Healthcare Disrupted: Clarivate's DRG Fusion and the New Era of Analytics

By Nick Scheponik – VP & Industry Lead

January 30, 2025

Why This Topic

Clarivate's launch of DRG Fusion is set to shake up the healthcare analytics industry, promising seamless integration of payer, provider, and patient data for real-time decision-making. As major players race to adapt, will this platform redefine market leadership—or leave slower adopters struggling to keep up?

What to Know and Why It Matters

Clarivate's recent launch of DRG Fusion marks a significant moment in the healthcare analytics sector, signaling the fusion of advanced data analytics with deep healthcare expertise. By integrating Decision Resources Group (DRG) into its broader Fusion platform, Clarivate aims to deliver a more cohesive, real-time, and actionable suite of tools for life sciences, payers, and providers. This launch addresses a critical need in the healthcare market – a one-stop shop to bridge the gap between raw data and meaningful insights that can directly influence business strategy and patient outcomes.

Healthcare systems globally are under immense pressure to reduce costs while improving care quality. The industry's reliance on fragmented, siloed data has historically impeded progress. DRG Fusion claims to solve this by offering advanced interoperability and contextual insights that combine payer, provider, and patient data, all within one robust platform. This move aligns with the broader trend toward data unification and real-time decision-making, making it a critical development for healthcare stakeholders.

Beyond its technical capabilities, DRG Fusion signals a strategic intent by Clarivate to lead in the healthcare analytics space. By leveraging DRG's established expertise in market access, epidemiology, and clinical pathways, Clarivate positions itself as a modular solution for actionable healthcare intelligence – a capability increasingly sought after by life sciences organizations navigating complex regulatory landscapes and fierce competition.

Winners and Losers

As the architect of DRG Fusion, Clarivate emerges as a clear winner since it enhances its value proposition as a premier provider of integrated healthcare insights. Clarivate's ability to combine DRG's deep healthcare knowledge with its own data capabilities gives it a distinct competitive edge over traditional market research firms and newer entrants in the analytics space. Moreover, DRG Fusion's promise of seamless, real-time integration can drive adoption, strengthening Clarivate's recurring revenue streams.

Pharmaceutical and biotech firms in particular stand to benefit from DRG Fusion's granular insights into market access, patient journeys, and epidemiological trends. These companies often struggle to align clinical development with market demand. By offering a unified platform that maps out everything from disease prevalence to payer decision-making, DRG Fusion could significantly enhance strategic planning and go-to-market efficiency.

However, organizations that are slow to adopt new technologies or lack the resources to implement such a sophisticated platform risk falling behind. For instance, smaller providers or regional payers may find the cost and complexity of onboarding prohibitive, leaving them unable to compete with larger, tech-savvy counterparts. This begs the real question of whether the insights provided will justify the cost.

The biggest threat will likely be felt by primary competitors like IQVIA, Optum, and even emerging digital health analytics startups. In addition, firms that rely on manual processes and static data will likely see their relevance diminish. IQVIA, for instance, has long been a dominant force in life sciences analytics. However, DRG Fusion's seamless integration capabilities and focus on real-time decision-making may siphon clients looking for more agile and holistic solutions. Similarly, smaller players may struggle to match the depth and breadth of DRG Fusion's offering, making survival in this space more challenging.

What's Next

The healthcare analytics market is on the cusp of a significant shift. As the race for leadership intensifies, major players like Clarivate, IQVIA, and Optum are set to redefine the landscape. With digital transformation accelerating, demand for real-time insights, predictive analytics, and comprehensive data solutions will surge. Innovation will become the defining factor – AI and machine learning will lead the charge in delivering smarter, more personalized healthcare strategies, while emerging trends in precision medicine, telehealth, and value-based care will shape the next wave of competition.

Meanwhile, consolidation is likely as companies fight for scale and access to the most valuable data sources, sparking a flurry of mergers and acquisitions. But it's not just about technology; regulatory scrutiny, data privacy, and compliance will remain a significant battleground, demanding transparency and trust. In this high-stakes environment, those who can adapt quickly and navigate these complex dynamics will secure their place at the forefront, while others may struggle to keep up. The next few years will be critical in determining which players emerge victorious in this rapidly evolving market.

Essential Actions

In the rapidly evolving healthcare data market, companies face several essential actions that could determine their future success or failure. Here are some key actions:

✓ Disrupt Or Be Disrupted

Healthcare organizations and analytics firms must prioritize the adoption of integrated platforms like DRG Fusion. Sticking to outdated, fragmented data models is no longer an option; those who resist this shift risk losing market relevance to competitors leveraging real-time, actionable insights. Companies clinging to manual processes or legacy systems need to pivot now—or risk permanent obsolescence.

✓ Accelerate Market Leadership Through M&A

In a market poised for consolidation, firms must act aggressively to acquire complementary technologies, datasets, and expertise. Players like IQVIA and Optum must strengthen their positions through strategic acquisitions or partnerships to counteract Clarivate's lead. Smaller analytics firms must consider merging with larger entities to avoid being swallowed whole by competitive giants.

✓ Democratize Access Or Face Regulatory Backlash

Clarivate and other leading analytics providers must prioritize creating tiered pricing models or simplified solutions to ensure accessibility for smaller payers and regional providers. Without equitable access, regulatory bodies could intervene to address perceived monopolistic practices or the widening gap between resource-rich organizations and underfunded healthcare stakeholders.

✓ Shift Focus From Data Ownership To Patient-Centric Outcomes

The race to lead healthcare analytics is currently centered on amassing data and offering seamless integration. However, firms like Clarivate need to refocus their marketing and product development narratives around patient-centric outcomes. To win trust, stakeholders must shift the conversation from *data* to *impact* – demonstrating how their platforms drive measurable improvements in patient care, not just operational efficiency.

About the Author

Nick Scheponik
VP & Industry Lead

nscheponik@outsellinc.com

Nick joins Outsell as VP & Industry Lead for Healthcare, Pharma, and Life Sciences. He brings with him more than two decades of market research and intelligence experience in the healthcare markets. Aside from subject matter expertise in research design and project management, he strives to support data-driven decision making through insight aggregation and dissemination that is customized given client expectations.

Before coming to Outsell, Nick spent 16 years leading the market research/competitive intelligence function for Wolters Kluwer Health – Health Learning Research & Practice. He also spent time with Vizient, a healthcare performance improvement company, holding a Senior Director position in their Office of Strategy Management.

About Outsell

Outsell is the leading research and advisory firm serving executives operating in the data, information, and analytics economy. Our solutions leverage proprietary data, leading industry analysts, thriving peer-to-peer communities, and a network of partner SMEs, all operating in a platform ecosystem. Through deep relationships, we ensure that our clients make smart decisions about their strategy, competition, markets, operating best practices, and M&A. We stand by our work 100%, guarantee results, and are fanatical about our clients' success.

www.outsellinc.com

contact_us@outsellinc.com

Carmel, CA, USA   London, UK
650-342-6060   +44 (0)20 8090 6590

The information, analysis, and opinions (the "Content") contained herein are based on the qualitative and quantitative research methods of Outsell, Inc. and its staff's extensive professional expertise in the industry. Outsell has used its best efforts and judgment in the compilation and presentation of the Content and to ensure to the best of its ability that the Content is accurate as of the date published. However, the industry information covered by this report is subject to rapid change. Outsell makes no representations or warranties, express or implied, concerning or relating to the accuracy of the Content in this report and Outsell assumes no liability related to claims concerning the Content of this report.