Growing CAD/CAM abutment adoption vs increasingly popular discount implants

Opposing pricing trends to influence Asia Pacific dental implant market

The various countries in the Asia Pacific region are all expected to demonstrate an increasing demand for dental implant treatments as a result of growing consumer awareness, the ageing population, growing accessibility (such as through the National Health Insurance Service coverage in South Korea), as well as greater product availability and other influencing factors. Traditionally, premium implant companies have dominated the dental implant market globally. However, in recent years, discounted implants have become increasingly popular, especially in the Asia Pacific region.

Fig. 1: Unit analysis of dental implant fixtures for Australia. By 2021, premium implants are expected to dominate 47% of the overall dental implant fixtures in the country. (Source: iData Research Inc.)

The growth of the discount implant segment will emerge at the expense of the premium segment and as a result is set to limit market growth for dental implant fixtures by lowering the market’s overall average selling price (ASP). In contrast, the final abutment market is set to experience an increasing ASP owing to the growing adoption of CAD/CAM abutments in the place of stock abutments. While commoditization of stock abutments has greatly depressed the ASP of the final abutment market, growing adoption of CAD/CAM abutments is set to stimulate the final abutment market by pulling the ASP upwards. Therefore, the dental implant market is set to grow in all four countries included in the Asia Pacific region in this report, namely Australia, South Korea, Japan and China, despite varying pricing trends.

In the Asia Pacific dental implant market, consumer awareness, cultural tendencies and domestic regulations vary greatly. South Korea represents the most highly developed dental implant market as a result of being home to a number of global leading dental implant companies. This in turn has led to a high level of consumer awareness and early accessibility to a variety of different implant products. However, the dental implant market in South Korea is also highly discount dominant and led by domestic implant producers OSSTEM IMPLANT and as a result demonstrated the lowest relative to dental implant fixtures. In contrast, premium implant companies, such as Straumann and Nobel Biocare, are expected to face increasing competitive pressures, especially in China and Australia.

Fig. 2: China’s dental implant market. The adoption of CAD/CAM final abutments, which are more expensive, and a growing discount implant segment are set to result in a double-digit annual growth rate of 22.1% for the overall China dental implant market for the Asia Pacific region in recent years. A growing number of CAD/CAM milling centres have emerged to produce CAD/CAM abutments for the dental implant market. The overall region is set to demonstrate significant growth in the CAD/CAM segment for final abutments. In contrast to the dental implant fixture market, where discount products are gaining share, the overall final abutment market is set to demonstrate an increasing ASP CAD/CAM final abutments are relatively more expensive than stock abutments, which have traditionally dominated the market. The shift towards CAD/CAM abutments is set to be the most significant in China. For the overall region, units of CAD/CAM abutments are set to grow at a compound annual growth rate of 22.1%. By 2021, CAD/CAM abutments are forecast to represent 51.6% of the overall abutment units in Asia Pacific.

Conclusion

Overall, the dental implant market, including fixtures and abutments, is set to grow at a compound annual growth rate of 11.5% for the Asia Pacific region. The unit growth will far outweigh the ASP effects, and the dental implant market will grow to reach a higher penetration rate for the overall Asia Pacific region.

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Fig. 3: OSTEIM PLANT, a Korean discount dental implant company, led the Asia Pacific market for dental implant fixtures and final abutments in 2014. The company is expected to continue to capitalize on the growing popularity of discount implants.

Fig. 4: Growing CAD/CAM abutment market vs declining unit share of stock and cast abutments. (Source: iData Research Inc.)

Emphasis on CAD/CAM

In the dental implant market, the final abutment market is undergrowing opposing pricing trend relative to dental implant fixtures. CAD/CAM abutments are being increasingly utilised in the place of cheaply produced stock abutments. CAD/CAM development has been relatively rapid in the Asia Pacific region in recent years. A growing number of CAD/CAM milling centres have emerged to produce CAD/CAM abutments for the dental implant market. The overall region is set to demonstrate significant growth in the CAD/CAM segment for final abutments. In contrast to the dental implant fixture market, where discount products are gaining share, the overall final abutment market is set to demonstrate an increasing ASP. CAD/CAM final abutments are relatively more expensive than stock abutments, which have traditionally dominated the market. The shift towards CAD/CAM abutments is set to be the most significant in China. For the overall region, units of CAD/CAM abutments are set to grow at a compound annual growth rate of 21.1%.

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