

FROST & SULLIVAN



2022 COMPANY OF THE YEAR

*INDONESIA
IN VITRO FERTILITY
SERVICES INDUSTRY*

Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Morula IVF excels in many of the criteria in the in vitro fertility services space.

AWARD CRITERIA	
<i>Visionary Innovation & Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

Morula IVF: Indonesia’s Reproductive Specialist

Established in 1997 and headquartered in Jakarta, Indonesia, Morula IVF is a fertility clinic (part of Bundamedik Healthcare System). Currently, the fertility clinic space in Indonesia increasingly calls for good, standardized fertility program services with high pregnancy rates. In a high-sensitivity market, the customer journey process is crucial. Indonesia-based in vitro fertilization clinics strive for a transparent patient experience rich in support that can increase patient retention rates. Morula IVF recognizes this importance and has become one of Indonesia’s leading fertility clinics, with over ten centers. Its employee base of over 250 professionals comprises 52 specialists, 40 embryologists, and over 90 nurses contribute to its productivity.

The clinic gains customers’ trust through its accreditation from the Reproductive Technology Accreditation Committee International Code of Practice of The Fertility Society of Australia and New Zealand. Morula IVF's success thus far attributes to its commitment to maintaining high standards and addressing the current gap in the industry. About 10% of the total Indonesian population (40 million) either suffer from infertility or face difficulty conceiving. Morula IVF’s number of IVF cycles performed grew by 42% in 2021.¹

In 2021, Frost & Sullivan recognized Morula IVF for its brand equity, implementation of best practices, and financial success and remains impressed with the company’s continuing innovation and sustained leadership.

¹ Frost & Sullivan interview with Morula IVF, June 2022.

Demonstrated Leadership through Continuous Product Innovation

Morula IVF's vision centers on providing patients with standardized fertility services leading to successful pregnancies. It connects deep-seated domain and operational knowledge with advanced services to facilitate delivering IVF solutions.

Intra-cytoplasmic Morphologically Selected Sperm Injection (IMSI)

Having served more than 125,000 patients during its operations, Morula IVF positions itself as a leader in reproductive technology.² Its diverse offerings include the latest technique in identifying the best quality sperm for insemination, known as intra-cytoplasmic morphologically selected sperm injection (IMSI). This procedure involves zooming into a given sperm sample 6,000 times using a high-powered microscope, enabling embryologists to examine the sperm sample in great detail (such as the sperms' shape).³ The IMSI method is more effective than the conventional intra-cytoplasmic sperm injection (ICSI) procedure which selects suitable sperms through 400 times magnification.⁴ According to Ivan Sini, Chief Executive Officer of Morula IVF, IMSI allows the advantage of good innovation from the clinical perspective and the patient. IMSI

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Best Practices Research Analyst**

provides options for Morula IVF patients and the extra comfort in knowing that the highest quality sperm is pre-selected. IMSI proves to be highly effective in treating infertile couples, specifically with male infertility and poor embryo developments in previous unsuccessful ICSI attempts.⁵

Pre-implantation Genetic Testing for Aneuploidy (PGT-A)

Morula IVF is the first fertility clinic in Indonesia that offers preimplantation genetic testing for aneuploidy (PGT-A) program using the next-generation sequencing method. This procedure involves analyzing embryos for congenital

disabilities in the 24 chromosomes before implantation. PGT-A improves pregnancy and live birth rates, lowering the risk of miscarriage and chromosomal abnormalities, thus increasing the chances of delivering a healthy baby. About 10% of Morula IVF's patient base is on this program as it boosts the chances of pregnancy by up to 80% in younger women. However, Morula IVF prescribes this program to older women (unsuccessful in previous IVF cycles).

The company's compelling value proposition underpins its sustained success with continued leadership within the in vitro fertility services space.

Building Trust through a Customer-centric Approach

Morula IVF believes its success depends on customer satisfaction through its customer-centric strategies. The company observes this philosophy in its daily practices. Amid the pandemic, the company's efforts to expand

² <https://investor.id/business/295921/morula-ivf-komitmen-kembangkan-pelayanan>

³ Frost & Sullivan interview with Morula IVF, June 2022.

⁴ <https://www.morulaivf.co.id/teknologi-berbantu-icsi-dan-imsi/>

⁵ <https://rbej.biomedcentral.com/articles/10.1186/1477-7827-9-123>

with new initiatives resulted in growth beyond infertility treatment. Morula IVF's wellness and food segments are helpful for couples not seeking infertility treatment. Its food program, known as Morula Food, brings a holistic approach to reproductive medicine by providing recommendations for IVF patients and married couples trying to conceive while undergoing Morula IVF's Promil program. Monitored by nutritionists, Morula Food standardizes nutritional values and antioxidants in the prescribed dishes, maintaining a delicious taste despite being free from monosodium glutamate. Each meal contains complete dietary information such as carbohydrates, protein, fat, salt, and total calories per dish. The food program also provides nutritional advice on how to plan meals during the month of Ramadhan and during Eid festivities for Muslim couples who are trying to conceive. According to Dr. Marya Haryono, clinical nutrition specialist at RSU Bunda Jakarta, Morula Food facilitates future parents to carry out a pregnancy program with the proper food intake to maintain the quality of eggs and sperm.

In 2021, Morula IVF initiated a satellite clinic project called Klinik Fertilitas Indonesia (KFI). KFI allowed the company to penetrate inaccessible markets, such as areas in which it does not have a presence. This initiative follows a referral system where doctors in the satellite clinics will refer patients to Morula IVF. Although still in its pilot phase, KFI is present in over 100 satellite clinics all over Indonesia, with 2,400 referred patients in the first six months of KFI's launch. Frost & Sullivan opines that this smart move from Morula IVF will enable the company to expand strategically within Indonesia, fortifying its industry-leading position.

Positioned for Growth

Serving as a testament to its prevalence in Indonesia, Morula IVF acquires many of its customers by engaging high-profile individuals to endorse its services fueled by exceptional operational strategies. For example, celebrity couple Asmirandah and Jonas Rivanno opted for Morula IVF's frozen embryo transfer (FET) program in February 2022.⁶ FET involves implanting embryos previously frozen and stored. The same obstetrician who

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helped the couple conceive their first child via IVF handled the process. Occasionally, the clinic offers up to 50% promotional packages on its FET and other consultations and services, ultimately making its revolutionary reproductive services more accessible.

Morula IVF has a dedicated team that constantly looks into potential marketing channels. The team identifies the suitable investment to measure the company's customer acquisition potential. During this process, the team looks into the most constructive and cost-effective ways to deduce how much to invest in one treatment cycle. Internally, the company also started its first business transformation initiative in 2022, where customer needs and the company's growth capacity will be understood and handled.

⁶ <https://www.thejakartapost.com/culture/2022/02/14/frozen-embryo-transfer-as-an-option-to-conceive.html>

In 2021, Morula IVF's parent company generated \$ 113.9 million in annual revenue, a 49% increase from 2020.⁷ Additionally, Morula IVF experienced a 30% growth in revenue in 2021. In terms of market share, the company captured 45% in 2021.⁸ The company's impressive growth momentum and trajectory are a testament to its patient-centric approach, revolutionary reproductive technology and services, and exceptional operational strategies, earning its clients' trust and loyalty and enabling it to capture more market share.

Conclusion

Indonesia's in vitro fertility (IVF) services industry attempts to keep up with the rising infertility rate and the need for effective reproductive solutions. The industry also calls for good, standardized fertility programs. Overall, Morula IVF addresses these unmet needs with a strong leadership focus that incorporates customer patient-centric strategies and exemplifies best practice implementation. This fertility clinic gains the trust of its patients through its accreditation from the Reproductive Technology Accreditation Committee International Code of Practice of The Fertility Society of Australia and New Zealand.

Through its prime offerings, such as intra-cytoplasmic morphologically selected sperm injection and preimplantation genetic testing for aneuploidy, Morula IVF facilitates patients with standardized fertility services and highly effective fertility treatments. Moreover, the company captures market share through its holistic approach to fertility and overall health through the Morula Food program. The program tackles infertility issues down to what both husband and wife consume, backed by reputable nutritionists in Indonesia. The clinic strengthens its position in Indonesia, enabling fast growth through its Klinik Fertilitas Indonesia initiative in areas where they do not have a presence. Through KFI, Morula IVF obtains more patients through referrals. The clinic remains a trusted partner, earning a reputation for offering the overall best in the in vitro fertility services industry.

With its strong overall performance, Morula IVF earns Frost & Sullivan's 2022 Indonesia Company of the Year Award in the in vitro fertility services industry.

⁷ <https://voi.id/en/economy/168216/non-covid-19-business-and-ivf-services-increase-the-net-profit-of-bunda-hospital-managers-to-rp315-billion-in-2021>

⁸ Frost & Sullivan interview with Morula IVF, June 2022.

What You Need to Know about the Company of the Year Recognition

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

Visionary Innovation & Performance

Addressing Unmet Needs: Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

Visionary Scenarios Through Mega Trends:

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

Leadership Focus: Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

Best Practices Implementation: Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

Financial Performance: Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

Customer Impact

Price/Performance Value: Products or services provide the best value for the price compared to similar market offerings

Customer Purchase Experience: Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

Customer Ownership Experience: Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

Customer Service Experience: Customer service is accessible, fast, stress-free, and high quality

Brand Equity: Customers perceive the brand positively and exhibit high brand loyalty

About Frost & Sullivan

Frost & Sullivan is the Growth Pipeline Company™. We power our clients to a future shaped by growth. Our Growth Pipeline as a Service™ provides the CEO and the CEO's growth team with a continuous and rigorous platform of growth opportunities, ensuring long-term success. To achieve positive outcomes, our team leverages over 60 years of experience, coaching organizations of all types and sizes across 6 continents with our proven best practices. To power your Growth Pipeline future, visit Frost & Sullivan at <http://www.frost.com>.

The Growth Pipeline Engine™

Frost & Sullivan’s proprietary model to systematically create ongoing growth opportunities and strategies for our clients is fuelled by the Innovation Generator™.

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Key Impacts:

- **Growth Pipeline:** Continuous Flow of Growth Opportunities
- **Growth Strategies:** Proven Best Practices
- **Innovation Culture:** Optimized Customer Experience
- **ROI & Margin:** Implementation Excellence
- **Transformational Growth:** Industry Leadership



The Innovation Generator™

Our 6 analytical perspectives are crucial in capturing the broadest range of innovative growth opportunities, most of which occur at the points of these perspectives.

Analytical Perspectives:

- Mega Trend (MT)
- Business Model (BM)
- Technology (TE)
- Industries (IN)
- Customer (CU)
- Geographies (GE)

