

# Apple Watch could disrupt diabetes management

## Article

**The news:** Apple's secret E5 project is making major breakthroughs in developing a continuous glucose monitoring (CGM) system, per Bloomberg.

- The goal is to incorporate the noninvasive monitor into Apple Watch.
- It would be a game-changer for diabetes patients and the consumer wearables market.

**The challenge:** Two companies already dominate the CGM market.

1. **Dexcom** (market cap of \$44.0 billion), a pure-play diabetes company.
2. **Abbott Laboratories** (market cap of \$180.1 billion), a diversified pharmaceutical and medtech company.

**The market opportunity:** Diabetes is a serious chronic condition in the US, with 37.3 million people (11.3% of the population) diagnosed in 2019, per the Centers for Disease Control and Prevention.

People with Type 2 diabetes, those who are prediabetic, or undiagnosed represent a major market opportunity that not even Dexcom or Abbott have fully tapped.

- 28.7 million are currently diagnosed with the disease, and **8.5 million people are still undiagnosed**, per the CDC.
- **96 million people aged 18+ have prediabetes** (38% of the US adult population).
- **26.4 million people aged 65+ have prediabetes** (48.8% of that population).
- For context, **type 1 diabetics** need active management strategies such as CGMs—but they only make up about 6% of all US diabetics.

**Apple's opportunities:** Apple dominates both the global and US smartwatch markets.

- **iPhone users** are primarily driving this growth. That's a dedicated market that may be willing to upgrade their device, given the right feature incentives.
- We estimate that **33.9% (28.4 million adults) of the US wearables market have an Apple Watch** in 2023, which will **grow to 35.4% (33.4 million)** in 2026.

**Our take:** Assuming Apple receives approval from the Food & Drug Administration (eventually), the addition of a blood glucose monitor will likely appeal to an even larger audience than diabetics—consumers known as the “worried well,” who are very attentive to their health.

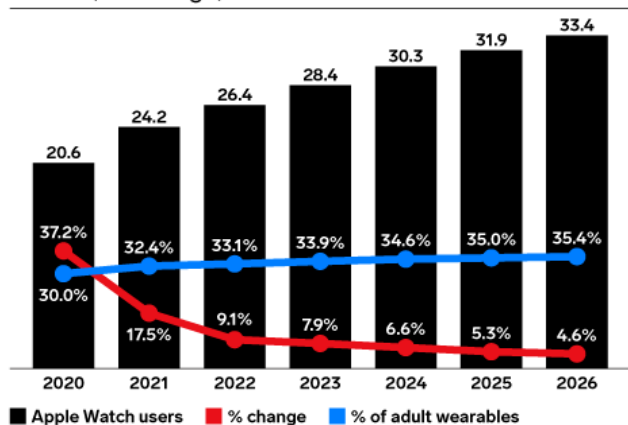
- **Wearable ownership** is strongest among people who rated their health as excellent (62%), per Rock Health's Consumer Adoption of Digital Health in 2022 report.

- Among those who said their health was poor or very poor, ownership was low (20% and 23%, respectively).
- The **worried well consumers either buy or are gifted their wearables (85%)**, rather than receive them through a health plan or provider (13%).

Apple has [targeted the healthcare market](#) for years, mostly through its Health Records iPhone tool and various monitoring features for the Apple Watch, such as its heart rate monitor. Getting the necessary FDA 510(k) approval for a CGM tool could take time, but not as long as the drug approval process. Competitors, you've been warned.

### US Apple Watch Users, 2020-2026

millions, % change, and % of adult wearables



Note: ages 18+; individuals who wear an Apple Watch at least once per month  
Source: Insider Intelligence, Oct 2022

280163 eMarketer | InsiderIntelligence.com

*This article originally appeared in Insider Intelligence's Digital Health Briefing—a daily recap of top stories reshaping the healthcare industry. Subscribe to have more hard-hitting takeaways delivered to your inbox daily.*

- Are you a client? [Click here to subscribe.](#)
- Want to learn more about how you can benefit from our expert analysis? [Click here.](#)