



# Sleep Cycle announces new business strategy

**Göteborg 26 February 2024 - With more than two million active users across 150 countries, Sleep Cycle is the world's leading sleep technology company. In a move to further innovate, build, and discover new ways to deliver on Sleep Cycle's core promise – better health through better sleep – the Board of Directors today adopted a new business strategy. The new business strategy will be announced on a capital market presentation March 20. The intention is to present updated financial targets ahead of the capital market presentation.**

## **New business strategy adopted by Board of Directors today**

A comprehensive business strategy has been adopted by the Board of Directors today. The new strategy takes into consideration that there are several major structural trends driving growth in the sleep tracking applications market - increased consumer focus on health and wellness, sleep as the foundation for health and wellness, consumer empowerment within health, and growing penetration of subscription-based technology.

“We're confident that Sleep Cycle's AI-based audio technology and robust platform has positioned us neatly to leverage all these trends – and meet people's evolving and elevated lifestyle needs. We also feel that our brand position is reflected in our subscriber data. In fact, 80 percent of Sleep Cycle's subscriber growth is purely organic; only 20 percent is attributed to paid channels. In our market space, the numbers are often switched,” said Erik Jivmark, CEO Sleep Cycle.

The new strategy aims to put Sleep Cycle on a steeper trajectory where it can leverage organic growth.

“Our team is going to double down on the core product, and advance novel, data-driven innovations that will set us apart. We're witnessing the awakening of the sleep economy, and we have every intention of owning the sleep tech space,” continued Erik Jivmark.

The business strategy focuses on three major areas: user acquisition, user engagement and leverage platform and data:

### **User acquisition**

Sleep Cycle enjoys steady organic growth today, and a substantial number of new subscribers come from recommendations or word-of-mouth. The new strategy focuses on growing visibility and presence in earned media channels to leverage this organic growth. The efforts will be focused on increased PR engagement and brand building, new and existing partnerships, a reworked pricing strategy, enhanced UX and product development.

## User engagement

Retention is critical given Sleep Cycle's subscription-based business model. Higher engagement means higher retention. Technological innovation and product development will be key to boosting user value, which will drive engagement. Focus will be on evolving the app's tech and features to improve data accuracy and earn user trust. The user experience will be improved, and focus will be to strengthening the core engagement loop and nurture habit forming behaviours with the help of personalized experiences.

## Leverage platform and data

Sleep Cycle has a proprietary platform and collects vast amounts of aggregated, anonymized data in real-time. This allows for continuous product improvements that ensure a high-quality user experience. This is a sound foundation for product development. The recently launched feature, Cough Radar, was the first proof-point that Sleep Cycle can leverage data outside of the core sleep-use case. Beyond creating additional value for current users, Cough Radar helps in acquiring new segments. The new strategy explores new ways to leverage data, mainly through anonymized data monetization and SDK monetization.

**Details of the new business strategy will be communicated on a capital market presentation March 20. Sign up using the link below:**

[Invitation to investor/analyst presentation](#)

This information offered is such that Sleep Cycle AB is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted, through the care of the contact person above, for publication on 26 February 2024 at 15:30 CET.

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## About Sleep Cycle

With millions of daily active users and over two billion nights analyzed in more than 150 countries, Sleep Cycle is the leading sleep tracking application and one of the most widely used solutions worldwide to improve sleep health. Sleep Cycle's mission is to improve global health by empowering people to sleep better. Since its launch in 2009, Sleep Cycle has helped millions of people understand their sleep habits and improve their sleep. The mobile application helps users fall asleep more easily, tracks and analyses sleep during the night, wakes the user in a light sleep phase and provides insight into how sleep quality is best improved. Sleep Cycle is one of the world's most comprehensive sources for statistics on sleep and contributes to research and reporting on sleep worldwide. Sleep Cycle is listed on Nasdaq Stockholm under the ticker SLEEP. The head office is located in Gothenburg, Sweden.