



MAY 2022

MISSION-ALIGNED GROWTH SALON SERIES

# 2022 WELLNESS TECHNOLOGY INVESTMENT TRENDS



Nfluence  
Partners

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# Mission-Aligned Growth Salon Series



Our fifth MAGS event brought together enthusiasts, investors, and industry executives leading the innovation and growth of the health and wellness space. Together, we shared perspectives on consumer trends, innovative technologies, and market conditions within the industry impacting investment activity.

## About MAGS



From thematic conversations like Conscious Capitalism and Venture Capital co-existence to sector focused conversations like Digital Wellbeing Investing in a Post-Covid World, we bring together a curated community of change makers to go deeper in both conversation and connection.

## About the Salon Series

Our Salon Series events are in the style of Jeffersonian dinners, albeit virtual for now. Jefferson was known for hosting dinners in the late 1800's in his Monticello home, curating intimate groups of thought leaders and influencers to converse about a single topic, diving deep into a theme to spark collective wisdom. The purpose was to listen, learn, and inspire one another through meaningful dialogue over a shared meal.

# 2022 Wellness Technology Investment Trends

## Spark

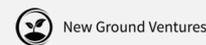


**Nichol Bradford**  
Executive Director and Co-Founder



A global ecosystem dedicated to educating, gathering, and activating wellbeing tech founders, investors, and innovators

## Additional Participating Firms



# Key Takeaways Overview



1

## Data Drives Everything

Data has become a driving factor in many sectors and can inspire someone to find their genius and discover true happiness.

2

## Deeper Wellbeing: Root Cause Treatment, Culturally Competent Care, Generational Nuances, and More

A shifted focus on behavioral health, emotional wellness, and deeper causes of mental health.

3

## How Can Technology Accelerate Positive Change?

Technology, particularly social media, can sometimes have toxic and negative effects. How do we find solutions that allow people to connect on different levels?

4

## Investor Interest is Spread Across a Wide and Deep Swath of Wellness Sub-Verticals

Investors have found focus in wellness sub-sectors such as pediatric care, senior care, women's health, and ag-tech.

5

## Market and Investing Trends

The shift to an investor's market means that wellness and health companies are getting creative with income streams and product offerings to attract attention and capital from investors.

6

## AI/Crypto/Blockchain Applications for Wellness Tech

Can exploring these applications create new incentive models that solve business-model/gatekeeper log jams?





# Data Drives Everything

“Wellness tech is all about data.”

Robust datasets are being created at scale, and a growing number of companies are plugging into a broad array use cases for this data.

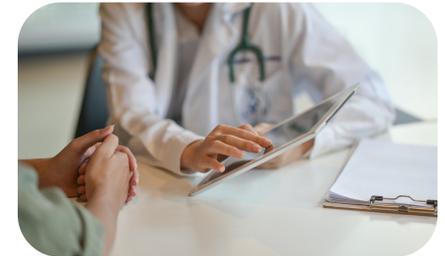


## In Healthcare

- We have crossed the point where the supply/demand is such that data can be highly relevant in understanding healthcare treatment outcomes
- Data is being used to incentivize healthy behaviors — health insurance companies are already connecting data to health insurance benefits and premiums
- Companies are working on a future where data improves the connection between providers and clients

## In Food Health

- In terms of environmental wellness and food health, companies are exploring how we can use technology and data for sharing information throughout the supply chain — from the early stages of food production to retailers to ensure healthier, higher-quality food for the consumer



## In the Metaverse

- The idea of data ownership is empowering excitement about crypto and blockchain
- Companies are looking into the intersection of data security, privacy, and blockchain
- Data is fundamental to AI development



# Deeper Wellbeing: Root Cause Treatment, Culturally Competent Care, Generational Nuances, and More

## A Recent Shift

- The mental health sector has transformed past mental health management and has centered on helping people dig into the causes of their concerns
  - Generalist investors have shifted into a deeper interest in areas with greater conviction, like digital/health and wellness
  - Looking for companies that help people connect with themselves more, with others, and with something greater than themselves

40% of Americans are suffering from some form of depression

## Expansion into Behavioral Health

- Treatment plans have expanded traditional methods and now include physical therapies and substance use disorder treatment centers
- Telehealth platforms such as Ginger, Headspace Health, Octave, Parsley Health, and Array allow patients greater access and ease when seeking care

A survey of 300,000 individuals showed 80% of Gen Z and Millennials said health and wellness are top priorities, over money/promotion

## Mental-Emotional Wellness and Social-Emotional Wellness

- Dealing with changes in the workplace and coexisting with tech/AI
- There is promise and peril for investors in the future of the psychedelic space

## Culturally Competent Care

- Future of certifying providers in cultural competence
- Solutions that allow healthcare to be delivered regardless of race, sexuality, culture, etc.
- Research into mental health disparities, such as suicide rates in POC and underrepresented communities
- Understanding this in the context of a company that might adapt to different cultural aspects of mental health

President Biden mentioned in his [State of the Union Address](#) that one of his goals as president is to focus on depression in the younger generation



## How Can Technology Accelerate Positive Change?

### Gaming

- Historically, men created most games (by men for men), focused on “fight or flight” response
- The current model of “fight or flight” doesn’t work with half the population
- Recent interest in video game companies that are creating content and games specifically for women
  - Focused on “tend and befriend”



### Health and Movement Tech

- The onset of telemedicine has seen access barriers become smaller
- Companies that track movement with your smartphone are seeing greater investments and consumer adoption
- Smartskin
  - A very small sensor — you can go to physical therapy/sleep, and it tracks your movement/physicality
- Someone with a chronic disease must use many devices to manage their day-to-day and that requires a very proactive patient and care team

### Voice Technology

- Adopted and well used in certain areas, but voice is not trusted or well-integrated (especially by older demographics)
- Ellipsis Health: company has individuals answer healthcare intake questionnaires by recording a voice response
  - AI/algorithms will listen to the tone/attributes of the voice and report what level of distress the person is in with a high degree of accuracy
  - More accurate and insightful than the written forms
  - Machine intelligence will turn around to the provider and is used to triage for providers that are overwhelmed (not used to diagnose)
- Often people are not willing to return after visiting a provider if there is a mismatch on the first try
  - Opportunity for voice to reduce this retention gap
  - Patients can search for providers and hear their voices before they book them. This is particularly helpful in therapy
    - Retention up to 90% when this method is applied





# Investor Interest is Spread Across a Wide and Deep Swath of Wellness Sub-Verticals



## Pediatric Care

Exploring a focus in education and helping students tie into their purpose and attain higher levels of motivation and wellbeing



## Senior Care

Using wellness tech to tap into purpose in a later stage in life (i.e., Exploring voice tech applications for senior populations)



## Food and Ag-Tech

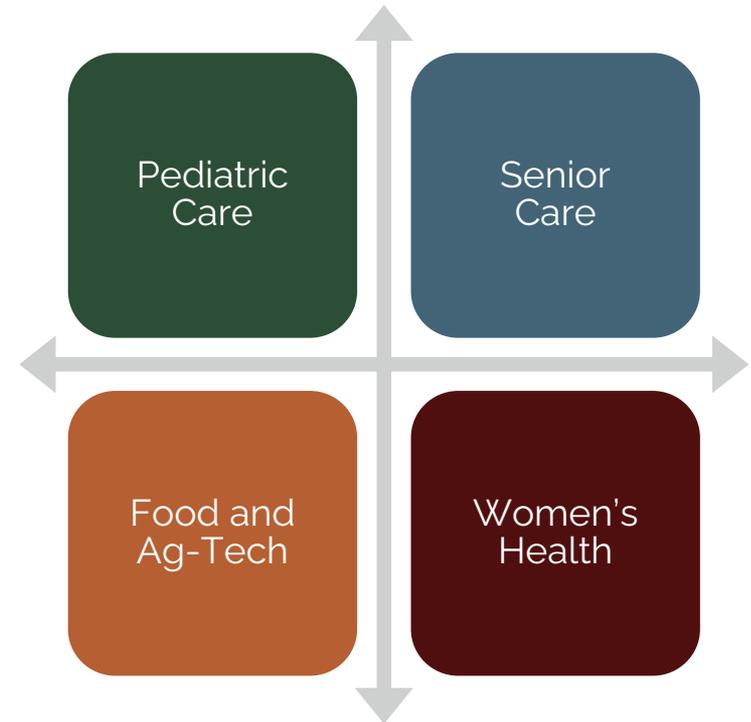
Food supply chain visibility, sustainability, quality, and carbon footprint are top of mind for retailers and consumers (i.e., How is food affecting our health and can be a tool for healing?) Ag-Tech is more prevalent as a wellness tech cross-over focus (i.e., How can Ag-Tech play into a better future?)



## Women's Health

Exploring "orphaned" areas in women's health (i.e., menopause care)

Intriguing areas within the wellness sector that are seeing a greater focus from investors:





## Market and Investing Trends

### Key Investing Themes to Watch

The amount of capital in the market has led to higher prices and faster timelines getting deals done

Focus on Series A/early investments

The size of rounds has shifted very dramatically to growth

Deal flow is very active with early-stage entrepreneurs in the space

Seeing a lot of sub-\$10-15m companies

Meeting entrepreneurs in-person is a must

### Importance of Scalability in Consumer Models

- More focus on paths to scale and differentiation in the path to scale
- Without this scale, you end up on the wrong side of investing
- Need to find entrepreneurs that can get creative and use social channels such as Tik Tok or find the support of influencers
  - Seeing too much reliance on Meta platforms' paid ads — this is a dangerous cycle that can bleed the company of their funds
  - This leads to the question — can you even scale a company to public levels without raising billions of capital?
- One of the issues is finding a company that has the potential to scale
- Focusing on what will drive affordability, sustainability, consumer centricity, and somewhat scale

### eCommerce and Scalability

- Shifting to an investor's market
- Seed and early is the safer place, but there are no truly safe havens
- All cash M&A exits seem more attractive than IPOs these days due to the difficulty of operating effectively as a public company and recent poor performances from wellness technology companies

### The Recurring Revenue Model

- Companies are transitioning to subscriptions or coaching to prompt recurring revenue
- Recurring revenue is in devices
- Have sales as 3, 6, 12-month plan for recurring revenue



## AI/Crypto/Blockchain Applications for Wellness Tech



### Web3 Games and the Metaverse

- Becoming a tool for societal transformation
- Investors are seeking out founders in this space
- Not being condescending towards gamers, but instead supporting their wellbeing and meeting them where they are
- Seeing tokenized collabs/communities incentivizing healthy behaviors like walking around/eating right. Move-to-earn companies like MetaGym and Sweatcoin will pay you in crypto for exercising



### Improving the Supply Chain

- How can we use technology and data for sharing information, from the early stages of production (fields, farms, etc.) to the retailers, to ensure a better supply chain and healthier, higher quality food for the consumer?
- Technology has been around, but it's not ready for the market
  - Only recently have we seen the consumer demanding it and the retailers responding to it
  - New interest in carbon tracking/traceability of food



### Exploring Web3/DAO

- A DAO, or decentralized autonomous organization, is a group of people who have entered a contract with one another to reach a coordinated goal
- Crypto can be shady and mercenary, but there are exciting applications to consider of DAOs for governance

# Contact Us

View Our 2022 State of the Market Report on Wellness Technology [here](#).



**Gary Moon**

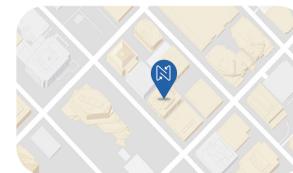
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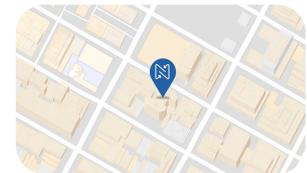
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