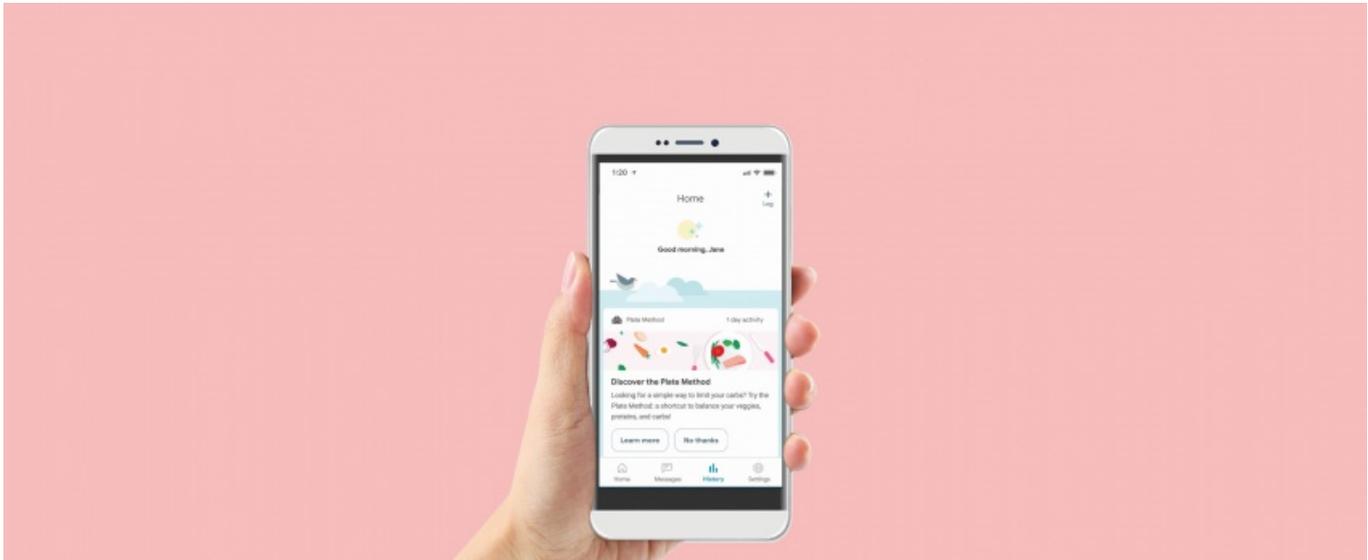


Onduo takes its time



[Elizabeth Cairns](#)



The Verily subsidiary has the luxury of patient backers. But hungrier rivals could steal a march.

Apps that allow people with a chronic disease to manage their condition are big business, with their developers often attracting vast amounts of funding – and in the case of Livongo, [a \\$19bn acquisition](#). Onduo, which has just launched a new version of its own app encompassing weight loss, hypertension and mental wellness in addition to its initial focus of diabetes, faces no pressure to secure such a deal.

This is because it is owned by Verily, Google’s spectacularly well-funded life sciences-focused sibling. “The company’s very comfortable in taking the long-term view,” Vindell Washington, Onduo’s chief executive, tells *Evaluate Vantage*. With many competitors vying for the same market, Onduo will have to hope that its claims of differentiation stand up.

The software made by Onduo is offered without a prescription to a company’s employees or a health plan’s members. The technology is free to the users, and is paid for by the company or health plan, the idea being that it keeps their workforce or membership healthier, thereby keeping costs down.

Onduo [started as a joint venture](#) between Verily and Sanofi, and though the French group stepped away in 2019 it remains an investor. This history brings certain advantages. Verily is itself a subsidiary of Alphabet, and Onduo has access to the same highly advanced software that underpins Google.

Onduo’s technology can evaluate multiple data streams – from paired devices such as glucose monitors, medical and pharmacy data covering prescribed medication, and the user’s interactions with the app – to understand the user’s unique profile, which Onduo calls a “digital phenotype”.

This is fed into predictive analytics tools built by Verily that identify the appropriate care, from sending reminder messages to arranging counselling or remote doctors’ appointments, or suggesting a change to medication.

Mr Washington says that many similar companies claim to use artificial intelligence and machine learning, “but most of those are not people with an Alphabet heritage, so some of it’s a little bit smoke and mirrors”.

Several companies have similar software, and follow a similar model, to Onduo. This technology is distinct from the [digital therapeutics made by companies like Pear Therapeutics and Akili](#), which are prescribed by a doctor to individual patients.

Selected developers of health management apps

Company	Disorders covered	Funding
Onduo	Diabetes, pre-diabetes, weight loss, hypertension and mental wellness	Undisclosed; parent group Verily has raised \$2.5bn
Sharecare	Diabetes, stress, smoking, weight loss, fertility, musculoskeletal	\$425m in VC, debt and equity funding; merger with the Spac Falcon Capital Acquisition announced Feb 2021
Teladoc (now Livongo)	Diabetes, diabetes prevention, hypertension, behavioural health and weight management	\$232m in VC funding; Teladoc bought Livongo for \$18.5bn in Aug 2020
Omada	Diabetes, hypertension, musculoskeletal, heart disease prevention and behavioural health	\$256m in VC funding
Virta Health	Diabetes, pre-diabetes and obesity	\$240m in VC funding
One Drop	Diabetes, pre-diabetes, hypertension, high cholesterol	\$106m in VC funding
Lark	Diabetes, diabetes prevention, hypertension and behavioural health	\$96m in VC and debt funding
Hello Heart	Hypertension	\$23m in VC funding

Source: EvaluateMedTech, company websites & Crunchbase.

On top of the technological aspect, Onduo also has very definite ideas about how to approach patients.

“What I’ve come to believe is that we are fundamentally illogical as humans,” Mr Washington says. Instead of simply telling diabetic patients, for instance, that they ought to take their medication and eat healthily to avoid blindness or kidney disease in 30 years’ time, Onduo’s coaches focus on near-term goals.

“When you talk about what motivates individuals, it’s things that are in their life that are within arm’s reach. It may be that they have a child or a grandchild and they want to be more active when they come over for activities,” Mr Washington says. “It’s focused on making the right thing the easy thing.”

To that end, the company has added a Spanish-language option to the new version of the app. A lot of US employers are concerned about the percentage of Spanish language-first diabetics and hypertensives, Mr Washington says. This is another area in which Onduo can lean on [Alphabet’s technology](#), and its framework allows the incorporation of more than 20 languages “as the need arises”.

As for what the future holds for Onduo as a company, deals like Livongo’s, or the one announced this week which will see Sharecare merge with the special purpose acquisition company Falcon Capital Acquisition, is not on the cards, Mr Washington says.

“Our investors would rather we deliver value over the long haul, as opposed to the kind of skittish activity you see out of start-ups that are less well funded.” He points out that Onduo is not capital-poor, and with Verily having raised \$2.5bn over the years this is certainly true.

But this is a competitive space, and while the restrictions caused by Covid-19 are likely to loosen over the next year or so, telemedicine and other digital health interventions are here to stay. If Onduo hopes to build a quasi-monopoly in health management the way Google has in search engines, it might have a harder time facing down its rivals.