# FABLE

Unleashing imagination

Meet the Team

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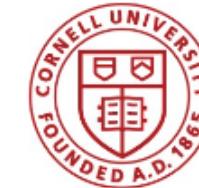
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The Problem

90%+

of parents use screens to preoccupy kids

6

hours spent on avg on screens per day by children in the US

65%

of screen time spent passively consuming content

70%

of parents concerned about screen time quality

Meet Anna

ANNA WANTS TO...

- Keep her children meaningfully preoccupied while she works
- Enrich & educate her children
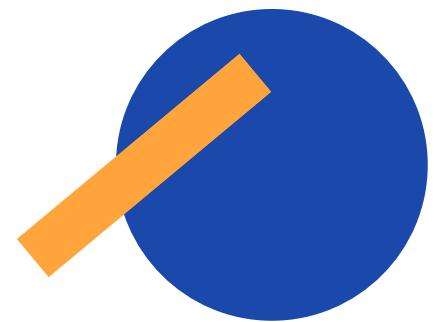
SHE NEEDS...

- High-quality, educational, and entertaining content for her kids
- Safe screen time that she trusts
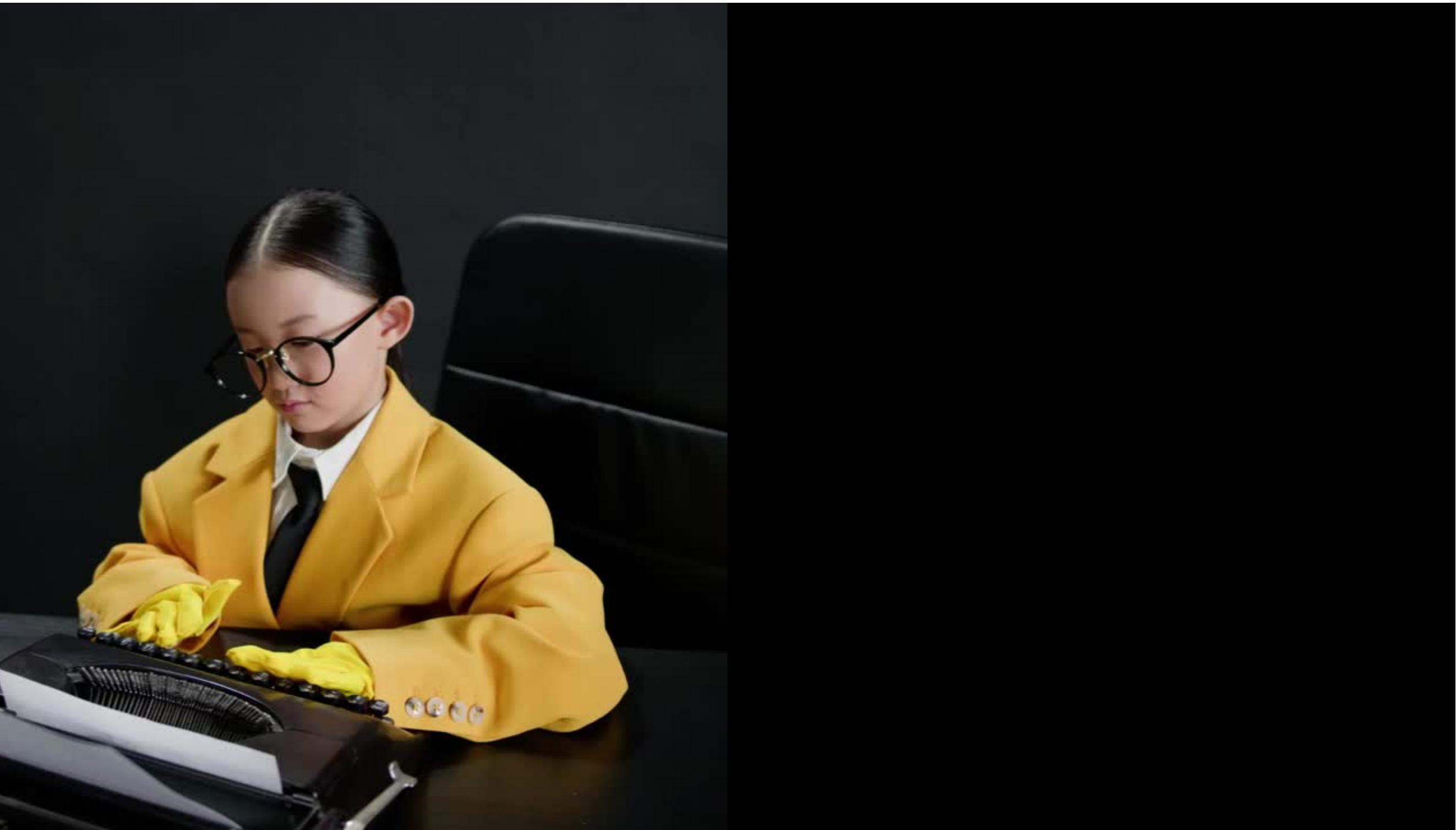
We are building an AI-enabled storytelling & visualization platform for kids called...
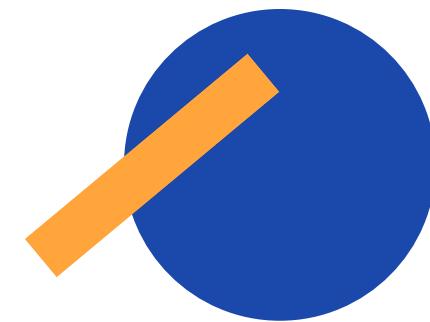
FABLE

Concept Video

https://www.youtube.com/watch?v=CT_wz3D7gQ0

Prototype | MPV Snapshot

Select Theme

What do you want to write about?

E.g. My puppy and I went on an adventure to save the earth.

What type of story do you want to write?

- adventure
- fairy tale
- fantasy
- humor
- mystery
- horror
- science fiction
- essay
- speech

What do you want the pictures to look like?

3d

cartoon

digital art

photo

Quit | Next

Build Character

What is the name of your character?

Alex

What does the character do?

Alex is my friend in school and one day my pokemon card is missing and we want to find it together.

Break down sentences
Consider removing "and" and break down sentences for clarity

I need ideas | Make it better

What does the character look like?

Alex is a boy in grade one and he wears a yellow tee and blue shorts.

I need ideas | Make it better

What is the character's goal or mission in the story?

Type here...

I need ideas | Make it better
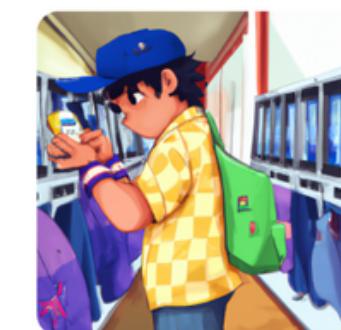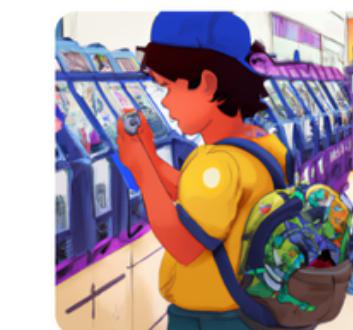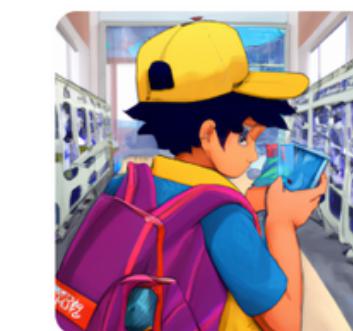
Draw this for me

My friend Alex who is a boy in grade one and he wears a yellow tee and blue shorts.
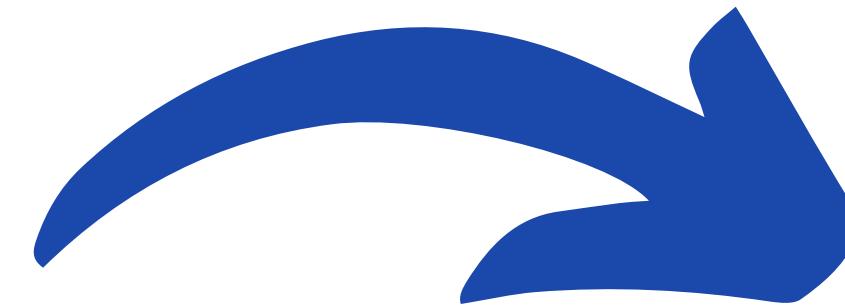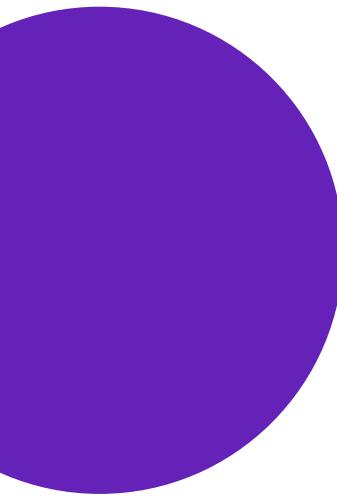
Draw | Make it better

Choose one picture

Back | Next

We interviewed

50+

children, parents and teachers

40+

mins spent on average per writing session

3.3 / 4

average delight factor with children ("Giggle Gauge")

30

NPS score provided by both parents & teachers

$15

per month as parents' willing-to-pay in sub. fees

"I love that my son is doing something interactive instead of just staring blankly at a screen; I don't feel guilty when he's on Fable."

–SEAN, PARENT OF 7 Y.O.
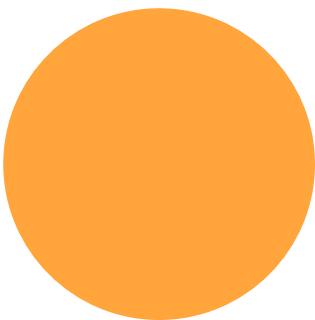
"My daughter loves to write stories, but I don't have the time to help her write. I love that Fable can be that partner she needs."

–VENESSA, PARENT OF 11 Y.O.
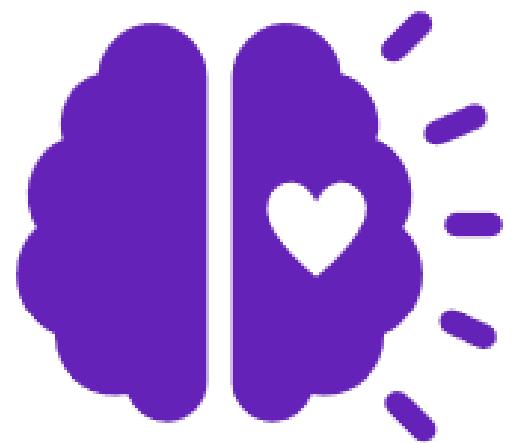
"I'm always worried about what he sees online, so it's great that Fable ensures the content is safe, putting my mind at ease."

–SARAH, PARENT OF 5 Y.O.

Value Proposition

Actively engage children vs. providing low-quality screen time

Promote **imagination** & **content creation** from a young age

Teach superior **expression**, **organization**, & **writing skills**

Market Opportunity

We aim to serve the
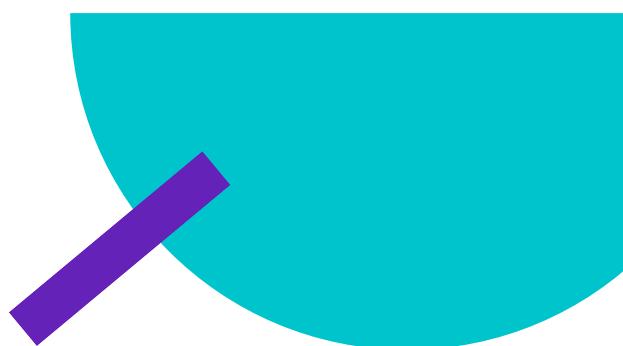
## 30M
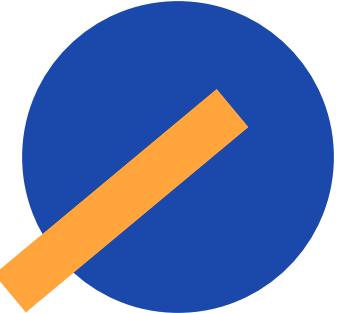
children aged 5 - 12 in the US...

...whose parents spend on avg

$1K
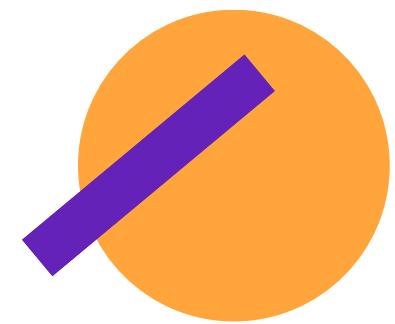
on edtech / year

Differentiation vs. Competitors
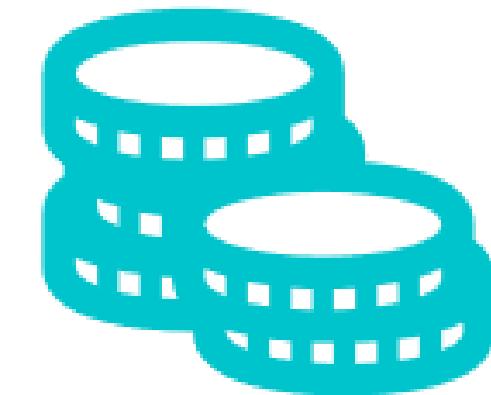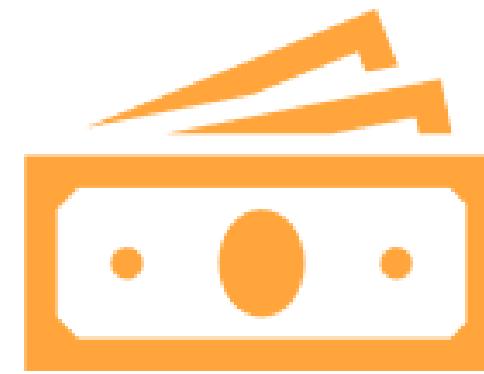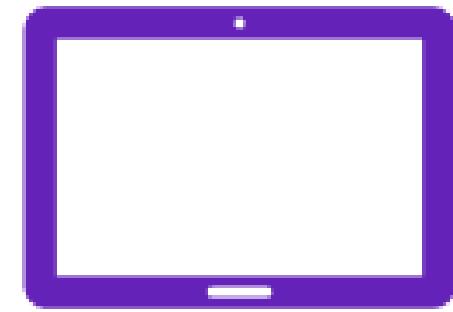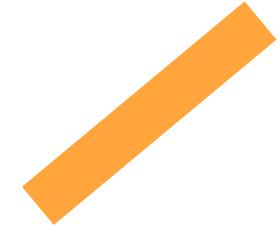
Product Features	Reading/learning platforms epic! Khan Academy Kids	Generative AI story writing Storywizard.ai IMAJINN	Fable
Reading and storytelling tool	✔	✔	✔
Child-AI writing collaboration	✘	✘	✔
AI-generated illustrations	✘	✔	✔
AI-generated prompts	✘	✘	✔
Price	$5-$15/mo	$10-$15/mo	$7.99/mo

Freemium Model

Product Features	Free	Paid
Ad-free experience	✕	✓
Unlimited prompts	✕	✓
Up to 15 generated images	✕	✓
Hundreds of illustration styles	✕	✓
Writing contests / games	✕	✓
Collaborative writing (social)	✕	✓

Unit Economics Approach

User In-App Behavior
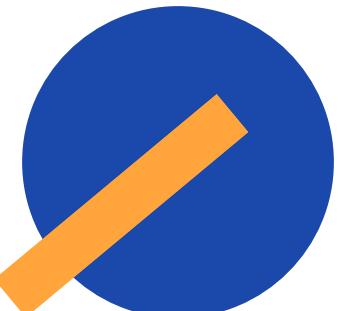
Demoed prototype with 20+ children

Projected Revenue

Assessed parents' WTP & estimated ad revenue

Anticipated Costs

Sourced cost estimates from industry experts

Unit Economics Overview

Free Version

|	
Monthly Subscription Revenue	$0.00
Monthly Ad Revenue	1.50
Total Monthly Revenue	**$1.50**
Monthly Cost per Customer	(0.30)
Gross Profit Per Customer	**$1.20**
Gross Margin (%)	*80%*
Average Life (Months)	6
Customer LTV	**$7.20**
CAC	15.00
Customer LTV / CAC	**0.48**

Paid Version

Monthly Subscription Revenue	$7.99
Monthly Ad Revenue	0.00
Total Monthly Revenue	**$7.99**
Monthly Cost per Customer	(1.09)
Customer Gross Profit	**$6.90**
Gross Margin (%)	*86%*
Average Life (Months)	12
Customer LTV	**$82.77**
CAC	15.00
Customer LTV / CAC	**5.52**

Key Channels for GTM Strategy

Digital Marketing
Target parents with paid ads on major social media platforms
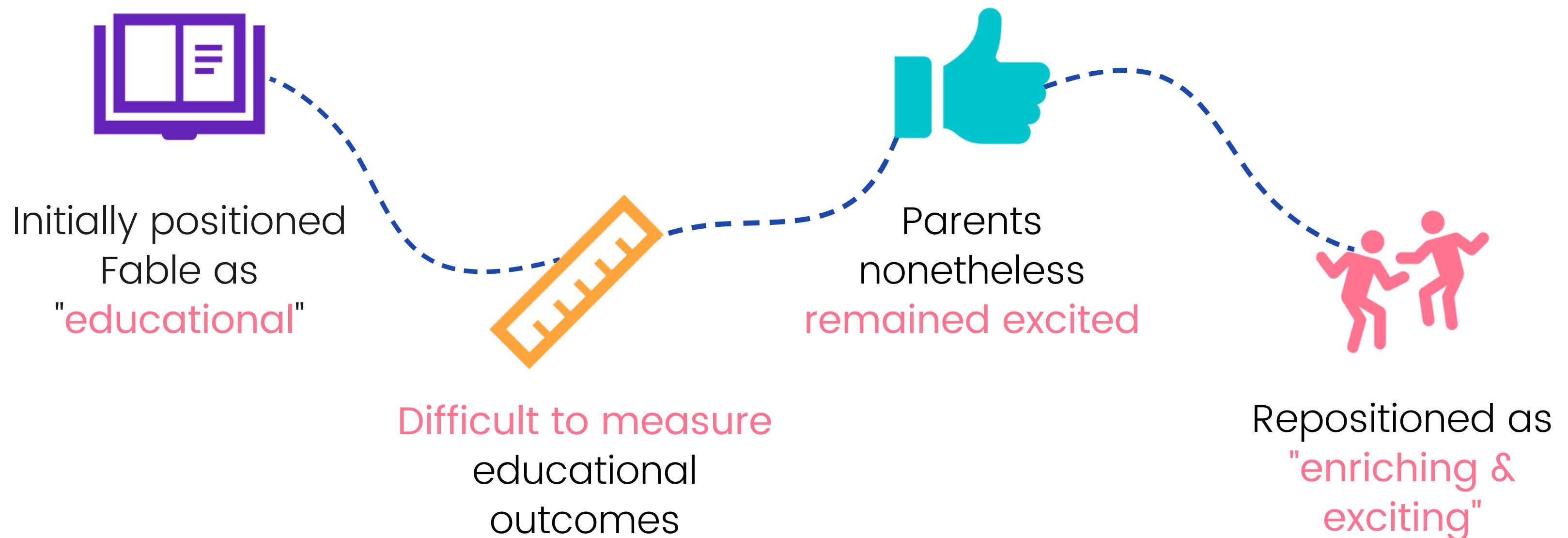
Referrals
Incentivize users to refer friends & family through rewards

Schools
Reach children in schools through partnered events and after-school fairs

Refined "Educational" Angle

Initially positioned Fable as "educational"

Difficult to measure educational outcomes

Parents nonetheless remained excited

Repositioned as "enriching & exciting"

Operating Plan | Key Phases

1

Building the product

- Delightful
- Compliant
- Safe & trustworthy
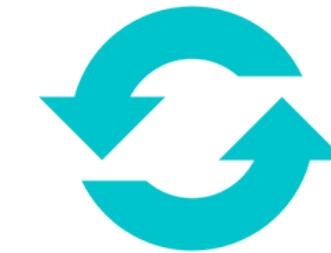
2

Selling the product

- Value prop resonates
- WTP
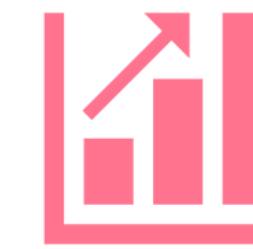
3

Driving repeat usage

- Gamification
- Social features / collaboration

4

Achieving profitability

- Manageable costs
- Sufficient customer LTV

BUILDING THE BUSINESS

MAINTAINING THE BUSINESS

Operating Plan | Timeline View

Outcome / Expected Learning	Month																	
	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
Product development	■	■	■	■	■													
Value proposition / marketing messaging testing			■	■	■	■												
Pricing structure testing & solidification					■	■												
User acquisition launch / sign ups						■	■	■	■									
Repeat usage features development & deployment										■	■	■						
Highest ROI user acq channel assessment; GTM strategy refinement													■	■	■			
Profitability optimization / cost management																■	■	■

Risks & Mitigation Strategy

Trust & safety

Q: Can we achieve the level of trust & safety parents require & comply with COPPA?

Test: Invest heavily in AI engg resources

Repeat use / Customer LTV

Q: Will children keep returning to Fable?

Test: Assess gamification, collaboration, & other retention tactics to drive repeat use

Value proposition messaging

Q: Given pivot away from educational angle, will parents still be willing to pay?

Test: Try out various marketing messaging

Our Ask...

$2M

seed round

18 month cash runway

- $1.5M for 11-person headcount (EPD, S&M, CS; some functions outsourced)
- $0.5M for operating costs (API integrations, marketing, user testing)

Path forward

- Pivot away from "educational" value prop
- Devise repeat usage strategies
- Achieve sufficient trust & safety

Thank you!