COIMBATORE INSTITUTE OF TECHNOLOGY, COIMBATORE-14

PROPOSAL TO INCUBATE A START-UP @CIT-INCUBATION CENTRE

Start-up Details
Name: SayvAI
Date of Incorporation:
Name of Founder(s) and Co-Founder(s): Kasi Viswanathan, Prakash R, Subash S, Arun Prakash G, Sanjaypranav V M.
Type of company: B2B AI solutions

Executive summary :

Company Name: SayvAI

Tagline: Your Personal AI Assistant

Problem: Small businesses cannot afford to employ a department dedicated to AI.

Solution: SayvAI provides personalized AI solutions to small businesses, helping them to increase productivity, improve customer service, and attract new customers.

Unique Value Proposition: Leveraging advanced technologies such as Generative AI, Large Language Models, AI with memory, and web search capabilities, SayvAI with its ability to empower small businesses by aligning AI capabilities with their specific needs, ensures that businesses can optimize their operations with ease.

Market Opportunity: The market for AI solutions for small businesses is growing rapidly. According to a recent study, the global market for AI in small businesses is expected to reach $100 billion by 2025.

Target Audience: Small businesses of all sizes in all industries.

Potential Impact: SayvAI's mission is to align the capabilities of AI with the needs of small businesses and make personalized solutions accessible to everyone. By

automating repetitive tasks, improving customer service, and attracting new customers, SayvAI can help small businesses to save time, money, and grow their businesses.

Why Incubation Would Benefit SayvAI: SayvAI is a young company with a great team and a promising product. However, we need incubation to help us to scale our business and reach our full potential. Incubation would provide us with access to resources, expertise, and mentorship that we would not be able to get on our own.

Introduction:

Our startup, SayvAI, is a B2B AI solutions company that provides personalized AI solutions to small businesses.

Problem

Small businesses are facing a number of challenges, including increasing competition, rising costs, and a shortage of skilled labor. While AI has the potential to address these challenges, its implementation has traditionally been expensive, requiring technical expertise and significant upfront investments.

Opportunity

The market for AI solutions for small businesses is growing rapidly. By providing a one-time purchasable product that acts as a personal AI assistant, we empower small business owners to leverage AI capabilities without the need for extensive technical knowledge or large investments.

Purpose of the Proposal

We are proposing to incubate SayvAI because we believe that you can provide us with the resources and infrastructure, networking and partnerships, validation and credibility, and support from our esteemed institution that we need to scale our business and reach our full potential.

Problem statement:

Problem

The problem that our startup aims to address is the lack of accessible and affordable AI solutions for small businesses. According to a recent report by McKinsey, only 8% of small businesses in India have adopted AI, compared to 58% of large businesses. They often operate with limited budgets and resources, making it difficult for them to compete with larger enterprises that can afford dedicated AI departments and sophisticated solutions.

Market Gap

There is a gap in the market for AI solutions that are specifically designed for small businesses. Most AI solutions are designed for large businesses, and they are too expensive and complex for small businesses to use.

Our Solution:
Our solution is to provide hyper-personalized and cost-effective AI solutions that can understand the workflow of each business and autonomously plans and executes tasks, reducing manual labor and saving valuable time and money. Our AI solutions are based on generative AI, large language models, and AI with memory, which enable them to learn from data, generate content, and remember information.

Impact

SayvAI's personalized AI assistant solution offers a meaningful impact by democratizing AI technology and making it accessible to small businesses. By using our AI solutions, small businesses can save time and money, reduce errors and risks, focus on core operations, improve productivity, and deliver enhanced customer service.

Solution overview:

Product Description

Our product is a one-time purchasable software that can be installed on any device and customized according to the business's needs and preferences. Our product can also communicate with the business owner and the customers through voice, text, or image/videos. We offer a variety of solutions such as,

1) Companionship
2) Utility
3) Question Answering
4) Multi tasking agents
5) Hyper-personalization

Our product provides a unique and innovative solution by using generative AI, large language models, and AI memory. These technologies enable our product to:

1) Learn from data: Our AI assistant can learn from the data that it has access to from the business and the customers, such as their profiles, preferences, feedback, and behavior. Our AI assistant can also learn from external data sources, such as websites, social media, and news articles.
2) Autonomous Task Planning and Execution: SayvAI's AI assistant autonomously plans and executes tasks, reducing the need for manual labor and saving time and resources. It can handle complex and repetitive tasks, freeing up human resources to focus on more strategic and value-added activities.
3) Generate content: Our AI assistant can generate content in various formats, such as text, voice, or image.
4) Remember information: Our AI assistant can remember information that is relevant and useful for the business and the customers.

The key features of our product are:
1) Personalization: Our product can be customized according to the specific needs and preferences of each business and customer. Our product can also adapt to the feedback and behavior of each business and customer over time enabling businesses to allocate resources more efficiently, leading to improved operational efficiency and output.
2) Cost-effectiveness: Our product is a one-time purchasable software that does not require any subscription fees or maintenance costs. Our product

can also help small businesses save time and money by reducing manual labor and errors.

3) Excitement factor: Our product is an innovative and exciting AI assistant that can create a unique and engaging experience for the business owner and the customers. Our product can also help small businesses attract new customers with our novel and fun AI solutions.

The competitive advantages of our product are:

1) No direct competitors: There are no direct competitors in the market that offer personalized AI assistants or pets for small businesses. There are some open source alternatives that are hard to understand for non-technical people and do not provide hyper-personalization.

2) High quality solution: Our product is based on cutting-edge technologies that enable our product to perform complex and diverse tasks with high accuracy and efficiency. Our product also has little to no errors or hallucinations.

3) Seamless Integration: SayvAI's AI assistant seamlessly integrates into existing workflows and systems, minimizing disruption and allowing businesses to leverage their current infrastructure and investments.

Business model:

SayvAI's business model is based on a combination of one-time purchases, additional services, and ongoing support. We aim to provide affordable AI solutions to small businesses while ensuring sustainable revenue generation.

Pricing Strategy:

Our pricing strategy is designed to offer flexibility and scalability for our customers. We adopt a one-time purchase model for the core AI assistant product, which includes the installation, customization, and training of our products. This ensures that small businesses can access our solution without the burden of recurring subscription fees. The pricing will be determined based on

the complexity and customization required for each business, aligning with the value and benefits our AI assistant provides.

Our revenue streams are:

1) Core Product Sales: We generate revenue by selling our product to small businesses who need an accessible and affordable AI solution that can handle complex and repetitive tasks. We target small businesses in various sectors and industries, such as retail, hospitality, education, healthcare, and entertainment.
2) Additional Services: We generate revenue by providing additional services to our customers who need further assistance or support with our product. These services include bug fixes, maintenance, and memory reset, which are done at free of cost. We also provide services such as adding new components and changing the framework structure of our product, which are charged accordingly.
3) Strategic Partnerships: We plan to establish strategic partnerships with software providers, consultants, and business service providers who cater to small businesses which will earn us loyalty for every unit they sell to their customers.

Team and expertise :

Our team at SayvAI consists of highly skilled and experienced individuals who are pursuing their MSc in Artificial Intelligence and Machine Learning. With our deep understanding of Generative AI and expertise in the field, we are well-positioned to address the unique challenges and opportunities in the market.

As applied AI research scientists, we have gained valuable experience working as independent contractors for various startups and scale-ups. This experience has allowed us to develop a strong understanding of customer requirements and deliver tailored solutions on time.

We bring a comprehensive understanding of company structures and insights on how to run and operate a successful AI solutions company. Through our academic pursuits and real-world experiences, we have honed our skills in developing AI-based solutions, leveraging advanced technologies

By combining our technical expertise, research background, and understanding of customer requirements, we are confident in our ability to deliver high-quality AI solutions that meet and exceed client expectations.

Marketing and Sales strategy :

Target Audience:

Our target audience consists of small business owners who cannot afford to employ a dedicated AI department but recognize the potential benefits of AI technology. We aim to reach businesses across various industries, including retail, hospitality, and professional services. Our solution caters to businesses of different sizes, from startups to established small enterprises.

Marketing Channels:

We plan to use a variety of marketing channels to acquire customers, including:

1. Online Platforms: We will leverage online platforms and marketplaces that cater to small businesses to promote and distribute our AI assistant. This includes e-commerce platforms, business software directories, and industry-specific forums.

2. Direct Sales: Our sales team will actively engage with potential customers through direct sales efforts. This approach will allow us to showcase the value of our AI assistant and tailor the solution to the specific needs of each business.

3. Referral Programs: We will establish referral programs to incentivize existing customers, strategic partners, and industry influencers to refer potential customers to us. This will help us expand our customer base through word-of-mouth marketing.

4. Content marketing: We will create and publish content that is relevant to our target audience, such as blog posts, infographics, and white papers.

5. Events: We will attend and speak at events that are attended by small business owners.

By combining these revenue streams and distribution channels, SayvAI aims to generate sustainable revenue while providing affordable and accessible AI solutions to small businesses. We will use a data-driven approach to our marketing and sales. We will track our results and make adjustments to our campaigns as needed. Our focus on customer satisfaction and continuous support will foster long-term relationships and drive repeat business.

Customer Acquisition Cost

We estimate that our customer acquisition cost (CAC) will be Rs.3000 per customer. This includes the cost of digital marketing, content marketing, partnerships, and events.
Regular analysis and refinement of our marketing and sales approach will help us optimize the customer acquisition cost over time.

Sales Projections

1) Market size: According to a report by Nasscom, there are around 630 Lakh small businesses (Turnover over less than 40 crore rupee) in India as of 2020. Assuming that 10% of them are interested in AI solutions for their business needs, the total addressable market size is around 63 lakh small businesses.
2) Market share: Assuming that we have no direct competitors in the market for personalized AI assistants for small businesses, we aim to capture 0.5% of the total addressable market share in the first year of operation. This translates to around 31,500 small businesses as our potential customers.
3) Conversion rate: Assuming that we have an effective marketing and sales strategy that can convert potential customers into paying customers at a rate of 1%, we expect to sell our product to around 300 small businesses in the first year of operation.

Based on these assumptions, we expect to generate a revenue of Rs. 30,00,000 in the first year of operation (assuming an average price of Rs. 10,000 per product).

Financial Projections :

The following assumptions were made in creating this financial projection:

Expenses :

The average customer acquisition cost (CAC) is 3,000.
The average customer lifetime value (CLTV) is 50,000.
Salaries and Benefits expenses will increase by 20% each year to compensate employees and attract top talents.
The sales and marketing expenses will increase by 20% each year.
The product development expenses will remain constant each year.
The general and administrative expenses will increase by 10% each year.
Path to Financial Sustainability

SayvAI is expected to become financially sustainable in 2025 (end of second financial year) and continue to improve profit margin.

Funding

SayvAI has not yet secured any funding. The company is actively seeking investments through seed funding to help it grow and scale. The funding will be used to hire additional employees, develop new products, and expand marketing and sales efforts.

Incubation benefits:

Our startup, SayvAI, would greatly benefit from the incubation unit by providing a range of resources, support, and mentorship tailored to our specific needs such as:

1. Resources and Infrastructure: By providing access to essential resources and infrastructure such as office spaces, equipment, and technology. This eliminates

the need for us to search for and lease our own office space, allowing us to focus our time and resources on developing our AI solutions. Additionally, the fact that the center is located within the institution's campus is advantageous as it facilitates easy access for our interns, who are also students of the institution.

2. Validation and Credibility: Being associated with an incubator from a reputable institution brings significant validation and credibility to our startup. This association enhances our brand image and reputation, making it easier to attract customers, investors, and top talent who are seeking innovative AI solutions. The incubation unit's reputation serves as a stamp of approval, building trust and confidence in our capabilities.

3. Support and Mentorship: The incubation unit offers a network of experienced mentors and industry experts who can provide valuable guidance and support. Their insights, advice, and connections will be instrumental in shaping our business strategies, refining our product offerings, and expanding our market reach.

4. Collaborative Environment: Being part of an incubation center fosters a collaborative environment where we can interact, learn from, and collaborate with fellow entrepreneurs and startups. This creates opportunities for knowledge sharing, idea exchange, and potential collaborations. By engaging with like-minded individuals and businesses, we can stay at the forefront of the latest trends and advancements in the AI industry, ensuring our solutions remain innovative and competitive.

5. Internship Opportunities: The incubation unit offers us the opportunity to provide internships to students of the institution. This enables us to tap into a pool of talented and motivated individuals who can contribute to our research and development efforts. By working alongside these students, we can benefit from fresh perspectives, innovative ideas, and additional workforce capacity. Simultaneously, the students gain valuable industry experience and exposure to cutting-edge AI technologies, complementing their academic learning.

Conclusion :

My startup is a company that uses AI to help small businesses automate tasks, improve customer service, and attract new customers.
The incubation unit would provide my startup with access to resources, support, and mentorship that would be beneficial to our growth.
I am confident that my startup would be a good fit for the incubation unit and that we would be able to benefit from the program.

Potential Value:
My startup has the potential to help small businesses save time and money, improve their customer service, and grow their businesses.
The incubation unit would help my startup to develop and launch our product, build our team, and reach our target market.

Enthusiasm and Commitment:
We are excited about the opportunity to work with the incubation unit
I am committed to working hard and to making the most of the program.

Submitted By:
Dr.J.Shana
Head-Incharge, Dept.of Computing-AI&ML
Coimbatore Institute of Technology, Coimabatore-14

Mr.Kasi Viswanathan and Team
V Year MSc. AI&ML
Dept. of Computing-AI&ML
Coimbatore Institute of Technology, Coimabatore-14