Why consumers are losing interest in genetic testing

At-home DNA testing companies <u>23andMe</u> and <u>Ancestry</u> each laid off about 100 employees over the past month, cutting around 14 and 6 percent of their workforces, respectively.

23andMe pointed to declining sales as the reasons for the layoffs, and Ancestry CEO Margo Georgiadis cited "a slowdown in demand across the entire DNA category" in a blog post.

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That's probably because the market is saturated, and most people who would want to buy a DNA test kit already have, says David Mittelman, founder and CEO of the forensic genomics company Othram.

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23andMe CEO Anne Wojcicki speculated that <u>genetic privacy concerns</u> could be one reason for the dip in sales. But Mittleman doesn't think that plays a big role. "I'm sure some people are worried about privacy," he says. "I think people are burned by privacy more with Facebook than with genetic testing."

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[I]nstead, they're turning their focus towards health. Ancestry says it's shifting focus towards Ancestry Health, and plans to introduce new products that give customers information about their health risks. 23andMe plans to concentrate its research on a drug development arm, which has already proven lucrative: it started partnering with pharmaceutical companies in 2018, and in January, the company sold the rights to a drug it developed in-house.

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