


# Hims & Hers caps off a forceful 2022 by nearly doubling its revenues

## Article



**The news:** Direct-to-consumer (D2C) healthcare player **Hims & Hers Health** continued along its path of [revenue and membership growth](#) in Q4 2022.

Highlights from the company's Q4 and full-year 2022 earnings report:

- **Q4 revenues surged 97% year over year, reaching \$167.2 million** in the last quarter.
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- **Full-year revenues nearly doubled**, from **\$271.9 million** in 2021 to **\$526.9 million** in 2022.
- The company came out of 2022 with over **1 million subscribers**—an **88% YoY increase**.
- Hims & Hers reported adjusted **EBITDA profitability of \$3.9 million** in the quarter—a first for the company.

**What's driving the growth?** Company execs attributed Hims & Hers' impressive progress to brand awareness and customer loyalty.

- Revenues were “predominantly driven by recurring [online subscriptions](#),” CEO Andrew Dudum said on the company's earnings call.
- **Online revenues grew 94% YoY** and now account for **95%** of Hims & Hers' total 2022 revenues.

Attracting new members—and keeping them engaged—was a huge catalyst for online revenue growth.

- **Him & Hers added 124,000 members** in Q4 2022.
- It spent **\$85.5 million** in Q4 and **\$272.6 million** for the year on marketing to reach these new members—the latter figure representing a **100.6% YoY increase**.
- **73%** of Hims & Hers members now have a multi-month subscription. And retention rates have reached **85%**, per the company's earnings call.

**No market downturn here:** Most publicly traded health tech companies experienced massive decreases in their market value last year after coming off the pandemic high. These include prominent digital health companies such as **Teladoc** (stock down 65% in the past year) and **GoodRx** (down 81%).

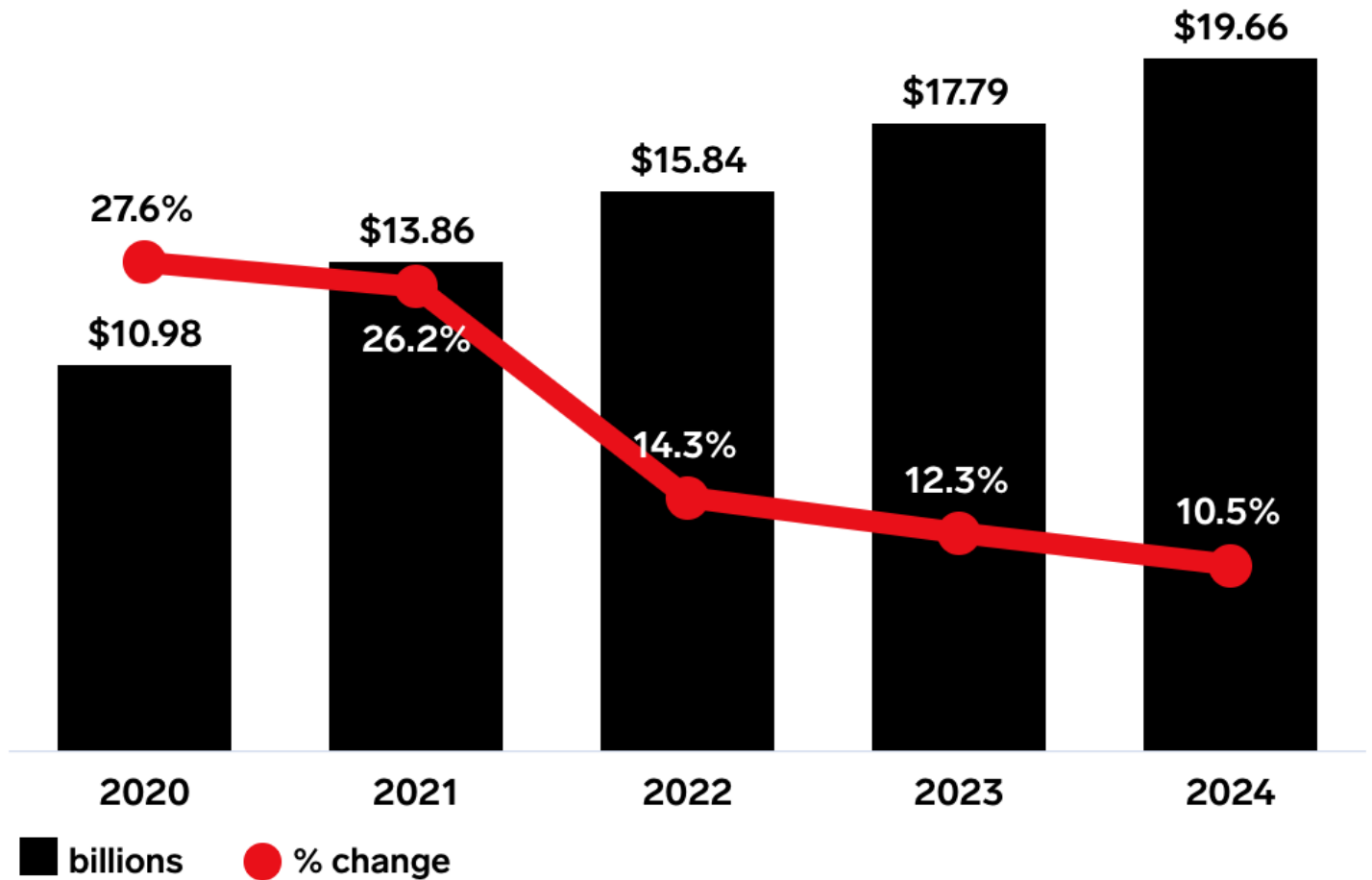
**But Hims & Hers' stock is up 116% over that same timeframe.** It struck the right balance between substantial marketing and advertising spend and retaining members on its platform.

- Hims & Hers secured the right partnerships and diversified its virtual care and retail offerings to keep up with consumer demand. It evolved from niche product lines such as hair care and sexual health to adding primary care and mental health virtual visits during the pandemic.
- It sells health and wellness products through its online store and app, but Hims & Hers also has several retail partners including **CVS, Walgreens, Walmart, GNC, and Amazon**.

**Our take:** Hims & Hers is becoming the model D2C healthcare brand to emulate. The company can afford to keep raising its marketing and advertising budget to acquire customers because of its engagement and retention rates. It doesn't pose a threat to incumbent health systems, but new D2C healthcare entrants (we're eyeing you, **Amazon Clinic**) will need to play catch up.

# Healthcare & Pharma Industry Digital Ad Spending

US, 2020-2024



Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms

Source: eMarketer, July 2022

eMarketer | [InsiderIntelligence.com](https://www.insiderintelligence.com)

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