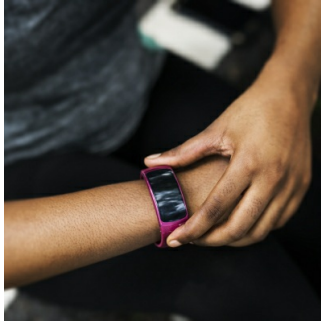


## Google Acquires Fitbit



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Tech giant Google's formal purchase of Fitbit, the world's second largest wearable maker, in a deal worth \$2.1 billion, finally put an end to a month of rumours.

In a blog post announcing the acquisition, Google's SVP of devices and services, Rick Osterloh, wrote the company sees "an opportunity to invest even more in Wear OS as well as introduce Made by Google wearable devices into the market."

Meanwhile Fitbit, whose products are used by more than 28 million consumers worldwide, emphasised its wearable devices will remain platform-agnostic across the Android and iOS ecosystems.

Wearables are known to collect huge amounts of wellness and behavioural data. How this information can be protected was a burning issue as the buyout rumours circulated in recent weeks. Osterloh addressed these concerns about data privacy and security in the blog post.

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"When you use our products, you're trusting Google with your information," Osterloh said. "Similar to our other products, with wearables, we will be transparent about the data we collect and why. We will never sell personal information to anyone. Fitbit health and wellness data will not be used for Google ads. And we will give Fitbit users the choice to review, move or delete their data."

The acquisition is set to go through in 2020, provided regulatory and stockholder approvals are obtained.

Fitbit's co-founder and CEO, James Park, said that Google is an ideal partner to advance our mission to make everyone in the world healthier. "With Google's resources and global platform, Fitbit will be able to accelerate innovation in the wearables category, scale faster and make health even more accessible to everyone. I could not be more excited for what lies ahead," Park continued.

With the acquisition, industry analysts are keen to find out how Google will leverage some of the wearable maker's more recent initiatives, particularly the enterprise-facing Fitbit Health Solutions (which continues to post steady growth) and a much more recent push into data-driven health coaching.

Analysts are also eager to see what ramifications Google's in-house wearable hardware will have for the company's Wear OS partners, or how Fitbit's brand might be combined with the Fossil smartwatch tech that Google recently purchased for \$40 million.

It's worth noting, too, that Fitbit has in recent years been making a gradual shift in its wearables strategy away from health trackers and towards do-it-all smartwatches. In this market, Apple has the edge as its increasingly healthcare-focused smartwatches continue to hold the top spot among consumers.

Other major players, such as Samsung and Garmin, are also looking to expand their footholds in the wearables market. The big question now: Will the consolidation of Fitbit's and Google's strengths lead to a market shakeup?

Source: MobiHealthNews

Image: iStock

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