Uber teamed up with ScriptDropt—and Uber's ballooning Rx delivery should worry digital pharmacy upstarts

Article





Uber is <u>expanding</u> its prescription delivery business in 37 states through a new partnership with B2B digital pharmacy upstart ScriptDrop. According to Uber, ScriptDrop integrates with a pharmacy chain's existing software and workflow to provide delivery solutions—and Uber will become the "default application" for delivery.

This builds on a series of moves Uber and Lyft have taken in the last year to steer their way into healthcare.

- Both Uber and Lyft are offering transport to COVID-19 vaccination sites. In February, Uber announced a team-up with Walgreens to offer underserved communities free rides to Walgreens' stores and clinics for their COVID-19 vaccine appointments in an effort to hit on transportation barriers preventing many high-risk individuals from getting vaccinated.
- And in August, Uber first entered the digital pharmacy space via its tie up with NimbleRx to let consumers order and receive prescriptions through the Uber Eats app. It's offering financial incentives of up to \$50 in Uber Cash to those who try out prescription delivery, which will help it hook consumers who already opt for convenience: For example, New York City consumers who already have the Uber Eats app won't have to go anywhere else to order their prescriptions.

As we <u>predicted</u>, ride-sharing giants are scouting out smaller digital pharmacies to offer home-delivery—and Script Drop likely won't be the last upstart to do so.

- In fact, this isn't Script Drop's first foray with a ride-sharing giant. It briefly linked up with Lyft to offer medication delivery.
- Now that Uber is going all in on digital pharmacy, it wouldn't be surprising to see Lyft take another stab at it, too. It could team up with a full-stack digital pharmacy startup like Medly, Alto, or Truepill, for instance.
- Riding on the coattails of a ride-sharing giant could be exactly what a smaller digital pharmacy entrant needs to face off against big players like Amazon's PillPack. Compared to a digital pharmacy like Medly with a consumer base of 50,000 patients, top ride-sharing cos have a massive consumer reach: Insider Intelligence predicts that the number of Lyft users will rise from 21.6 million in 2020 to 41.6 million by 2024 alone.

But seeking shelter under the arms of Uber or Lyft isn't the only path for growth for newer digital pharmacy startups—they could also boost adoption by expanding into via telehealth or in-home testing like Truepill. For example, in September, investors showered B2B digital



pharmacy startup Truepill with **\$73 million** as it turned to in-home diagnostic testing, including COVID-19 tests. And this approach should pay off long-term: Thanks to the pandemic, over **one-third** to **one-half** of US health consumers <u>say</u> they're more comfortable using at-home diagnostics like genetic tests, at-home blood tests, and diagnostic for sore throat and UTIs, according to Deloitte's 2020 Healthcare Consumer Response Survey.

