



# 2016 CONSUMERISM *and* HEALTHCARE MASH-UP

Unusual strategic partnerships and alliances begin to blur the line of where healthcare begins and ends. Never before thought of partnerships are making a splash and are transforming healthcare into a true success story of mash-ups.

## UNLIKELY PARTNERS BECOME DISRUPTIVE TO HEALTHCARE INDUSTRY

"Startups and companies from other industries 'are nibbling at the edges of the traditional healthcare ecosystem' as consumers become 'willing to abandon traditional care venues for more affordable and convenient alternatives'" — K. Barnes<sup>(1)</sup>

**RETAIL CARE IS GOING MAINSTREAM WITH A 35% EXPANSION OF IN-STORE CLINIC FOOTPRINTS.<sup>(2)</sup>**

**HEALTHCARE IOT SOLUTIONS SPUR \$10 BILLION IN VENTURE CAPITAL INVESTMENTS FOR START-UPS.<sup>(2)</sup>**

**GLOBAL REGENERATIVE MEDICINE MARKET TO REACH \$30B IN 2016.<sup>(2)</sup>**

**DIGITAL HEALTH START-UPS ATTRACTED \$5.8 BILLION IN 2015, AND DEAL ACTIVITY TO THE SPACE JUMPED 20%.<sup>(2)</sup>**

## SPORTS BRANDS OFFER HEALTH & BIOTECH



**The NFL + General Electric, (GE-NFL)** announced Head Health Challenge. It is a partnership to deliver insights on health and safety to the game and expand research into head injuries.<sup>(4)</sup>

**UNDER ARMOUR + WITH IBM** to create and provide meaningful data-backed health and fitness insights, powered by IBM Watson's cognitive computing technology. Under Armour's new UA Record™ combined with a Cognitive Coaching System will serve as a personal health consultant, fitness trainer and assistant.<sup>(5)</sup>

**ADIDAS BUYS RUNTASTIC**  
**VALUED \$240 MILLION**  
**70 MILLION USERS**  
OVER 20 MOBILE APPS FOR ENDURANCE, HEALTH AND FITNESS

## SCIENCE & TECHNOLOGY MEET HEALTH INSURANCE

It is also announcing some big partnerships:



**Apple** will work to integrate Watson-based apps into its HealthKit and ResearchKit tool systems for developers to collect personal health data and use of such data in clinical trials.

**Johnson & Johnson** will use Watson as a personal concierge service to prepare patients for knee surgery and to help them deal with its after effects.

**Medtronic**, the maker of implantable heart devices and diabetes products, will use Watson to create an IOT around its medical gadgets, collecting data both for patients' personal use and, once it's anonymized, for understanding how well the devices are working. Initially, the focus is on diabetes.<sup>(7)</sup>

**Google** is intensifying its investments and partnerships in the insurance tech space. It made three separate health benefits investments in 2015. These included: Collective Health, Oscar and Gusto.<sup>(8)</sup>

**Partners HealthCare** announced a new partnership with Samsung Electronics to develop the next generation of personalized digital and mobile solutions for health and wellness.<sup>(9)</sup>

## HEALTHCARE BECOMES FASHIONABLE

**Hexoskin** created a smart shirt to track activities like steps, distance, calories burned and sleep. It can also measure more advanced metrics such as heart rate, heart rate variability, breathing rate and breathing volume. The Hexoskin app for Android or iOS provides insights on intensity and recovery, calories burned, fatigue level and sleep quality.<sup>(10)</sup>



**The Swarovski Shine** comes from a partnership between the Swarovski crystal company and **Misfit**.

A reviewer recently reported, "It brings the same activity and sleep tracking as the Shine and Flash before it, this time with a crystal atop the metal disc module and a range of bracelets, bands and necklaces. Whether you think the options are gorgeous or garish, one thing's for sure - this is a blueprint for 'invisible' wearable tech that fits into our lives."<sup>(11)</sup>

An early and foundational tech/fashion partnership was forged between **Martian** and **Guess**, transforming a "swatch" population into a smartwatch nation. The Guess Connect smartwatch placed form, function, social media connectivity, iOS and Android compatibility and fashion on the savvy wrists. It's like a "swatch" with a brain.<sup>(12)</sup>

## TRADITIONAL HEALTHCARE TAKES PLACE IN BIG BOX BRANDS

**The Little Clinic** operates over 185 clinics in select Kroger, Fry's, JayC, Dillons and King Soopers stores in Ohio, Kansas, Kentucky, Tennessee, Arizona, Georgia, Indiana, Virginia, Mississippi and Colorado.<sup>(13)</sup>

There are more than 1,000 **MinuteClinic** locations inside **CVS/pharmacy** stores in 33 states and the District of Columbia. Services have been expanded to include: diagnosis and treatment of minor illnesses, injuries and skin conditions; administration of vaccinations, injections, health screenings and physicals; and monitoring for chronic conditions.<sup>(14)</sup>

**Walgreens'** estimated 400 health clinics now offer a wide range of healthcare services including prevention and wellness options like vaccines, physicals, health screenings and testing, treatment for minor illnesses and injuries, skin conditions, monitoring and management of ongoing health conditions, medications and treatments.<sup>(15)</sup>

**Nestlé Health Science**, a wholly-owned subsidiary of Nestlé, is advancing the role of nutritional therapy to change the course of health for consumers, patients and partners in healthcare. Nestlé Health Science is investing USD \$70 million to create a Nestlé Product Technology Center (NPTC) at the New Jersey Center of Excellence in Bridgewater, New Jersey (USA).<sup>(16)</sup>

## HOW CONSUMERS FEEL ABOUT THESE PARTNERSHIPS AND ADVANCES

Percentage of Consumers Who Would Consider Receiving Specific Forms of Care, by Location.<sup>(17)</sup>

Consumers Weigh In

	Physical Exam	Routine Care	Minor Episodes	Diet/Nutrition	Fitness/wellbeing	Chronic Management
Interested in receiving care in a least one alternative location	44%	64%	79%	66%	64%	50%
Grocery Store (such as Kroger, Publix, Safeway)	10%	17%	20%	17%	21%	11%
Discount retail store (such as Wal-Mart, Target)	11%	20%	24%	25%	25%	13%
Pharmacy (such as Walgreens, CVS, Rite Aid)	15%	30%	30%	35%	33%	19%
Walk-in clinic or urgent care center	35%	46%	61%	30%	30%	33%
Phone, voice chat, or video chat	4%	11%	13%	32%	33%	19%

Source: 2013 Oliver Wyman Consumer survey

Legend: <10% (lightest blue), 10-24% (light blue), 25-49% (medium blue), >50% (darkest blue)

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