



EQUITY RESEARCH

UPDATED

04/15/2024

HeyGen

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HeyGen

Video generation tool for creating AI avatar videos for training and sales outreach

#ai-avatars #ai #b2b

[Visit Website](#)

Details

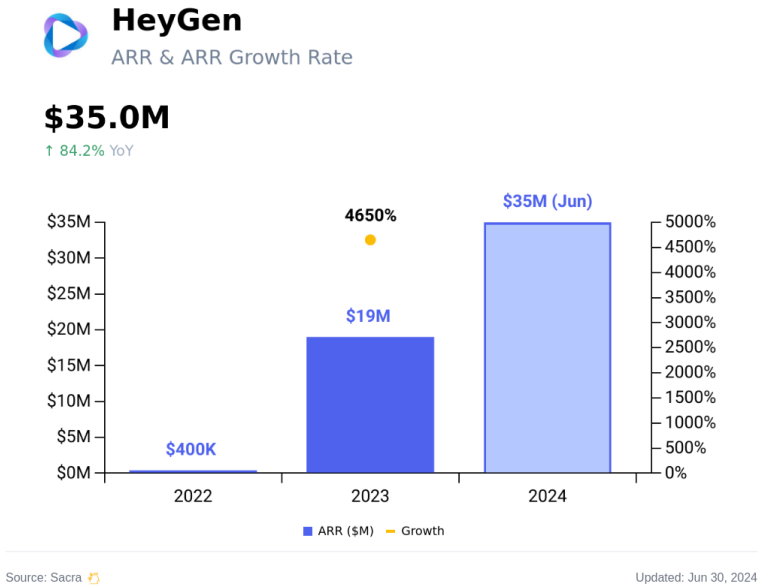
HEADQUARTERS
Los Angeles, CA

CEO
Joshua Xu



REVENUE	VALUATION	FUNDING
\$35,000,000	\$500,000,000	\$69,000,000
<u>2024</u>	<u>2024</u>	<u>2024</u>

Revenue



Sacra estimates that HeyGen hit \$35 million in annualized recurring revenue (ARR) in June 2024, up from \$19M at the end of 2023.

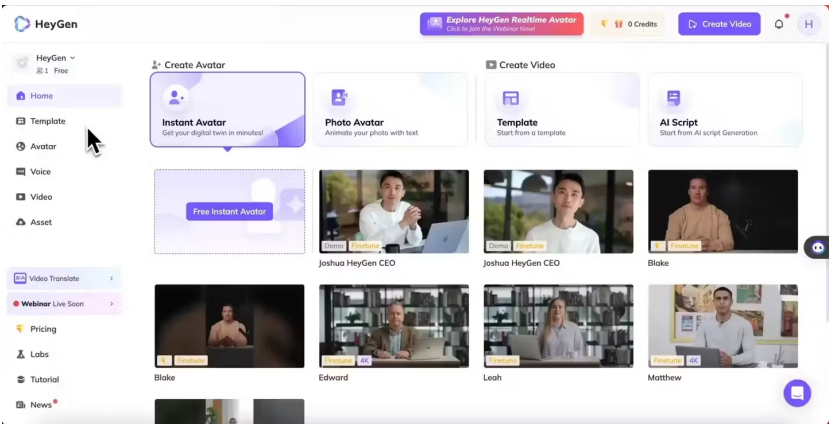
By March 2023, HeyGen's ARR had reached \$1 million, doubling to \$2 million by May 2023 and hitting \$3 million by July 2023.

Valuation

HeyGen was valued at \$500 million following its Series A funding round in 2023. The company has raised a total of \$74 million to date, with its most recent round being a \$60 million Series A led by Benchmark.

Key investors in HeyGen include Benchmark, Bond Capital, and Thrive Capital. Notable venture firms Conviction Partners and SV Angel have also participated in the company's funding rounds.

Product

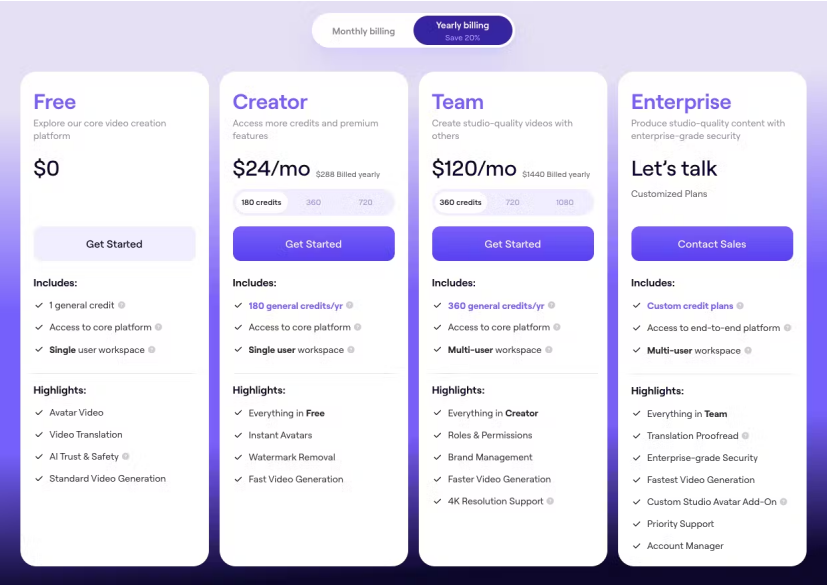


HeyGen is an AI-powered avatar and video creation platform that aims to make video storytelling via AI avatars accessible to everyone in an organization.

Key products include:

- Video avatars:** Users can create photorealistic AI avatars of themselves from just a short video clip or photo. These "digital twins" can then be used to generate new video content by entering text that the avatars speak in a natural way, in over 40 languages.
- Video translation:** HeyGen can translate existing video content into over 70 languages with realistic lip-sync dubbing and voice cloning, allowing for easy localization of content.
- Personalized videos:** HeyGen enables creating personalized video messaging campaigns at scale, tailoring each video to the recipient based on data like their name, company, etc.
- Streaming avatars:** An API that allows integrating interactive, real-time avatars into websites and apps to serve as AI assistants, chatbots, virtual hosts, etc.

Business Model



HeyGen provides both self-serve plans starting at \$49/month for individuals and small teams, as well as enterprise plans with added features, support and service for larger organizations.

The company has seen strong adoption across a wide range of industries and use cases, including:

- Corporate training and education videos
- Personalized sales and marketing outreach
- Multilingual employee communications
- Virtual assistants and customer support
- Social media influencer/creator content

HeyGen is aiming to become the go-to platform for any business or team looking to scale their video content creation powered by the latest generative AI technologies. Making previously complex, time-consuming and expensive video production accessible via an intuitive interface is the key value proposition.

Competition

Synthesia

HeyGen and Synthesia are direct competitors in the AI avatar video generation market, offering similar SaaS tools for users to create realistic AI-generated videos.

Both platforms provide user-friendly interfaces, a wide range of AI avatars, voices, and languages, as well as customizable video templates for different use cases like sales, marketing, learning & development, and onboarding.

There is some variation in pricing: at \$24/month, HeyGen's lowest-tier Creator plan offers 180 credits (1 credit = 1 minute of video) per year, while Synthesia's Starter plan at \$22/month offers 120 minutes of video per year.

Tavus

Rather than build a SaaS platform, Tavus differentiates by focusing on providing an API for developers to integrate AI avatar technology into their own applications.

Tavus sees its role as the expert on replica video models, powering the application layers for other companies. The company believes in a future where digital twins are present across multiple platforms, not just in a single point solution.

TAM Expansion

Generative AI in video

The rapid advancements in generative AI for video synthesis present a significant growth opportunity.

As demand grows across industries for accessible AI-generated video content, HeyGen is well-positioned with its focus on photorealistic avatars and natural language-driven video.

Expanding into real-time streaming avatars for interactive virtual experiences can further increase their addressable market.

Localization

There is sizable demand for efficient, cost-effective video localization as companies expand globally and need to engage customers in native languages.

HeyGen's AI-powered translation, dubbing and voice cloning enables automated localization while maintaining authenticity.

Continuously expanding language support can help HeyGen tap into the vast multilingual video content market across e-learning, e-commerce, entertainment and more.

Personalized video at scale

Personalization is becoming a key differentiator, and the demand for scalable video personalization is likely to increase.

HeyGen's platform can generate thousands of unique personalized videos based on data inputs. Integrating with CRM and marketing platforms can provide a turnkey solution that fits into existing marketing tech stacks.

Adding more advanced personalization features will strengthen HeyGen's value proposition and market potential.

Funding Rounds

Series A		
Share Name	Issue Price	Issued At
Series A	\$16.21	Jun 2024
Series Pre-A+	\$2.00	Nov 2022
Series Pre-A	\$1.05	Nov 2022
Series Angel	\$0.74	Nov 2022
Seed		
Share Name	Issue Price	Issued At
Series Seed	\$2.88	Nov 2023
Figures sourced from the latest Certificate of Incorporation we have available.		

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Published on Apr 15th, 2024