehealth industry to grow at a robust 28.2% compound annual growth rate from 2019 to 2025.[1] The pandemic further highlighted telehealth technology's pertinence owing to the urgency of deploying social distancing strategies. Frost & Sullivan's revised projection is currently an incredible 38.2%.[2] This massive spike indicates lucrative opportunities in the US telehealth market and highlights telemedicine's need to continue as an embedded healthcare system element. However, despite these promising prospects, the telehealth sector faces several challenges. Customer awareness about telemedicine is limited. A large population does not yet completely trust the efficacy and merits of telehealth. Most patients believe that doctors must see them in person for optimum

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[1] *Telehealth—A Technology-Based Weapon in the War Against the Coronavirus, 2020* (Frost & Sullivan, April 2020)

[2] *Ibid.*

monitoring, diagnosis, and care.

Scalability is another significant issue, especially in the face of the COVID-19 pandemic. Hardware is a barrier to entry since numerous healthcare systems and hospitals do not have telemedicine carts or proper equipment. There is also considerable concern about physicians' availability in virtual visit networks meeting the sudden hike in demand for remote patient monitoring services.

Also, the unconventional return on investment (ROI) is a hindrance. Telemedicine expenses are a potential burden on healthcare providers and patients. The equipment and technology incur high costs, and telehealth is not yet fully reimbursable. These expenses will reduce steadily with telemedicine's increasing use, reaping the ROI at a gradual pace.

Therefore, in light of these challenges, companies in the telehealth space need to adopt strategies to acquire a larger customer base and raise awareness about telemedicine, address scalability issues, and follow business models that accommodate unconventional ROIs. Such measures will give them a competitive edge in the telehealth market.

Entrepreneurial Innovation and Customer Impact of VeeMed

Frost & Sullivan identifies VeeMed as an innovative telemedicine market participant in North America. In four years since its establishment, this California-based multinational is expanding its global footprint at a rapid pace, entering North Africa, Asia, and the Middle East. With its next-generation turnkey telemedicine solution, VeeMed offers demonstrated clinical expertise and operational excellence. Leveraging modern technology, hardware, and software, the company provides an integrated patient-side solution that delivers an all-inclusive offering a telephysician requires to diagnose, treat, and monitor acute care patients.

Passionately and Persistently Delivering Top-notch Customer Service

VeeMed is one of the few companies developing innovative technology in the telehealth space, with physicians leading the technology development. The founders established the company to address gaps in the technology and interoperability of existing solutions. The founders kept these pain points in mind as they developed their solution, which led to the founding of VeeMed.

Starting any new business involves financial risks. To mitigate these risks, VeeMed's guiding principle focuses on developing solutions to provide the right care at the right time, and the idea that what it works on is different from the rest of its peers. The company develops customizable solutions and is passionate about delivering value-based care to customers.

VeeMed faced the typical growth obstacles that many startups encounter in the beginning. The company did not have marketing or an extensive sales team in place. Today, it has a striking market presence and focuses on direct and indirect sales channels and ramping up marketing efforts.

Most of VeeMed's initial growth was word of mouth. The company made sure that it provided excellent service to its customers and earned their trust.

VeeMed adopts innovative business processes concerning research and development (R&D) and operations to persist through obstacles and deepen its commitment. The company follows an agile R&D methodology, continually adding features and promptly releasing products and product updates. VeeMed likens its workflow style to that of a cheetah: it maneuvers adeptly and changes positions quickly, unlike elephants (bigger companies) that are slower to move.

Besides, telemedicine physicians, with more than ten years of experience, designed VeeMed's unique clinical workflows and customer support model. Unlike its competitors, the company provides 24-hour/365-day customer support. It also has resident engineers for onsite support for larger clients. The company offers its clients a free proof-of-concept option with one to three months' free trial of its software and products. Further, VeeMed delivers comprehensive software features at a lower price. The company is committed to providing excellent customer service, even post-sales. It is a startup and can move fast without getting bogged down in bureaucracy and red tape.

Finally, VeeMed customizes all its solutions and services for individual customers and does not provide "cookie-cutter" solutions. Since it was physician-founded out of frustration with existing telehealth technology, its solutions cater precisely to market needs.

Frost & Sullivan commends VeeMed for its passionate persistence and unwavering focus on customer service. Along the way, the company also successfully raised awareness about the telehealth market by gaining customers' trust, who, in turn, shared their experiences with other potential customers.

Superior Quality Offerings and Collaborations Foster Brand Image

VeeMed finds building and strengthening its brand extremely important. It is aware of how its current customers value its services and products, and thus vows to continue growing and building its brand. The company aspires that its name is synonymous with excellent customer service, innovative and intuitive solutions, and affordable and scalable telehealth for healthcare systems.

VeeMed's products and solutions add value to the brand. Its platform, VeeKart, leverages state-of-art equipment, such as user-friendly touchscreens, to extend personalized patient care. Additionally, powered by the VeeMed operating system (OS), the VeeDoc application (app) ensures the best patient experience. Telephysicians can easily connect to patients' devices via the easy-to-use and touchless web-based app. By using this innovative technology, doctors can conveniently share notes with patients and view x-rays, computed tomography scans, and magnetic resonance imaging. Healthcare providers such as Banner Health testify that VeeMed's VeeKart hardware and VeeMed operating system (OS) form an integrated patient-side solution that delivers everything a telephysician needs to diagnose, treat, and monitor acute care patients. They add that its VeeDoc app effortlessly provides telephysicians with the tools they need to connect with their facility.

Telehealth systems could take months to deploy in the past, but each installation currently requires only a few hours because the equipment is much smaller.

VeeMed also offers a robust professional services program, providing specialists to healthcare systems in need of specialty physicians, particularly in rural areas. VeeMed partnered with Wellstar Health System, one of the largest and the most integrated healthcare systems in Georgia, with 11 hospitals and more than 300 medical office locations for teleneurology and telestroke services.

> *"In 2020 to date, VeeMed's network of physicians have answered over 1,500 WellStar teleneuro-stroke calls with an average response time between 1-3 minutes—surpassing other competitive stroke programs that have response times of 15 minutes or longer."*[3]

-News Release

Frost & Sullivan applauds VeeMed's branding strategy that combines supplying superior-quality products and solutions to create an invaluable brand image by partnering with established healthcare providers to strengthen brand equity.

VeeKast: Disrupting the Market and Serving a Competitive Edge

To stand out among competitors in a market that is gaining accelerated momentum, telehealth companies must offer products and solutions that disrupt the market. Acute care is a significant gap in the telehealth market. It is difficult to deliver, and there is no uniform delivery system. VeeMed is one of few companies with a turnkey solution, offering its proprietary technology and professional services.

Traditionally, telehealth solutions come in the form of expensive telemedicine carts. The company's innovative television (TV)-based solution, VeeKast, saves critical space by utilizing existing equipment. Unlike other competitors' solutions, VeeKast turns any TV or monitor into a telehealth endpoint with VeeMed's powerful software. The software includes features such as electronic health record and electronic medical record integration, Health Insurance Portability and Accountability Act (HIPAA)-compliant messaging, an automated scheduler (eliminating the need for a call center), and multi-party video (allowing additional physicians, translators, or even family members to join the call). An Intel Next Unit of Computing (NUC) Mini Personal Computer, a microphone and speaker, and a pan-tilt-zoom (PTZ) camera power the software, permitting physicians to zoom in close enough to examine a patient's pupils.

VeeKast has proven to be a lifeline for large healthcare systems hit hard by the COVID-19 pandemic, such as Banner Health. Since this solution transforms existing in-room TVs and monitors, VeeMed quickly deployed the solution in COVID-19 units across Banner Health's 28 hospitals, installing more than 250 units per week. As of October 2020, this number is more than 1,200 units. VeeKast protects doctors and healthcare employees by allowing them to examine and monitor patients remotely, reducing their exposure to the virus, and conserving valuable personal protective equipment.

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[3] GlobeNewswire. 2020. "VeeMed Partners with Wellstar Health System to Help Accelerate Teleneuro-Stroke Response Times." https://www.globenewswire.com/news-release/2020/08/26/2083985/0/en/VeeMed-Partners- with-Wellstar-Health-System-to-Help-Accelerate-Teleneuro-Stroke-Response-Times.html

The TV/monitor model has the potential to render the existing cart-based model obsolete. The solution can easily be used in various settings, such as hospitals, clinics, and nursing homes, enabling healthcare systems to offer multiple specialties and services with minimal effort at an affordable cost. Such a disruptive offering facilitates VeeMed to deploy technology across several large healthcare systems, allowing them to extensively transform into a comprehensive telemedicine facility. The model also permits VeeMed to grow beyond the US market.

VeeMed invests heavily in R&D and has partnered with Intel to develop innovative solutions. It worked with SEED Group, a company of the Office of Sheikh Saeed bin Ahmed Al Maktoum, to bring advanced telehealth solutions to the United Arab Emirates and set up an office in Dubai. This partnership enables VeeMed to enter the Middle East market. To continue growing globally, it is also hiring salespeople in different regions around the world. In the next two to five years, the company plans to develop additional innovative products and solutions for the healthcare industry, increasing its footprint, and becoming the leading telemedicine solutions and technology company worldwide.

Moreover, VeeMed's major competitors are well-established telemedicine market participants. Unlike these companies, which primarily focus on telemedicine hardware, VeeMed develops both hardware and device-agnostic, lightweight software. The latest version of their VeeMed OS platform includes significant new features, including built-in on-demand language interpretation services, with over 40 languages, including American Sign Language. Many hospitals rely on third-party interpreter services, or companies that require the use of a tablet, with interpreters only available during certain hours. VeeMed's interpretation service is available 24/7. Additionally, there is no need for extra equipment, with the interpreter joining the virtual visit alongside the physician and patient.

The company also offers professional services, unlike its competitors. VeeMed boasts the fastest physician response time, an average of three minutes, compared to other companies' 15 to 30-minute response time. In telestroke, customers using physician services have found their response times faster than some in-house neurologists. Besides, the learning curve for using the software and app is only about 15 minutes. Customers note that login and documentation are quick and that the interface is intuitive. Survey feedback from customers' ratings accredits the company an impressive score of 3.5 out of 4.

Lastly, VeeMed beats its competitors on price every time. Its solutions are cost-effective, space-saving, and easily scalable. The offerings are affordable because the company has a small team of about 40 employees, and the solutions are device agnostic. Device agnostic solutions eliminate infrastructure costs and save considerable money for healthcare systems. This cost-effectiveness has drastically impacted VeeMed's market share. The company's number of telemedicine endpoints is now close to some of the larger companies' numbers. A well-established competitor has about 2,500 endpoints, and VeeMed has close to 1,000.

Frost & Sullivan believes that VeeMed's VeeKast solution skillfully tackles the telehealth market's scalability challenge and provides the company with a competitive edge over competitors by expertly addressing market gaps.

VeeClinic: A One-Click Virtual Visit Solution for Outpatient Settings

In October 2020, VeeMed launched VeeClinic, its one-click virtual care solution for outpatient settings. VeeClinic allows for outpatient providers to easily view and treat patients remotely. While many video conferencing platforms have positioned themselves as outpatient solutions in the face of COVID-19, they lack the comprehensive integration and security of a true telehealth platform. VeeMed created a secure and easy way for physicians to conduct virtual visits, with the same powerful features of their inpatient solutions, including electronic medical record and electronic health record integrations, automated scheduling, interpretation services, and stethoscope and ear, nose, throat (ENT) scope integration.

VeeClinic is especially useful for clinics in rural areas, where specialty care may not be as readily available. Being able to see a remote physician saves patients precious time traveling to a more populated hospital or clinic, and allows for outpatient providers to retain their patients.

Conclusion

The North American telehealth industry faces several challenges. Patients have inadequate awareness and trust in telehealth technology. Expensive equipment makes it difficult to scale up in the telehealth space. Additionally, unconventional return on investment poses as a hindrance. VeeMed successfully surmounts these industry challenges by passionately persisting and providing customer service beyond the expectations of a startup, while at the same time, earning consumers' trust in telehealth services through its agile solutions. The company partners with well-established healthcare providers and technology companies to achieve strong brand equity, remaining financially sturdy. VeeMed addresses market gaps and has disrupted the market by providing customized hardware and device- agnostic, lightweight software that gives it a competitive differentiation over larger market participants.

For its innovative strategies to penetrate the telehealth market and achieve overall success in such a short time, VeeMed has earned Frost & Sullivan's 2020 North America Entrepreneurial Company of the Year Award in the telehealth market.

Significance of Entrepreneurial Leadership

Ultimately, growth in any organization depends on customers purchasing from a company and then making the decision to return time and again. In a sense, then, everything is truly about the customer. Making customers happy is the cornerstone of any successful long-term innovation or growth strategy. To achieve the dual goals of customer engagement and growth, an organization must be best in class in 3 key areas: understanding demand, nurturing the brand, and differentiating from competition.

- Acquire competitors' customers
- Generate awareness and interest
- Increase market share
- Grow the total size of the market
- Win more customers than you lose

- Increase brand equity
- Foster a strong corporate identity
- Improve brand recall
- Inspire customers
- Adhere to a clear value proposition

DEMAND

BRAND

Entrepreneurial Company of the Year

COMPETITIVE POSITIONING

- Identify unique selling points
- Offer superior value to customers
- Deliver on the promised value proposition
- Carve out a market niche
- Balance price and value

Understanding Entrepreneurial Leadership

Demand forecasting, branding, and differentiation underpin an entrepreneurial company's journey toward forming deep relationships with customers and permanently altering the market with their actions. Entrepreneurial Innovation and Customer Impact are the cornerstones of this award, as discussed further in the next section.

Key Benchmarking Criteria

For the Entrepreneurial Company of the Year Award, Frost & Sullivan analysts independently evaluated Entrepreneurial Innovation and Customer Impact according to the criteria identified below.

Entrepreneurial Innovation

        Criterion 1: Market Disruption

        Criterion 2: Competitive Differentiation

        Criterion 3: Market Gaps

        Criterion 4: Blue Ocean Strategy

        Criterion 5: Passionate Persistence

Customer Impact

        Criterion 1: Price/Performance Value

        Criterion 2: Customer Purchase Experience

        Criterion 3: Customer Ownership Experience

        Criterion 4: Customer Service Experience

        Criterion 5: Brand Equity

Best Practices Recognition: 10 Steps to Researching, Identifying, and Recognizing Best Practices

Frost & Sullivan analysts follow a 10-step process to evaluate Award candidates and assess their fit with select best practice criteria. The reputation and integrity of the Awards are based on close adherence to this process.

STEP	OBJECTIVE	KEY ACTIVITIES	OUTPUT
1 Monitor, target, and screen	Identify Award recipient candidates from around the globe	• Conduct in-depth industry research • Identify emerging sectors • Scan multiple geographies	Pipeline of candidates who potentially meet all best-practice criteria
2 Perform 360-degree research	Perform comprehensive, 360-degree research on all candidates in the pipeline	• Interview thought leaders and industry practitioners • Assess candidates' fit with best-practice criteria • Rank all candidates	Matrix positioning of all candidates' performance relative to one another
3 Invite thought leadership in best practices	Perform in-depth examination of all candidates	• Confirm best-practice criteria • Examine eligibility of all candidates • Identify any information gaps	Detailed profiles of all ranked candidates
4 Initiate research director review	Conduct an unbiased evaluation of all candidate profiles	• Brainstorm ranking options • Invite multiple perspectives on candidates' performance • Update candidate profiles	Final prioritization of all eligible candidates and companion best-practice positioning paper
5 Assemble panel of industry experts	Present findings to an expert panel of industry thought leaders	• Share findings • Strengthen cases for candidate eligibility • Prioritize candidates	Refined list of prioritized Award candidates
6 Conduct global industry review	Build consensus on Award candidates' eligibility	• Hold global team meeting to review all candidates • Pressure-test fit with criteria • Confirm inclusion of all eligible candidates	Final list of eligible Award candidates, representing success stories worldwide
7 Perform quality check	Develop official Award consideration materials	• Perform final performance benchmarking activities • Write nominations • Perform quality review	High-quality, accurate, and creative presentation of nominees' successes
8 Reconnect with panel of industry experts	Finalize the selection of the best-practice Award recipient	• Review analysis with panel • Build consensus • Select recipient	Decision on which company performs best against all best-practice criteria
9 Communicate recognition	Inform Award recipient of Award recognition	• Announce Award to the CEO • Inspire the organization for continued success • Celebrate the recipient's performance	Announcement of Award and plan for how recipient can use the Award to enhance the brand
10 Take strategic action	Upon licensing, company is able to share Award news with stakeholders and customers	• Coordinate media outreach • Design a marketing plan • Assess Award's role in future strategic planning	Widespread awareness of recipient's Award status among investors, media personnel, and employees

The Intersection between 360-Degree Research and Best Practices Awards

Research Methodology

Frost & Sullivan's 360-degree research methodology represents the analytical rigor of our research process. It offers a 360-degree-view of industry challenges, trends, and issues by integrating all 7 of Frost & Sullivan's research methodologies. Too often companies make important growth decisions based on a narrow understanding of their environment, leading to errors of both omission and commission. Successful growth strategies are founded on a thorough understanding of market, technical, economic, financial, customer, best practices, and demographic analyses. The integration of these research disciplines into the 360-degree research methodology provides an evaluation platform for benchmarking industry

360-DEGREE RESEARCH: SEEING ORDER IN THE CHAOS

participants and for identifying those performing at best-in-class levels.

About Frost & Sullivan

Frost & Sullivan, the Growth Partnership Company, enables clients to accelerate growth and achieve best-in-class positions in growth, innovation and leadership. The company's Growth Partnership Service provides the CEO and the CEO's Growth Team with disciplined research and best practice models to drive the generation, evaluation and implementation of powerful growth strategies. Frost & Sullivan leverages more than 50 years of experience in partnering with Global 1000 companies, emerging businesses, and the investment community from 45 offices on six continents. To join our Growth Partnership, please visit http://www.frost.com.