



EMERGING TRENDS

# Wellness Trends

2019



## WHAT IS CB INSIGHTS?

CB Insights is a tech market intelligence platform that analyzes millions of data points on venture capital, startups, patents, partnerships and news mentions to help you see tomorrow's opportunities, today.

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NEXTT FRAMEWORK

# Wellness Trends in 2019



- Products
- Services
- Distribution
- Marketing
- Technology

# NExTT Trends



We evaluate each of these trends using the CB Insights NExTT framework.

The NExTT framework educates businesses about emerging trends and guides their decisions in accordance with their comfort with risk.

NExTT uses data-driven signals to evaluate technology, product, and business model trends from conception to maturity to broad adoption.

**The NExTT framework's 2 dimensions:**

**INDUSTRY ADOPTION** (y-axis): Signals include momentum of startups in the space, media attention, customer adoption (partnerships, customer, licensing deals).

**MARKET STRENGTH** (x-axis): Signals include market sizing forecasts, quality and number of investors and capital, investments in R&D, earnings transcript commentary, competitive intensity, incumbent deal making (M&A, strategic investments).

**From personalized vitamins to connected fitness devices to CBD oils, wellness is now a multi-market, mega opportunity estimated to be worth over \$4T.**

**New technologies, along with the rise of the online channel, are creating greater access to products and services promising mind-body improvements.**

**We look at the trends poised to redefine wellness in 2019.**

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Consumers are increasingly seeking products and experiences that promote well-being and healthy habits, with modern-day “wellness” referring to holistic healthy living characterized by physical, mental, social, and spiritual well-being.

And as consumer demand rises, businesses are buying into the trend.

Startups are branding wellness products and services in sectors ranging from mental health to diet to fitness, among others.

Meanwhile, corporates across multiple industries are launching wellness-focused initiatives.

New technologies and distribution models are simultaneously enabling the rise of the wellness economy and capturing an increasing share of consumers’ wallets, from fast casual restaurants and beverages to sleep tech products and real estate.

However, amidst the wellness boom, inclusion and broad accessibility still remains a major issue and critique of the movement.

In this report, we focus on 18 trends from the Necessary and Experimental quadrants of our data-driven NExTT framework.

Our necessary trends have already seen fairly wide adoption across industries and by customers. They are the trends companies should be focusing on if they want to remain competitive in the wellness space.

Our experimental trends haven't seen as much traction yet, but signals suggest these products, services, and approaches could become the necessary trends of tomorrow.



## Necessary

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### PREMIUM BEVERAGES

*The beverage industry is embracing wellness. A new era of better-for-you beverages are touting benefits such as enhanced productivity, greater calm, and simply “feeling better.”*

Walk into a grocery store or convenience store and you’ll find aisles dedicated to sparkling water, coconut water, kombucha, and cold-pressed juices.

Driven by a rising focus on health & wellness, consumers are increasingly demanding better-for-you beverage choices that don’t compromise on taste.

And beverage brands are responding, using wellness-focused branding to entice consumers.

Beverage giants have also been investing in wellness-focused beverages. For example, PepsiCo acquired [KeVita](#) back in 2016 and purchased [SodaStream](#) for \$3.2B this past December.

Notably, Coca Cola recently led an investment of \$15M in Iris Nova, known for its [Dirty Lemon](#) wellness beverages brand, which integrates on-trend ingredients such as charcoal and collagen.

But it’s not just waters and juices that are getting a wellness makeover.

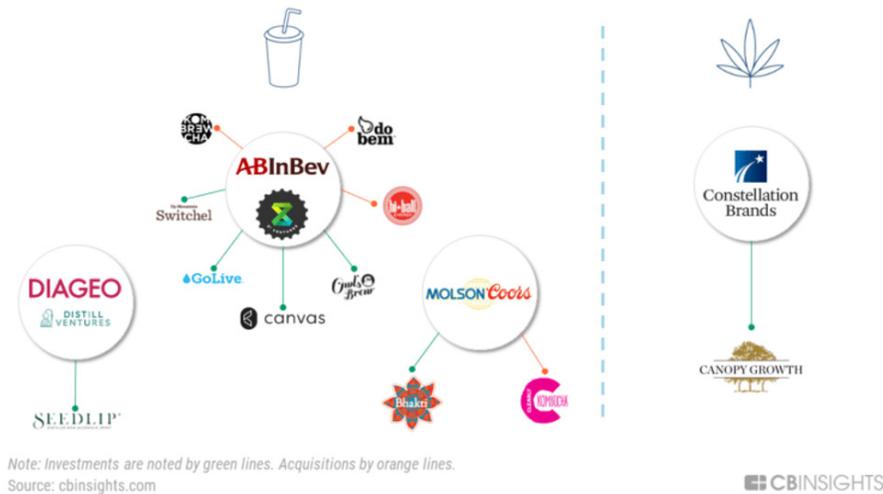
It’s also alcoholic beverages.

Alcohol consumption is broadly on the decline due to a greater societal focus on self-care, health, and wellness. Challengers such as hard seltzer may be partially to blame, along with health-conscious consumers who are increasingly looking at alcohol-free or lighter alcoholic drinks.



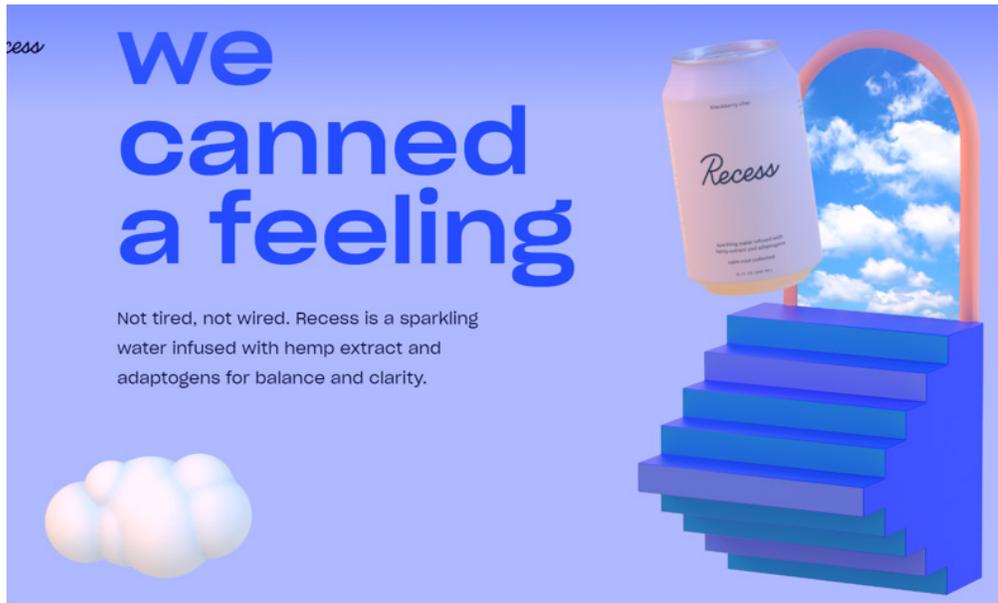
As a result, alcohol-free spirits and cannabis-infused drinks are rising to compete with traditional beer, wine, and spirits. Alcohol companies are becoming increasingly active in the [non-alcoholic beverages sector](#). Beer giant AB InBev, for instance, has made 7 disclosed acquisitions or investments in the space, including purchasing energy-drink brand [Hiball](#) and providing seed funding to plant-based beverage company [Canvas](#).

## Alcohol Companies Invest In Alcohol-Free Beverages



Constellation Brands, the company behind Corona beer, recently invested \$4B into cannabis producer [Canopy Growth](#).

Another alcohol-free example is [Recess](#), which produces CBD- and adaptogen-infused beverages. The startup has gained recognition on social media through its promise of lifestyle benefits like balance and clarity.



Source: Recess

Moving forward, new wellness beverage “occasions” are on the horizon – from post-workout refueling to alcohol-free happy hours.

And major beverage players will continue to capitalize on the trend. Coca Cola, for instance, recently released a new range of alcohol-free adult sparkling drinks in US – intended to cater to beer, wine, and cocktail enthusiasts.

With wellness beverages becoming a crowded market, product differentiation will be key. Expect companies to leverage on-trend ingredients and tout nutritional benefits that align with wellness-focused lifestyles.



## PERFORMANCE FASHION

*Athleisure has taken the apparel world by storm. Beyond athleisure, wellness is playing a bigger role in fashion, from workleisure to connected apparel to eco-friendly clothes.*

It's no secret that athleisure has spread across the globe, and is reportedly hurting denim sales. The term even made it into the Merriam-Webster dictionary in 2016.

### LEGGINGS FOR DAYS

## Love it or hate it, athleisure's here to stay

Number of mentions



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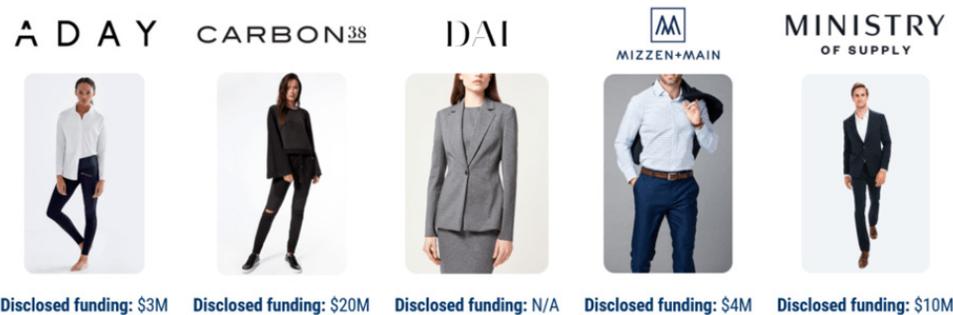
The trend has also moved into the workplace, as consumers seek to seamlessly transition from the gym to work and beyond.

From men's dress shirts to women's workwear, startups are bringing technical fabrics, sustainability, and versatility to everyday business attire.



FOCUS ON PERFORMANCE THROUGHOUT THE DAY

## Technical fabrics extend to “workleisure”



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For example, performance professional apparel brand [Ministry of Supply](#), which has raised \$10M, offers business wear for men and women which claims to be sweat proof, high stretch, and low maintenance. [ADAY](#), another startup, offers wardrobe staples for women made from technical fabrics, touting wrinkle resistance, stretchiness, UV protection, and more.

Clothing is also getting a tech upgrade.

Connected apparel lines are using IoT technology to embed performance tracking features within clothing. Brands like [Sensoria](#), for example, offer smart garments with heart monitoring capabilities, while [Wearable X](#) produces connected yoga pants that vibrate to help guide wearers through yoga sequences.

Fashion and wellness are becoming even more intertwined.

From smart jewelry that can monitor vital signs to Fitbit’s fashion collaborations with Public School and others, companies are exploring concepts around clothing that can boost wearers’ well-being.

Nike, for example, just released a \$350 smart sneaker that self-tightens instead of using laces and can track physical activity over time.



Source: Nike

Another major aspect of the fashion and wellness link includes sustainable fashion.

To address consumer demand for eco-friendly products, brands like [Everlane](#) and [Reformation](#), amongst others, are aiming to combat overconsumption in the industry.

Initiatives like apparel recycling programs, eco-friendly textiles & fabrics, vegan & cruelty-free clothing brands, and more will continue to strengthen this link between sustainability, fashion, and wellness.



## GROCERY STORE PRIVATE LABELS

*Grocery stores are using private labels to test new diet trends and launch wellness products.*

Long gone are the days when shoppers were limited to buying healthy foods at Whole Foods or niche natural foods stores. From oat milk to zucchini noodles, today's grocery stores are teeming with better-for-you foods and beverages.

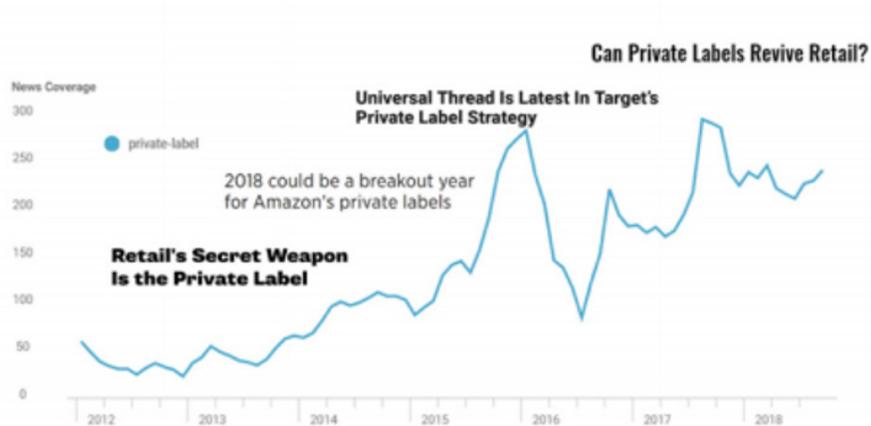
One way grocery stores seek to manage inventory is through private labels – which allow retailers better control over production costs and can lower prices for consumers.

Many grocery retailers are expanding their private label assortments in the face of razor thin margins. Albertsons, for example, had a goal last year of doubling its 2017 rate of introducing new private label products.



### Media discussion of private labels continues to rise

2012 – 2018TD (Oct'18)



Sources: [Bloomberg](#), [CNBC](#), [PYMNTS.com](#), [TheStreet](#)



Beyond margins and pricing, private labels give retailers greater power to cater to specific consumer trends. This in turn can build greater customer loyalty for in-house brands.

And wellness is a major focus of many new private label products.

For instance, Kroger has capitalized on its knowledge of customer preferences by exploring healthier products. The company stated that sales of its Simple Truth-branded natural and organic products rose 19% year-over-year in Q4'17.

Another example is Whole Foods, which since Amazon's acquisition has been relying more heavily on its own private labels to cut out external suppliers and try to bring down prices.

The company's 365 Everyday Value Brand – marketed as a value-driven option that still offers organic, natural, and locally-sourced options – became the No. 2 best-selling private label brand on Amazon in 2018, according to Business Insider.

### **365 EVERYDAY VALUE® FREEZE DRIED GRANNY SMITH APPLE SLICES**



365 Everyday Value® Freeze Dried Granny Smith Apple Slices ensure it is apple season all year round. Mix with almonds and sunflower seeds for a DIY trail mix or pair with a fall cheddar for the ultimate Fall Snack.

### **365 EVERYDAY VALUE® FREEZE DRIED BANANA SLICES**



Mix our NON GMO Project Verified 365 Everyday Value® Freeze Dried Banana Slices with dark chocolate squares - what a treat for that mid afternoon slump!

Source: Whole Foods



E-commerce platforms are also jumping on the private labels trend and emphasizing better-for-you offerings. Online marketplaces like [Thrive Market](#) and [Brandless](#) are seeking to make organic and healthier products more affordable through its private labels.

Moving forward, better-for-you private label brands will continue to dominate grocery store shelves in 2019. Expect to see more plant-based products, gut-friendly foods, and low-sugar options this year.



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## FINANCIAL HEALTH

*Beyond fitness, gut health, mental health, and much more, financial health has become a new frontier for wellness.*

New tools and fintech platforms are emerging to provide more financial options to consumers – potentially contributing to an overall state of well-being through reduced stress, increased access to resources, and greater resilience to unexpected events.

Budgeting, investing, getting loans, and more, fit into financial health. Finance apps and wealth management platforms have taken off, from micro-investing apps like [Stash](#) to retirement management tools like [Bloom](#).

Though there's a great deal of skepticism on whether corporate wellness programs are actually effective, benefits platforms are trying to tap into the wellness trend by integrating more health and well-being benefits for employees.

## Benefits platforms partner with wellness startups





For example, [Justworks](#) partnered with [ClassPass](#) last year to include its fitness packages in Justworks' offered benefits. HR software platform [Zenefits](#) announced a partnership with well-being-platform [Thrive Global](#) around the same time to offer content and tools within Zenefits' platform, such as Thrive's wellness-tracking app.

A few companies have also tried targeting women's financial wellness — offering help to become better investors, increase wealth, and destigmatize conversations around money.

However, success has been mixed. For example, [LearnVest](#), which originally launched as a women-focused financial planning platform, was acquired by Northwestern Mutual in 2015 and subsequently rebranded as a broader financial education site.

Going forward, expect to see more financial wellness companies continue to focus on financial services for underserved populations. Additionally, fintech companies have an opportunity to leverage more wellness-focused branding to better tie financial health to overall well-being.



## WELLNESS TOURISM

*Wellness travel is taking flight – travel, hospitality, and well-being are converging in the broader wellness tourism market.*

Well-being-inclined consumers are seeking healthier travel experiences – from airport check-in to accommodation – reflecting their desire for wellness in their daily lives.

Wellness tourism spend is expected to reach \$919B by 2022, according to the Global Wellness Institute.

Airports are becoming wellness destinations in their own right. Fitness services, for example, are targeting business travelers by providing services at airports, with brands like [ROAM Fitness](#), which offers workout facilities behind airport security, and [Sanctify](#), which provides a members' club for travelers to book airport hotel gyms and other wellness facilities.

## Airports become wellness destinations

From healthy foods & beverages...

**Heathrow**  
Making every journey better



**form**



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...to fitness & wellness services



 be relax



**yoga**  
AIRPORTS





Beyond fitness, beauty and relaxation services are also coming to airports.

For example, [BeRelax](#) has raised \$24M for post security relaxation and beauty treatments, feeding into the trend of airports becoming more like [shopping malls](#).

#### PRE-FLIGHT BEAUTY & RELAXATION SERVICES



**Funding:** \$24M  
**Valuation:** N/A

**Be Relax** offers relaxation and beauty treatments in airports, including chair and table massages, steam rooms, manicures, and more.

Be Relax is present at over 40 locations globally.

#### Select Investors

[Activa Capital](#)



#### be relax SERVICES

A very simple and efficient airport spa service accessible to everyone. Get it on the go!

Be Relax offers well-being and beauty services to airport passengers worldwide!

Experience well-being from 60, 20, 30 minutes. Locken your 80% muscle thanks to the Be Relax, our signature massage that will bring you to a sublime stage of relaxation.

Enjoy a moment of escape with our full-body table massages in our private treatment rooms. Relax to improve your flight. 100% covered with our high-quality treatments and products.

Another way in which fitness is affecting travel is through an increase in fitness retreats or fitness-focused vacations from companies like [bstoked](#) and [Ketanga Fitness Retreats](#).

ClassPass recently entered into the travel wellness market with its launch of “ClassPass Getaways,” which offers day-long wellness experiences such as workouts or spa services, amongst other options.

Such fitness services could present partnership opportunities for the travel industry, including with hotel chains, home-sharing services, and big travel services players like [Airbnb](#), among others.



#### WELLNESS TRAVEL PARTNERSHIP OPPORTUNITIES

## ClassPass further expands into wellness

ClassPass just announced “Getaways,” where members can book day-long wellness experiences ranging from workouts to spa services and more. This comes weeks after the company’s recent \$85M Series D round and expansion to Asia.



 CBINSIGHTS Image credit: [ClassPass](#)

“At ClassPass we aim to provide stepping stones toward an active and inspired lifestyle, and ClassPass Getaways will do just that. We’re thrilled to give members the opportunity to take a mini-escape from their day-to-day to try new things and explore unfamiliar places. It’s our hope that attendees will leave feeling energized and empowered to continue living life to their absolute fullest.”  
**Payal Kadakia, ClassPass Founder**

However, amidst all of these new wellness travel options, overtourism still remains a major concern. While greater travel can lead to more money spent in tourist destinations and the creation of jobs, overtourism can lead to greater pollution, damaged infrastructure, and a host of other issues.

Expect to see more efforts around sustainable tourism, including new wellness-focused tourist destinations and urban wellness experiences.



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## ALTERNATIVE OFFLINE POINTS-OF-SALE

*From mobile-operated kiosks in cars to smart refrigerators in offices, alternative offline wellness point-of-sales are emerging.*

Though brick-and-mortar retail has been [struggling](#), new offline distribution channels are beginning to emerge.

Such distribution channels are aiming to intersect shoppers in their daily activities – which are becoming more centered around wellness.

For example, NYC-based [Cargo](#), which partners with [Uber](#) in the US and [Grab](#) in Asia, installs mobile operated kiosks inside ride-sharing vehicles, selling snacks, beauty products, and other items. The company focuses on gathering user data through its mobile app for CPG brands, which are increasingly distributing more wellness-branded products.

Beyond ride-sharing, NY-based [Vengo](#) makes cash-free, touchscreen vending machines that are designed to stock higher-priced products. The company aims to drive revenue through purchases, help brands boost their appeal, and pass on mobile payment data to brands.

In 2018, Vengo partnered with national gym chain Blink Fitness to install machines in 50+ Blink locations. Blink's Vengo machines sell workout-friendly items like ear buds and deodorant.



Source: Vengo

Apart from selling products, Vengo's digital screens can display marketing material and product information, or give out free samples to people who fill out customer surveys.

Vengo Labs recently partnered with sampling company Arcade Beauty to place co-produced beauty sampling kiosks in hotels, airports, gyms, and other locations.

Such alternative offline points of sale could be used to increase the likelihood that consumers will be able to conveniently access wellness products.

Beyond Uber rides or the gym, brands are also focusing on delivering wellness products and services to offices.

Offices are a natural frontier for wellness. Consumers are seeking healthier work environments and employers are simultaneously angling to use workplace wellness initiatives to attract and retain employees.

For example, offices are hosting new relaxation services for employees. [Soothe](#), which has raised \$78M, offers on-demand massages and corporate wellness benefits through its "Soothe At Work" program.



Co-working brands are also serving as a distribution channel for more wellness products. Co-working giant **WeWork** has jumped into wellness with its launch of Rise by We, its retail channel WeMRKT (which sells products from CPG startups that work out of WeWork offices), and more.

Wellness amenities are similarly being emphasized in female-focused co-working spaces such as **The Riveter** and WeWork-backed **The Wing**.

#### THE NEW OFFICE SPACE

### Female-focused co-working spaces focus on wellness

#### THE WING

Disclosed funding: \$117M



*The Wing's membership benefits include a healthy café, showers, a library, and more.*

CBINSIGHTS Image credit: [The Wing](#), [The Riveter](#), [Well + Good](#)

#### R The Riveter

Disclosed funding: \$21M



*The Riveter's membership benefits include fitness and meditation classes, a mother's room, and more.*

Moving forward, alternative wellness points-of-sale will multiply, and wellness brands should increasingly look to partner with such distribution channels to improve their visibility to consumers.



## FAST CASUAL HEALTH RESTAURANTS

*The global fast casual market is expected to grow to \$67B by 2020. Within the segment, restaurants have notably leaned into healthy dining.*

The US restaurant industry represents nearly \$800B in annual spending, according to the National Restaurant Association.

However, traditional fast food and casual dining brands are struggling — Friendly's went bankrupt in 2011, and Subway announced last year that it was closing 500+ locations.

Many of these models target millennials — for whom, of course, health and wellness are becoming an increasing priority.

An emerging breed of healthy fast casual restaurant concepts has seen hundreds of millions in funding. Private equity-owned smoothie chain Joe and the Juice could reportedly file for an IPO this year.

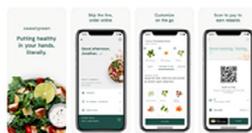
Notably, [Sweetgreen](#), now profitable according to Eater, became a unicorn after Fidelity Investments' \$200M Series H round in November 2018.

### THE FAST-CASUAL REVOLUTION

## Healthy restaurant chains become **lifestyle brands**

Healthy fast casual concepts use **content**, **community**, and **technology** to encourage repeat customers.

**New players emphasize transparency, convenience, loyalty...**



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**...while incumbents are playing catch-up**



**McDonald's Makes More Happy Meal Changes, Bringing It Closer To A Healthy Meal**

Forbes

11/16/2018

**Panera is reinventing bread as 'healthy' as sandwich chains like Quiznos and Subways struggle to survive**

10/16/2018

BUSINESS INSIDER





The chain's focus on content, community, and technology has helped it differentiate itself from other fast casual concepts – propelling Sweetgreen into a lifestyle brand with a cult following.

Notably, its app has over 1M users, and the company has used blockchain technology for its supply chain to trace produce. The company has also been expanding its free office delivery services.

But it's not just the upstarts – incumbent restaurants are also going healthier.

Pret, for instance, is launching vegetarian-only stores while Panera is trying to reframe its sandwiches as healthy (both restaurant chains are [now owned by JAB Holding](#)). Meanwhile, chains like McDonalds, KFC, and others have been steadily adding healthier options to their menus.

Moving forward, tech will play a bigger role in making restaurants more efficient and helping them to differentiate from a sea of healthy options. Tasty food isn't enough – having a positive ordering and eating experience is also vital to attracting customers and promoting overall wellness.

Menus are also becoming more personalized. For example, [Vita Mojo](#), a fast casual chain that offers customizable meals, partners with genomics companies to create recommendations based upon customers' genetic profiles.



Quick food,  
ultra personalised

The first step is we need to find you a pick up location

ORDER NOW



Choose ingredients



Adjust quantities



Collect from store

Source: Vita Mojo



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## **ENERGY EFFICIENT BUILDINGS**

*Energy efficiency is playing a bigger role in promoting comfort, and ultimately well-being, to inhabitants.*

Looking to the future, cities will upgrade their buildings to make them more energy efficient and responsive.

Upgrading buildings in this way requires sensors installed on old infrastructure, software to manage and control energy data, and new forms of security.

Real estate companies that manage to reduce emissions and waste can help build environmentally friendly regenerative buildings and communities – promoting wellness.

And comfort doesn't have to be sacrificed to make buildings more energy efficient.

Companies are [working on technology](#) to improve comfort and energy efficiency in buildings as part of digital upgrades. And as commercial buildings get smarter, energy management systems are being used in new ways to lower emissions and costs while boosting the experience of occupants.

Other services offer AI to help automate air filtration, give occupants control of temperature settings, and analyze data on comfort.



### Smart Building Technology

<b>Comfort</b> CrowdComfort imageous	<b>Predictive maintenance</b> AUGURY	<b>Smart infrastructure</b> Carbon Lighthouse Radiator Labs view SENSIBO uptime Nature SunCentral PHYSEE	<b>Identity management</b> B Secur BlinkIdentity
<b>Virtual power plants</b> BLUEPRINT POWER LEDGER Infrastructure-as-a-service sparkfund URBANVOLT REDAPTIVE	<b>Water management</b> Greeter FLOW LABS	<b>Building automation and data management</b> BlockDox Robin senseware entic eneritiv BASKING 75F PointGrab Bractlet VERGENSENSE	
<b>Energy efficiency and management</b> SMARTGREEN PARAGON ROBOTICS BRIGHT POWER Grid Edge gulolug IQ Spot CURIE LABS CIM ENVIRO eCurv BeeBryte	<b>HVAC</b> SALLY R Monodraught mistbox IntelliHot ICE ENERGY envairo	<b>Rating system</b> Rentlogic WIRED SCORE	<b>Connectivity</b> STARRY SENSING LABS

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For example, [WeWork is starting](#) to focus on air quality to enhance productivity and well-being. The co-working giant is retrofitting HVAC systems with the ability to respond to high CO2 and pollutant levels. When these contaminants are detected, HVAC systems are prompted to cleanse the air.

Other companies are exploring new energy efficient, wellness-focused commercial real estate concepts.

In February 2018, architecture firm Gensler and sportswear retailer Reebok partnered to develop a concept to convert American gas stations into fitness and wellness centers that generate energy. These gas stations would be converted into “recharge zones” that could offer trendy wellness amenities such as juice bars, meditation pods, farm-to-table restaurants, and more.

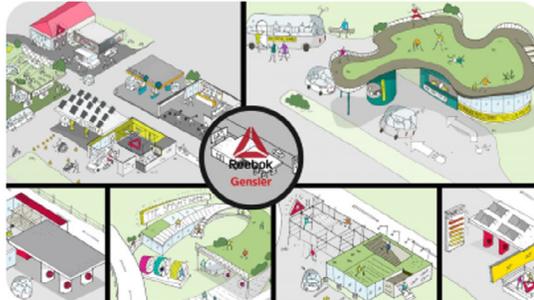


#### RETHINKING THE GAS STATION

## Fitness could be a cornerstone of smart cities

In February 2018, architecture firm Gensler and sportswear retailer Reebok partnered to develop a concept to convert American gas stations into fitness and wellness centers that generate energy.

These gas stations would be converted into “recharge zones” that could offer trendy wellness amenities such as juice bars, meditation pods, farm-to-table restaurants, and more.



CBINSIGHTS Sources: Reebok, Gensler

In the future, we can expect to see more companies and initiatives around making our buildings cleaner, smarter, and safer – promoting inhabitants’ well-being.

Office buildings, in particular, will be pivotal in this movement. The World Health Organisation has identified the workplace as the number one place to fight “lifestyle disease,” as “the workplace directly influences the physical, mental, economic, and social well-being of workers and in turn the health of their families, communities and society.”



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## **ASPIRATIONAL & AUTHENTICITY BRANDING**

*A reported 74% of consumers between the ages of 18 to 34 believe that it's important for brands to embrace wellness as part of their core mission, with 62% believing that all brands will need a wellness angle to survive in the future – according to Deep Focus.*

Unsurprisingly, the business of wellness branding has exploded.

Through social media, brands and influencers are marketing “wellness” as an aspirational lifestyle, whether through luxury gym memberships or beauty supplements that claim to bring wellness and happiness.

Food companies and retailers have taken note. Kellogg's, for example, just launched a new wellness-focused cereal brand, called Hi! Happy Inside, which includes prebiotics, probiotics, non-GMO fruit, and fiber. Meanwhile, retailers like Anthropologie and Urban Outfitters are opening new distribution channels for wellness-focused beauty and supplement brands.

But it's not just about aspirational branding.

There is a tug between aspirational lifestyle and authenticity marketing.

Traditional gym marketing has focused on aspirational lifestyle marketing – where players like Equinox, for instance, have thrived.

But companies like Victoria's Secret have been criticized for promoting an aspirational lifestyle that's unattainable or unattractive for many women.

Other companies are marketing on authenticity by telling consumers to “be themselves” as a means to promote well-being. Brands like SoulCycle and Outdoor Voices have launched authenticity-focused marketing campaigns. Similarly, sexual wellness and feminine care companies are using authenticity marketing to destigmatize feminine hygiene.



INCLUSIVE IS THE NEW BLACK

# Wellness marketing shifts towards authenticity

From the "you do you" mindset...

**SOULCYCLE**

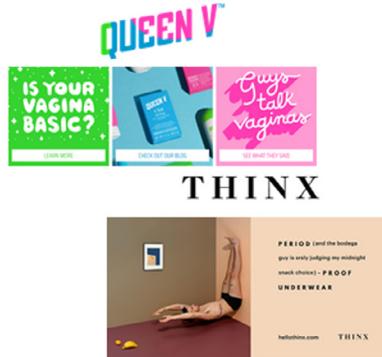


Outdoor Voices



CBINSIGHTS

...to destigmatizing taboo topics



Some incumbent brands are leveraging authenticity to maintain relevance with consumers. Dove and Covergirl, for instance, aim to associate themselves with inclusivity and sustainability through products, diverse spokespeople, ingredient certifications, and more.

Moving forward, brands will need to clearly define the type of wellness marketing they want to promote based on their desired customer base. For example, new invite-only gyms like Performix House and Ghost are leveraging exclusivity to drive their wellness marketing.

MEMBERS-ONLY FITNESS SPACES

## Invite-only gyms drive exclusivity

Creating a sports lifestyle brand & content studio



Performix House, which spun out of sports supplement brand Performix, launched a members-only gym in New York in February 2018. The club's monthly membership cost ranges from \$249 to \$900 and prospective members must apply and are vetted by the Performix House team. The club also offers an in-house content studio.

CBINSIGHTS Sources: Forbes, Performix House, Ghost

Using fitness pop-ups for member recruitment

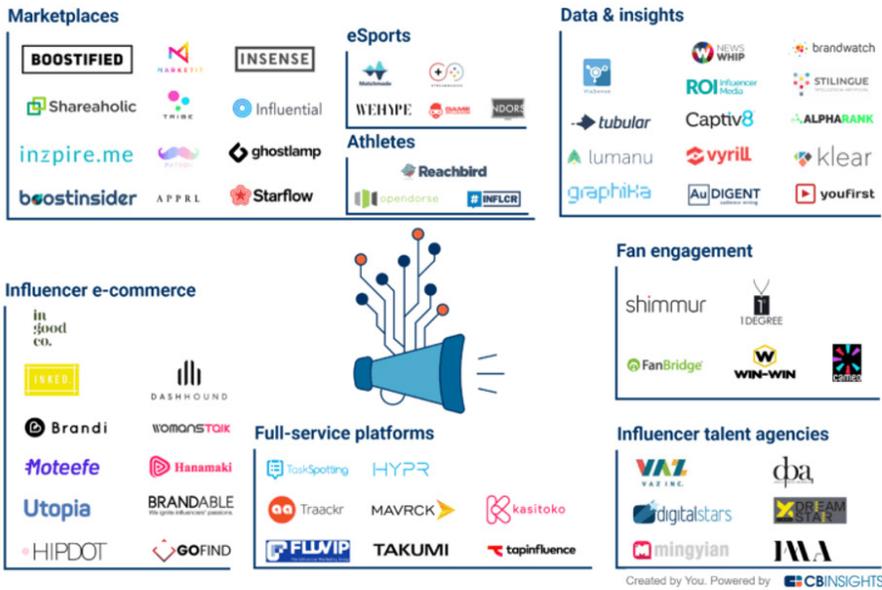


Pre-launch Ghost aims to merge a members-only fitness lounge and private training facility with a machine-learning platform that will provide personalized workout programming tailored to individuals' fitness goals. In May 2018, the brand launched a temporary pop-up gym in Brooklyn to introduce the concept to potential members prior to opening.



Social media is often leveraged for aspirational and authenticity branding, but relying too heavily on influencers can come with some reputational risks. In an effort to combat this issue, companies like L’Oreal and Unilever are beginning to implement vetting processes for their paid influencers.

### Influencer Marketing Market Map





## Experimental

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### ACTIVE BEAUTY

*Better for you, non-toxic personal care products are intersecting with the wellness space as part of a larger consumer movement towards healthier lifestyle choices.*

Athleisure and beauty have integrated for a new product category: post-workout wellness.

Fitness and beauty's convergence is evident in the active beauty category, which originally offered sweat-proof makeup designed to be worn while exercising and has since expanded to beauty products that emphasize post-workout benefits of cleaning up and calming down.

**YUNI Beauty** (which distributes in Sephora, Target, and more) offers clean body and skincare products targeting consumers with active lifestyles, while **Sweat Cosmetics** produces mineral powder foundations and sunscreens designed for active women.

Corporate-backed brands such as MAC, Tarte, and Clinique have also experimented with dry shampoos, sweat-proof mascaras, tinted moisturizers, and more.

#### BEAUTY PRODUCTS TARGETING YOUR WORKOUT

### Active beauty category takes off

From sweat-proof cosmetics...

...to post-workout refreshers





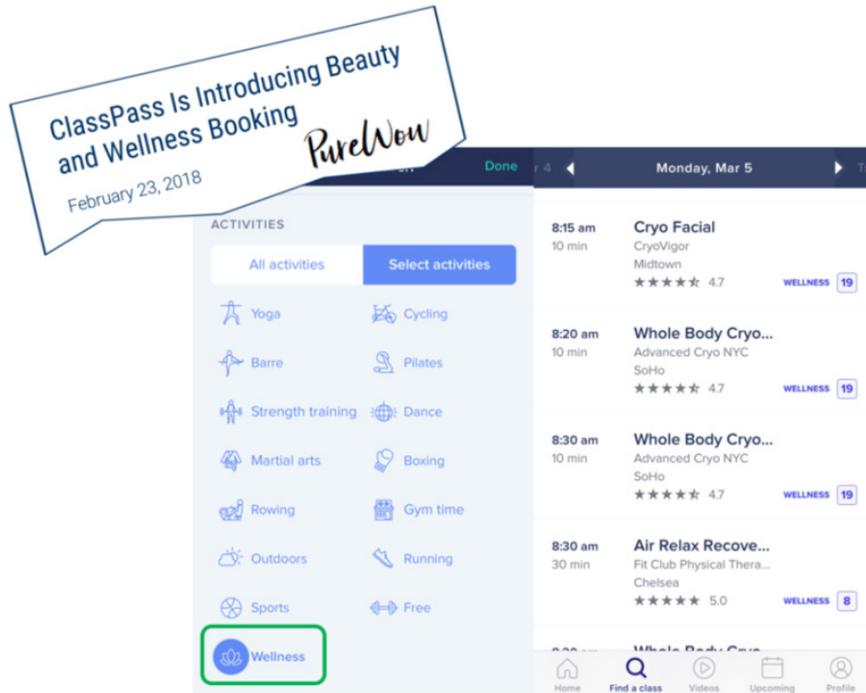
“Athleisure beauty” also highlights the beauty fitness overlap: in-studio products can make consumers’ fitness experiences feel more enjoyable and premium – and provide a point of differentiation from other brands.

BLENDING BEAUTY WITH HEALTH & WELLNESS

## In-studio beauty products are integral to fitness experiences



As beauty brands cater to consumers’ exercise regimens, fitness brands are also moving into beauty. For example, in early 2018, [ClassPass](#) launched on-demand beauty and wellness services, including infrared saunas, cryotherapy, massages, and facials.



High-momentum beauty and fitness brand partnerships are also promoting complementary products and experiences. For example, Equinox partnered with [Glossier](#) in early 2018 to allow Equinox members to try on Glossier products after the launch of a new group fitness class.

Both brands offer a similar ethos, advertising “aspirational lifestyles” to consumers.



FITNESS & BEAUTY BRAND PARTNERSHIP: ASPIRATIONAL LIFESTYLE

## Equinox and Glossier partner for experiential wellness

ON THE FITNESS & BEAUTY OVERLAP...

"Customers are hopping fluidly from fitness into beauty, beauty into wellness in general and there's a convergence happening all day long. I don't know that the consumer is separating them. They just want to be their best self."

Virnia Black Gupta  
Chief Marketing Officer, Equinox



Similar brand ethos...



**EQUINOX**



**Glossier.**

Fitness and beauty converged for Equinox in 2009, when the company began partnering with L'Oréal-owned Kiehl's to bring the beauty brand's products to its locker rooms for luxury post-workout beauty amenities.

CBINSIGHTS Sources: [LA Times](#)

...natural collaboration



In early 2018, Equinox partnered with Glossier for a series of events across New York, San Francisco, Chicago, and London. The events, which concurred with the launch of a new group fitness class by Equinox, allowed attendees to sample select Glossier products.

Beyond athleisure beauty, on-the-go beauty and personal care products are catering to consumers' wellness lifestyles. Companies like [Wander Beauty](#) and [Stowaway Cosmetics](#), for example, sell travel-inspired luxury beauty products.

Moving forward, we could see more non-Western players experiment with active beauty products. Japan-based chemical and cosmetics company Kao Corporation, for instance, is planning to launch a new sunscreen line targeting active lifestyles as a response to Japan's rising heat and humidity.



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## FEMININE CARE & SEXUAL WELLNESS

*Sexual wellness is the new self-care. Startups are transforming the feminine care and sexual wellness space with better-for-you ingredients, product innovation, and inclusive branding.*

Women's health and wellness are becoming increasingly intertwined.

What's driving this movement?

Beyond the broader investment in female-focused products and services, the rise of the online channel has helped feminine care and sexual wellness products find wider distribution.

### OFFLINE-TO-ONLINE

## Sexual wellness products become destigmatized

From adult stores...

**Offline**



...to the comfort of your own home

**Online**



CBINSIGHTS

A new crop of digitally native brands are working to destigmatize feminine hygiene through new products and services that emphasize higher-quality ingredients, transparent sourcing, and inclusive branding.



SUSTAINABLE SOURCING

# Organic period care brands emphasize transparency

**Through better-for-you ingredients...**

**CORA**

**PREMIUM MATERIALS**

MADE WITH

**Or**

ORGANIC COTTON

**Hy**

HYPOALLERGENIC

**Bc**

BIODEGRADABLE & COMFORTABLE

**Vg**

VEGAN

MADE WITHOUT

Synthetics	Herbicides	Deodorants
Chlorine	Chemicals	Child Labor
Pesticides	Fragrances	Animal Cruelty

**...and sustainable supply chains**

**Rael**

HOW WE'RE MADE.



Rael is made in California from premium materials to manufacture our pads, tampons, and liners. These healthy products are made from sustainable products designed and made in California. We're here to change that. Not only are our pads and tampons made with 100% certified organic cotton, they're comfortable—and they work. [How's that for us?](#)

TEXAS

MANUFACTURER

CALIFORNIA

DEAR CUSTOMERS

1. Our cotton is sourced from Texas, known for its rich, clean fiber and integrity of the farmer who carefully grows each field. [Click here](#) to learn more about conventional versus organic cotton.  
2. The cotton is harvested and spun into threads in South Texas, known for having one of the oldest textile mills in the world.  
3. The fabric is transformed and packaged into pads and tampons in an open, sterile environment.  
4. Our pads and tampons are shipped back to sunny California, where our team is excited to be distributed to customers.



**LOLA**, the most well-funded in the category with \$35M in disclosed funding, sells organic cotton tampons on a subscription model. The company recently forayed into sexual wellness products with its collection “Sex by LOLA,” which offers ultra-thin lubricated condoms, personal lubricants, and cleansing wipes.

Brands are also exploring the overlap between menstruation and beauty.

Companies like **Amareta**, **Rael**, and Knours are offering hormonal skincare products ranging from sheet masks to acne healing patches.

Beyond menstruation, brands are also seeking to destigmatize women’s sexuality through millennial-friendly branding, relatable language, and better-for-you ingredients.



## HOLISTIC HEALTH & WELLNESS FOCUS

# Sexual wellness startups emphasize health benefits

Through product certifications...

...and relatable, millennial-friendly branding

**sustain<sup>®</sup> NATURAL**

**WE'RE OVER CERTIFIED.**

Sustain puts your body first—our products are healthier for you, and also happen to be better for the environment. We are a B Corporation, FDA approved, Fair Trade, Certified Organic and so much more.

**QUEEN V**

**on the go** \$14.99

**HEAD OVER HEAL** \$14.99

**CLEAN V** \$14.99

**CBINSIGHTS**

Also feeding into this trend are women’s health clinics, which are increasingly offering more personalized and holistic healthcare for women. **Tia**, for example, offers a women’s health adviser app and is launching a women’s health clinic in NYC in March, which aims to serve as a “one-stop-shop for all things female health.”

## Women’s health clinics get a wellness makeover

From brick-and-mortar clinics...

...to virtual clinics

**Tia**

**With a Tia Clinic membership, you get:**

- Screening & walk appointments
- Chat with your doctor
- Secure prescription refills
- Digital test results in hours, up to
- Virtual visits
- 24/7 health record & POB control
- Health insurance made simple
- Acupuncture
- Non-surgical hair removal
- Medication & chronic management
- Emotional support
- Connectivity & more

**MAVEN**

**Women’s and family healthcare the way it should be**

Expert, convenient, and compassionate care whenever, wherever you need it. **Maven is Maven**, the only virtual clinic established by women’s and family health.

Quil (CEO), Rebecca (CEO), Maria (CEO), Jane (CEO), Nina (CEO), Jackie (CEO), Maria (CEO), Jane (CEO)

**CBINSIGHTS**

Recent deal activity in this space include Combe (Vagisil’s parent company) taking a majority stake in **Sustain Natural** and P&G’s acquisition of **This is L**.

As sexual pleasure, wellness, and beauty become further intertwined, expect to see more brands crowd this space as well as more M&A.



## PET PAMPERING

*Wellness is coming for our pets.*

The broader pet tech landscape has skyrocketed, with funding to private pet tech startups at an all-time high in 2018.

Corporate activity in the pet care space is also booming. Mars Petcare launched a \$100M pet tech fund while SoftBank invested \$300M in dog walking app [Wag!](#).

A \$95B MARKET

Corporates claim their stakes in the sector



CBINSIGHTS

Wellness is now manifesting in the pet world in a variety of ways, including high-grade food, pet health, pet fitness trackers, and even cannabis-based pet supplements.

Pets are eating more foods designed to boost wellness, with premium natural pet food brands gaining traction. [Ollie](#), for instance, has raised \$17M in total disclosed funding, while [The Farmer's Dog](#) has raised a whopping \$49M for its human-grade pet food subscription. Beyond startups, Petco banned pet food and treats with artificial ingredients in 2018.



## HOLISTIC PET WELLNESS

# Wellness becomes the new frontier for pet care

From **fresh, all-natural pet food...**

**ollie** **nulo**  
healthier together™  
**THE FARMER'S DOG**  
**Butternut Box**

**Petco bans pet food and treats with artificial ingredients**  
11/13/2018 **dvm360**

...to **pet supplements...**

**CBD Dog Treat Trend Picked Up By E-Commerce Platform BarkShop**  
3/29/2018 **CANNABIS**



...and **pet management apps & wearables**

**FitBark**  
**Wagz**  
**FIGO**

**CBINSIGHTS**

Lab-grown pet food is also on the horizon as startups look to reduce the ecological footprint of pet food.

[Bond Pet Foods](#) is developing lab-grown meat for dog food, focusing on health and environmental sustainability, while California-based [Wild Earth](#) is working on dog food that integrates both lab-grown meat and plant proteins. Its first product uses Koji, a fungi superfood.

Personalized pet medicine delivery could also be on the horizon.

Petco partnered with Express Scripts in late 2018 to offer pet prescription delivery directly to customers' front doors. [The One Health Company](#), which recently raised \$5M from Andreessen Horowitz, Lerer Hippeau Ventures, and Y Combinator, aims to use precision medicine to sequence dogs' cancerous tumors to inform treatment options.

Going forward, expect to see more integration of better-for-you ingredients, like probiotics and herbal ingredients, as well as more personalization across the pet space. For example, The Farmers Dog offers customized pet labels while Ollie allows shoppers to tailor meals based on factors like dog breed, weight, physical activity levels, and more. However, similar to initiatives in personalized nutrition, it remains to be seen whether such efforts are truly beneficial.



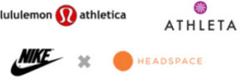
## BOUTIQUE MEDITATION & MENTAL HEALTH

*Reflecting the decreasing stigma around mental health disorders, more startups are cropping up to manage depression, anxiety, and overall well-being through boutique meditation studios, mental wellness apps, and more.*

Mental wellness is hitting areas ranging from workplaces to travel & hospitality.

MEDITATION SERVICES, IRL MENTAL WELLNESS EVENTS, & HEALTHY TRAVEL

### Mental wellness cross-industry opportunities

Corporate wellness	Sports retailers	Travel & hospitality
		
<ul style="list-style-type: none"><li>Offer <b>mental health and meditation services</b> as part of workplace wellness</li></ul>	<ul style="list-style-type: none"><li>Partner with brands for <b>in-store mental health or meditation events</b> to drive consumer engagement</li></ul>	<ul style="list-style-type: none"><li>Provide mental health and meditation services throughout the <b>travel journey</b> to <b>promote overall wellbeing</b></li></ul>
		

The lines between meditation and fitness, especially, are being increasingly blurred.

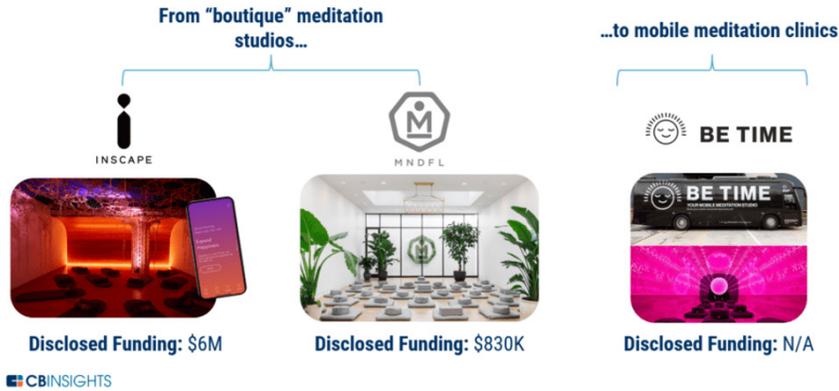
Nike, for example, announced a partnership in March 2018 with meditation app [Headspace](#) to create mindful-audio content to accompany runs.

The fitness industry is seeing similar traction with meditation studios. Brands like [Inscape](#) and [MNDFL](#) offer in real life (IRL) meditation studios, while [Be Time](#) brings a mobile meditation clinic to consumers.



MAKING MENTAL WELLNESS CONVENIENT

## IRL meditation spaces gain ground



Travel and hospitality brands are also promoting mental wellness throughout the traveler journey.

Meditation services have been featured in hotels for some time, but now hotels are moving beyond partnerships to carve out more dedicated meditation space, as seen with Marriott-owned Moxy and others.



EXTENDING MENTAL WELLNESS ACROSS THE TRAVEL JOURNEY

## Hotels offer meditation services for guests

From meditation partnerships...

...to more established programming & in-hotel meditation spaces



CBINSIGHTS

With all this activity, it's no surprise that investors are capitalizing on the mental health economy.

Headspace, for example, has raised over \$76M, while meditation startup [Calm.com](https://www.calm.com) recently raised \$88M in a Series B round led by TPG Growth. Calm's funding round valued the company at \$1B, making it the first mental health unicorn.

Though such a valuation may seem inflated for a meditation platform, such activity indicates that we are far from peak mental wellness. Expect much more activity to come in this space in 2019.



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## WELLNESS REAL ESTATE

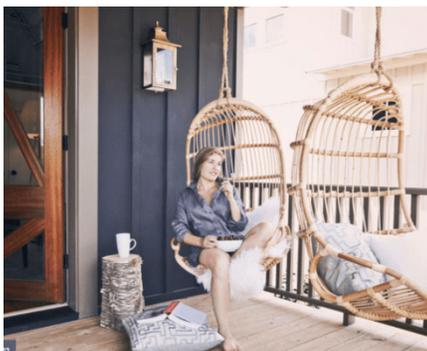
*Real estate communities focused on holistic health and well-being are rising, with implications for urban planning, transportation, healthcare, and more.*

Wellness real estate, which encompasses wellness-focused residential communities and commercial real estate initiatives, is poised to gain traction in 2019 and beyond.

The Global Wellness Institute defines wellness real estate as “homes that are proactively designed and built to support the holistic health of their residents.” Wellness real estate focuses both on individual and overall community well-being – contributing to physical, social, and mental wellness.

There are over 740 wellness lifestyle real estate projects built, partially built, or in development, across 34 countries, according to the Global Wellness Institute.

Many of these communities aim to attract specific demographic groups or residents. For instance, wellness-focused community Serenbe, which is located just outside of Atlanta, emphasizes access to nature, as well as urban amenities such as a spa, yoga studio, and more.



### Rediscover Living

Serenbe is a wellness community connected to nature on the edge of Atlanta. A neighborhood full of fresh food, fresh air and focused on wellbeing. This community is set among acres of preserved forests and meadows with miles of nature trails that connect homes and restaurants with arts and businesses. Serenbe's architectural planning sets a new standard for community living.

[LEARN MORE](#)



Source: Serenbe



Other communities – like Palm Beach’s Amrit Ocean Resort & Residences and Miami-based Muse Residences – tout tech-enabled wellness amenities such as heat reflexology floors, vitamin C-infused showers, remote-controlled aromatherapy walls, and advanced air and water purification systems.

## WELLNESS RESIDENCES

DESIGNED IN COLLABORATION WITH DELOS™ AND DR. DEEPAK CHOPRA



*Advanced  
Purification*



*Dynamic  
Lighting*



*Automated  
Wellness*



Source: Muse Residences

But the wellness real estate trend goes beyond these more lavish offerings geared towards the wealthy.

New York, for example, houses a few mixed-income wellness communities, such as South Bronx-based Via Verde and Brooklyn-based Prospect Plaza, which integrate non-toxic materials, green roofs with community spaces, and active design features.

Outside the US, Japan is home to a smart city wellness initiative focusing on local government support for healthy aging via improved parks and public transit, while Romagna, Italy offers a “Wellness Valley” that provides wellness-focused programming across the district.



As wellness real estate gains traction, it will impact multiple industries:

- **Architecture, Engineering, & Construction (AEC):** With the rise of wellness real estate communities, the AEC industry will place greater emphasis on green and sustainable building practices to optimize buildings for well-being.
- **Smart Cities & Mobility:** With [increased momentum around smart cities](#), urban planners and governments will begin to consider how civic technology can enhance the health of citizens.
- **Smart Homes:** Tech-enabled healthy homes are using automation, smart kitchens, sleep tech, lighting, and other features to enhance wellness.
- **Healthcare:** Health is at the core of wellness real estate communities. Some communities are already offering preventive and alternative healthcare services, such as telemedicine and medical spas.
- **Food & Beverage:** Healthy food and beverage brands are natural distribution partners for cafes, food halls, grocery stores, and other food retail outlets in wellness-focused residential communities.
- **Agriculture:** The organic food movement, whether manifested in community-sponsored agriculture programs or farmers markets, are already a staple of existing wellness communities.
- **Retail:** Retailers can look to sell wellness products to these communities or create new offerings to cater to a well-being-focused crowd.



## WELLNESS RETAIL & POP-UPS

*Retailers are using wellness products, shops, and pop-ups to revitalize their brands.*

As beauty, wellness, and fashion intersect, retailers are creating new product offerings that promise holistic lifestyle benefits for consumers.

For example, big box retailers and drugstores have taken steps to turn themselves into beauty destinations.

Retailers like Target and Walmart, along with drugstores like CVS and Walgreens, are aiming to “Sephorize” their beauty and personal care aisles by stocking more premium brands and tapping into trends like clean, natural products.

### NEW PLAYERS IN BEAUTY RETAIL

Big-box retailers & drugstores “Sephorize” personal care aisles



CBINSIGHTS



Drugstores are also leveraging partnerships to improve their beauty offerings.

For example, in 2018 CVS partnered with on-demand beauty services company [GlamSquad](#) to bring on-demand beauty services to CVS locations. Walgreens launched a similar partnership with [Birchbox](#) (which Walgreens has a minority stake in) to establish Birchbox shops within Walgreens stores.

Beyond beauty shops, this trend is also spreading to home goods companies, which are looking to wellness to drive growth.

IKEA, for example, launched a limited edition wellness collection in March 2018, while Whole Foods came out with a wellness-inspired home goods store in the same month.

#### HOME GOODS, DEPARTMENT STORES, & MORE

### Do retailers see wellness as a silver bullet?



**CBINSIGHTS** Sources: Fast Company, Well+Good, PR Newswire

Moving forward, new wellness shops and pop-up concepts will continue to emerge as brands and retailers look to monetize the wellness opportunity.



For example, last year CVS announced the launch of CVS HealthHUB, which will include community wellness spaces for events and classes. And meditation platform Calm recently invested \$3M in [XpresSpa](#), which offers luxury travel spa services, while also partnering to offer spa-goers access to Calm content. Bulk-retailer Costco also offers a variety of wellness perks and products, such as discounted gym memberships and low-priced healthy food.

Beyond shops and pop-ups, wellness is establishing a more permanent physical presence in the form of modern wellness clubs.

Such brands are building on the [Soho House](#) model. For example, luxury wellness club The Well – offering an in-house organic restaurant along with meditation and yoga studios – is set to open this spring. Meanwhile, [3DEN](#) raised \$2M in February for its “third place” non-membership destination spaces, which offer wellness amenities such as lounges, private showers, and nap pods.



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## PERSONALIZED NUTRITION

*Next-gen nutrition companies are using tech to offer personalization.*

A one-size-fits-all approach no longer cuts it for many consumers. Personalization has hit every industry from beauty to apparel to medicine.

Personalized nutrition, in particular, has taken off. With applications ranging from virtual nutritionists to genomics-driven nutrition test kits to customized vitamins, startups in the space have seen significant investment as they aim to curate dietary guidance based on health and lifestyle factors.

Many personalized nutrition companies are focusing on:

- **Mobile-first approaches:** Allowing consumers convenient access to nutritional advice and content via mobile apps.
- **Chatbots:** Offering virtual nutritionist capabilities for on-demand expertise.
- **Holistic emphasis on wellness:** Integrating lifestyle factors beyond nutrition, including fitness, mental health, sleep, stress, and more.

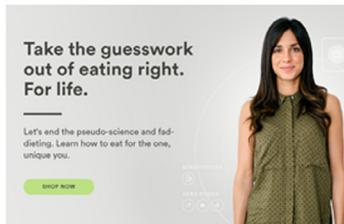
Big food has also been experimenting with genomics-based nutrition. Nestle recently began piloting the Nestle Wellness Ambassador program in Japan, which offers a DNA-based personalized meal service.



GENOMICS & HEALTH

## Can big food cash in on DNA-based diets?

*Campbell's*



In 2016, Campbell's invested in DNA-based meal plan startup [Habit](#), but it has failed to gain much traction so far.

CBINSIGHTS

  
Nestle



In August 2018, Nestle began piloting a DNA-based nutrition service in Japan, offering users personally formulated beverage capsules.

In addition, Campbell's-backed tailored-nutrition startup [Habit](#) was acquired by healthcare company Viome in February, which could help Viome develop holistic recommendations for personalized health.

With such corporate initiatives in the space, along with the emergence of early-stage personalized food startups, we'll likely see more activity here in 2019.



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## **ANTI-AGING THERAPIES**

*Startups are leveraging new technologies and therapies to tackle mortality and increase the human lifespan.*

The quest for the fountain of youth continues.

While aging itself isn't a treatable disorder or condition, companies and researchers focused on longevity are trying to find the right drugs, treatments, and vitamins that might slow aging processes down. Delayed aging processes could also promote overall wellness through improved energy levels, less likelihood of age-related disease, and "feeling younger."

And it's not just the biotech or pharma companies looking to combat mortality.

Wellness companies are developing daily supplements that claim to prolong lifespans. And some startups are even offering older customers blood transfusions from younger individuals for a "rejuvenating" effect.



While biotech and pharma companies are developing novel drug therapies to combat mortality, the wellness industry – from “anti-aging” beauty to biohacking – is also looking to slow down the aging process through a number of approaches:

- **Intermittent fasting:** Some research has suggested that caloric restriction could slow down the metabolic processes involved in aging and in age-related diseases. And time-restricted eating through intermittent fasting could help reduce over-consumption. Though the long-term effects of intermittent fasting are still largely unknown, companies like [Zero Fasting](#) are already offering services that allow consumers to choose their respective fasting methods with goal tracking.
- **Biohacking:** Though research is still early, the controversial Silicon Valley biohacking craze, or the idea of “DIY biology,” has caught investor attention and gained consumer traction. For example, Bulletproof Labs, spun off from coffee and CPG brand [Bulletproof](#), offers biohacking equipment – from cryotherapy to a virtual float tank – claiming to improve physical and cognitive performance and recovery.
- **“Blood boys”:** As satirized in the TV show Silicon Valley, blood transfusions from a younger individual to an older one, which some claim can promote longevity, could become more common. Startups like [Elevian](#) and [Ambrosia](#) are working in the space, however research is currently inconclusive on whether such blood transfusions have any benefits, and the FDA released a statement in February warning against the practice.



- **Dietary supplements:** Dietary supplements – especially NAD+ (nicotinamide adenine dinucleotide), which is a form of vitamin B3 that supposedly offers digestive, skin, and mental health benefits – have become a focus in the longevity space. [Elysium Health's](#) daily supplement, called Basis, seeks to elevate NAD+ levels in the body and claims to slow down aging. While the company has conducted a clinical trial where it was able to increase NAD+ levels using the supplement, it remains to be seen if the supplement has the desired long-term effect.

With new anti-aging research efforts and technologies gaining traction, finding ways to extend our life spans may not be so far off.

To learn more about the future of aging, see our [report](#).



## CONNECTED ADVERTISING

*Though shoppers are still adopting voice commerce and IoT-enabled devices, connected advertising is helping brands advertise wellness products and services to new markets.*

The wellness economy has become so pervasive that brands are using voice commerce and IoT-enabled devices to advertise wellness products & services to consumers

Voice commerce, in particular, is a major gateway for connected advertising.

Despite challenges, voice commerce is likely to become mainstream in CPG before it reaches apparel or other sectors.

Amazon is particularly motivated to spread voice shopping, looking to collect more shopper data and own a point-of-sale inside customers' homes.

For example, a recent Amazon patent describes how Alexa could sense whether shoppers are sick based on their voices, and proactively suggest cold medicine or chicken soup.

## Amazon considers new ways to gather data, encourage shopping via smart speaker

Amazon views its Echo speakers and other Alexa-enabled devices as data-collection outposts inside shoppers' homes. A recent patent, granted in October, shows one way Alexa could turn personal data into private label product sales: by sensing a user's mood or whether the user might be sick, and proactively suggesting products.

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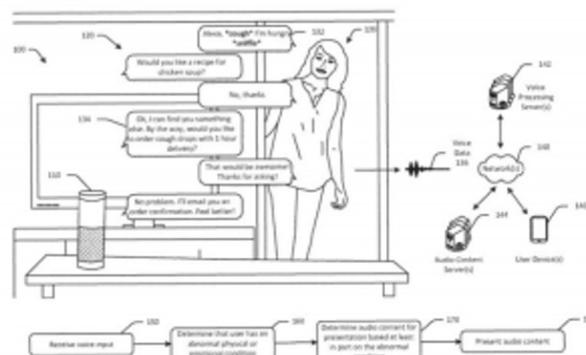


FIG. 1



Health-focused advertisements are also on the horizon.

[Kinsa's](#) smart thermometer, for instance, has experimented with telling companies where to advertise products (such as Clorox disinfecting wipes) based on zip codes that had an increase in fevers.



Source: Kinsa

Beyond the home, brands could begin bringing connected advertising into physical stores.

In partnership with [Cooler Screens](#), Walgreens has been testing IoT-enabled “smart coolers.” These devices integrate facial recognition software in cooler doors, which can deliver targeted ads to shoppers based on what beverages or frozen treats they are reaching for.

With a greater shift in premium beverages and better-for-you dessert options, such advertisements could ultimately lean towards more healthy CPG products.

Moving forward, health and wellness companies will undoubtedly capitalize on connected advertising – whether through voice commerce or other IoT-enabled devices.



WHERE IS ALL THIS DATA FROM?

# The CB Insights platform has the underlying data included in this report

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