

Kindbody hits unicorn status with M&A, carving deeper into \$8B+ women's health market

Article

The news: Fertility startup Kindbody acquired Vios Fertility Institute and its network of clinics, pushing Kindbody's valuation to over **\$1 billion**, and helping it carve even deeper

inroads into the women's health market.

For context, Kindbody's services include telehealth and in-person visits for services like in vitro fertilization (IVF), genetic and fertility testing, and surrogacy/adoption services.

- Its acquisition of Vios gives it ownership of **26 new clinics** across the US.

Trendspotting: Kindybody's acquisition is the latest among an uptick of digital health M&As as virtual care companies race to claim larger stakes in the US' multi-billion fertility industry.

- Home testing and telehealth entrant **Everly Health** similarly **acquired** reproductive health startup **Natalist**, which includes a suite of products like ovulation tests, pregnancy tests, and prenatal supplements.
- And last May, virtual care startup **Ro** **doled out \$225 million** to buy **Modern Fertility**, a women's health startup that offers affordable at-home fertility tests and a digital app-based platform that displays fertility data to enable personalized care.

The big takeaway: Women's health is still a widely untapped market with a ton of expansion potential.

- For one, consumers are more likely to digitally track fertility than any other other health metric: About **83% of consumers say they use digital methods to monitor their fertility**, far from the 34% who use apps to track their medications, for example.
- Plus, consumers' interest in fertility tracking has only climbed since the pandemic began. So, the women's health market hasn't hit its peak yet: **The global women's health market is expected to top \$15.4 billion by 2023**, **per** Piper Sandler research.

What's next? Most fertility-related tests and treatments are expensive and aren't covered by traditional insurance. Women's health startups that boast ultra-transparent prices are likely going to appeal the most to new consumers.

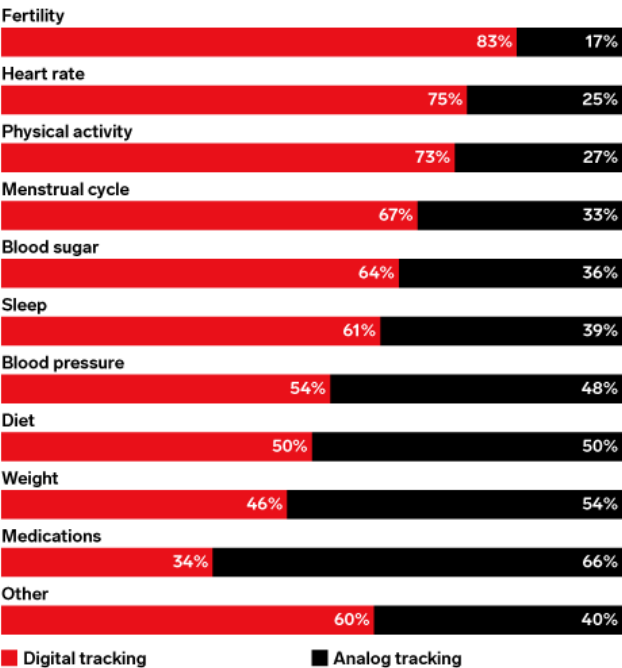
Uncertainty around out-of-pocket costs is a top pain point for patients, and they're more likely to opt for services when they know the exact cost of it:

- **About 79% of healthcare consumers are willing to pay out-of-pocket costs prior to (or at the time of) the visit if given a guaranteed price**, **per** Cedar's 2021 Healthcare consumer Experience Study.

Some fertility startups are already catering to consumer demand for hyper-transparent pricing by posting procedure costs on their website, which most traditional US health systems don't do yet. For example, Kindbody posts estimated prices for its services without insurance, including a regular fertility assessment (**\$300**) up to more costly IVF procedures (**\$13,500**).

Health Tracking Methods Used by US Adults, by Health Metric, Oct 2020

% of respondents in each group



Note: ages 18+; digital tracking defined as in a digital journal or log, with a wearable or connected device (e.g., smart scale, glucometer), or in an app that doesn't connect to a wearable; analog tracking defined as in your head or in a paper journal or log
 Source: Rock Health and Stanford Center for Digital Health, "Digital Health Consumer Adoption Report 2020" conducted by Toluna, March 11, 2021

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