

MY
FIRST
MILLION
HubSpot Media

The AI Business Playbook:

7 COMPANIES MAKING MILLIONS



The one-person billion-dollar company is here. We found 7 companies that started with an API key and a good idea. No Stanford PhDs required. No \$50 million war chests. Just builders who saw AI as leverage and went for it.

Here's how they built it.

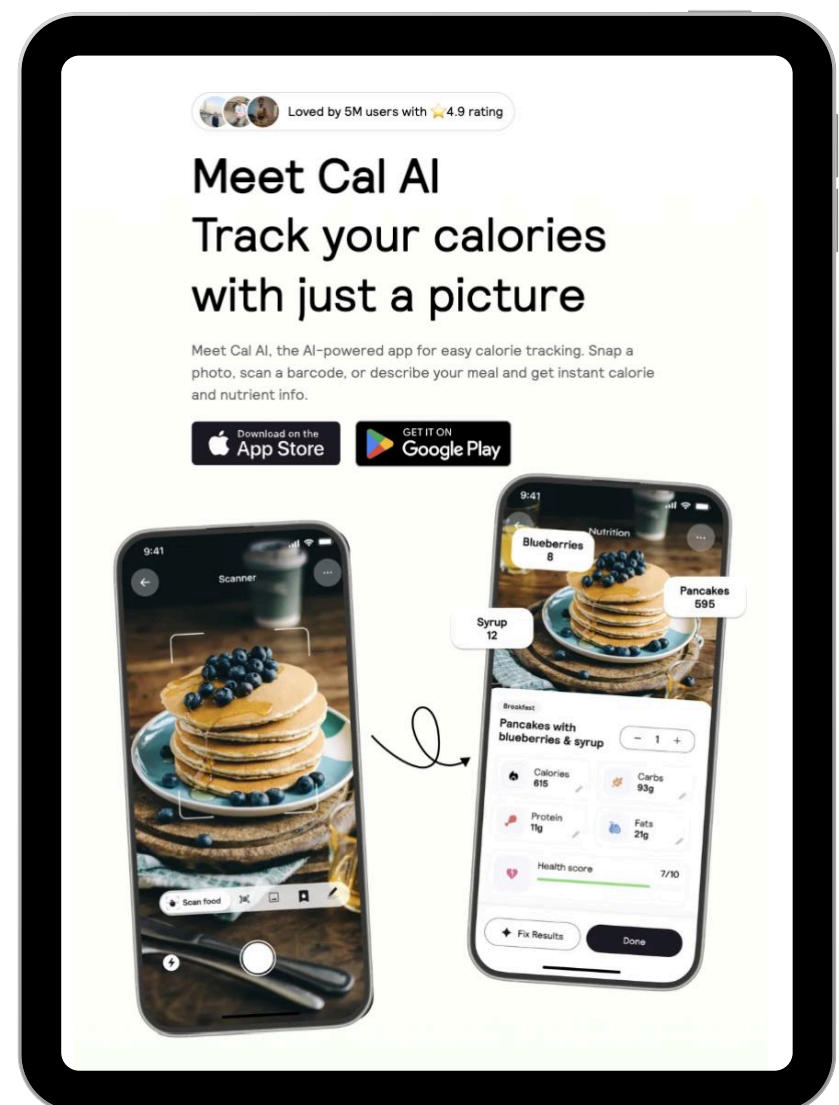
1 Cal AI \$24M ARR (in 10 months)

16-year-old built \$2M/month AI calorie tracker

The Problem They Solve: Calorie tracking sucks because manual entry is tedious and inaccurate. Current solutions require weighing food, searching databases, guessing portions. Most people quit after a week.

The AI Magic: Take a photo of any meal → get instant calories, protein, fats, and carbs with 90% accuracy in seconds. No typing, no searching, no guessing.

Origin Story: Zach Yadegari was a skinny 17-year-old trying to bulk up to impress girls. He hated logging meals in MyFitnessPal. He'd been coding since age 7, previously built and sold an unblocked games website for \$100k. When AI vision models dropped, he saw the obvious opportunity.



The Growth Engine:

- 100% influencer marketing on TikTok/Instagram focused on fitness creators
- Focus on the "aha moment" — the magical photo-to-calories experience that's perfect for short-form video
- Picked influencers based on engagement quality, not follower count
- 95% annual subscriptions (\$29.99/year) create sticky revenue

The Numbers:	
Month 1 Revenue	\$30k
Month 2 Revenue	\$100k+
Month 10 Revenue	\$2M+
ARR	\$24M
Team Size	4 cofounders, 15 total employees
Funding	\$0 (100% bootstrapped)
Margins	30%+
Downloads	8.3M+
Marketing Spend	~\$770k/month



Why It Works: Found the gap between hardcore macro trackers who weigh everything and people who don't track at all. AI removed the friction that kills diet apps.



Takeaway: The obvious AI use case is often the right one. Don't overthink it. Focus your marketing on the magic moment. Annual subscriptions beat monthly for retention and cash flow.

"We started as an AI wrapper, and I think that that's something all apps should do. Just like in e-commerce — it's very common to start as a dropshipper, and once you find success, actually manufacture it yourself, and create your own brand out of that. It's just a proof of concept."

– Zach Yadegari, Co-founder of Cal AI

2 UMax \$6M ARR

AI beauty scorer for the "[looksmaxxing](#)" trend



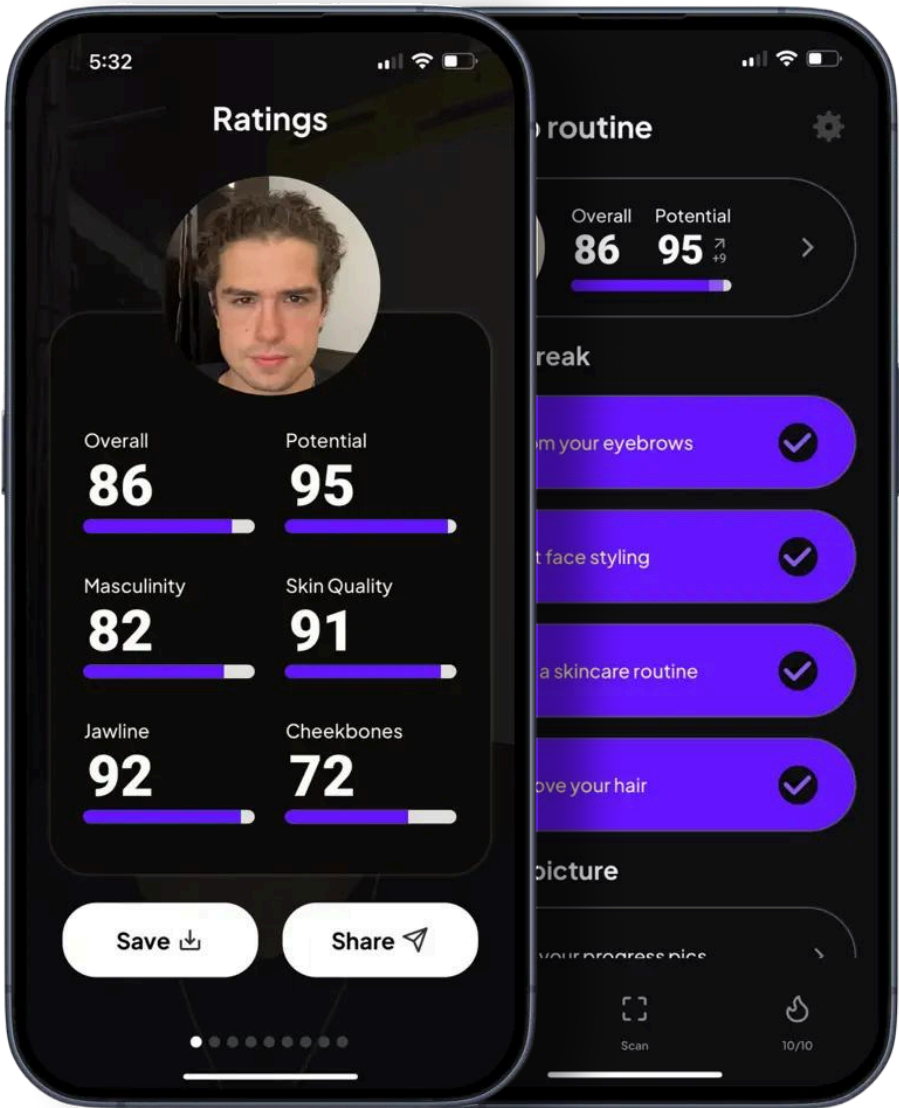
The Problem They Solve: Young men want honest feedback on their appearance but feel embarrassed asking family, friends, or people at school.

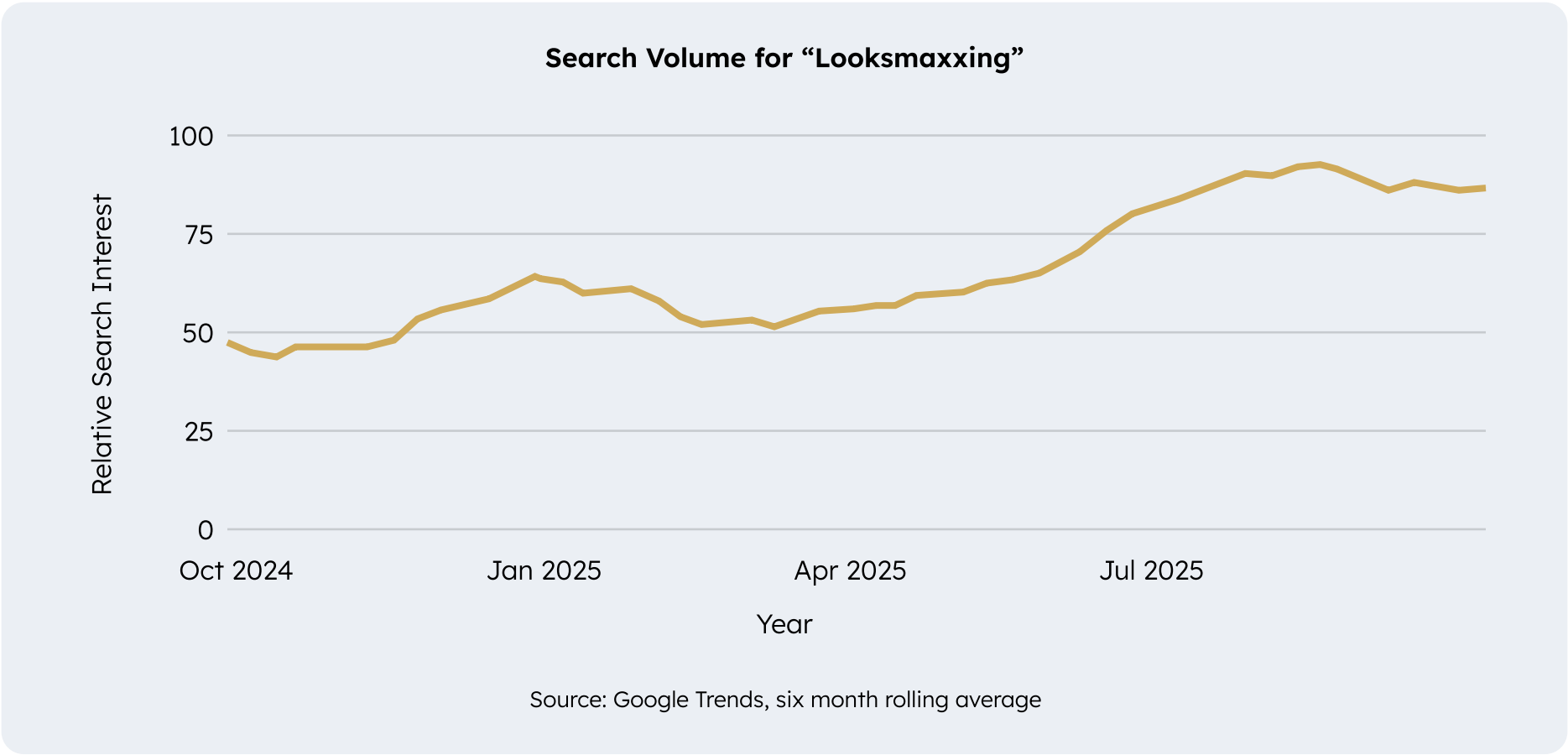


The AI Magic: Take two photos (front and side profile) → get instant numerical rating (0-100 scale) plus breakdown of jawline, masculinity, grooming, skin quality, and hair scores. Includes personalized "glow up routine" and product recommendations.



Origin Story: Co-founder Blake Anderson was browsing subreddits like [r/malegrooming](#) (544k followers) where people post selfies asking "how can I look better?" So he built an AI-powered app version of it. Launched during a broader trend of male beauty standards becoming mainstream, and market size is projected to reach [\\$115B](#) by 2028.





The Growth Engine:

- Organic growth through Reddit communities where the behavior already existed
- App store discovery
- Word-of-mouth sharing of scores/results
- Weekly subscription model (\$3.99/week) works for habit-forming apps

The Numbers:	
Monthly Revenue	\$350k-\$500k
ARR	~\$6M
Funding	Bootstrapped
Margins	30%+
Downloads	7M+
User Demographics	90% male, ages 16-45



Why It Works: Capitalized on cultural shift in male beauty standards. Provides anonymous feedback people crave but can’t get elsewhere. Simple U — “big blue buttons, one button per screen, can’t get lost.” Multiple revenue streams through subscriptions plus Amazon affiliate links for skincare products.





Takeaway: Monitor niche Reddit communities for organic behaviors you can productize. Cultural trends create business opportunities. Simple beats complex, so focus on one clear value proposition.


3 Jenni.ai

\$3.6M ARR

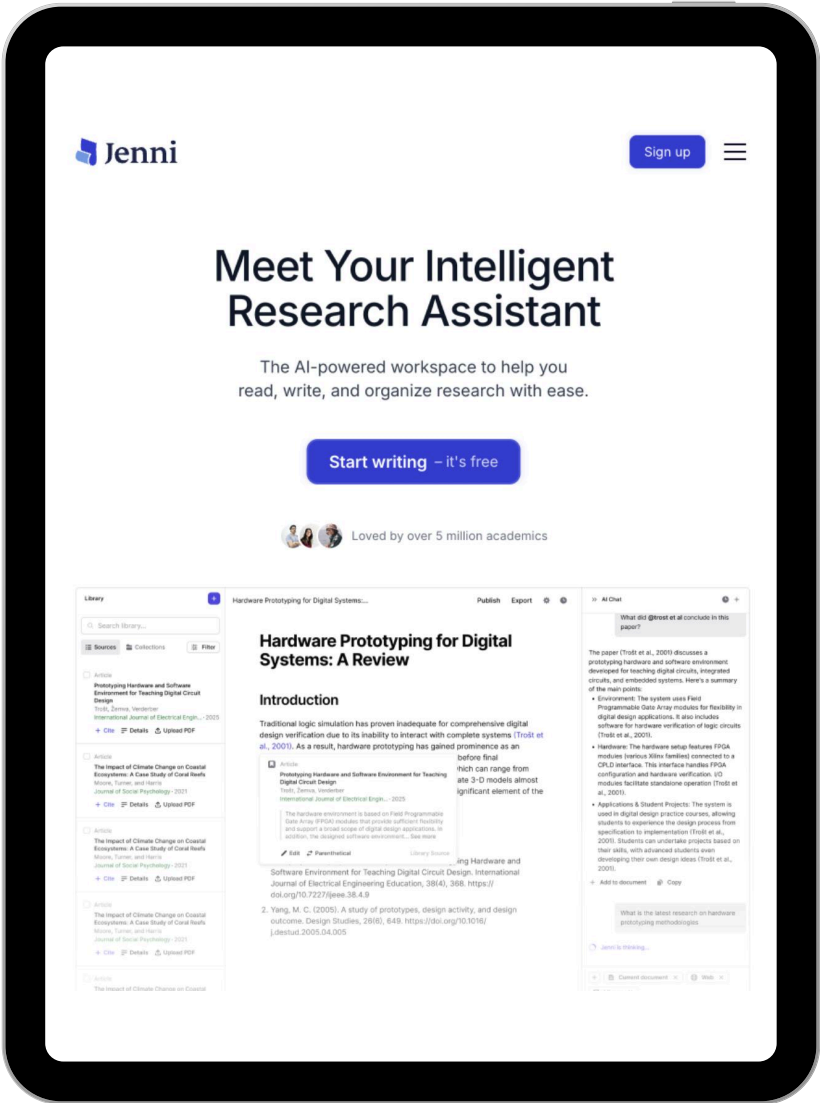
College writing assistant that doesn't write for you

- 

The Problem They Solve: Students struggle with essays but don't want AI to write the whole thing. They need help with citations, sentence completion, plagiarism checking, not full automation.
- 


The AI Magic: Student starts writing, AI suggests next sentences, auto-generates properly formatted citations, runs plagiarism checks. Result: 70% student-written, 30% AI-assisted. Feels like collaboration, not cheating.
- 


Origin Story: Co-founder David Park started with a generic AI writing tool not much different from Jasper, doing \$2k MRR. He then made a crucial "zoom in" pivot to college-specific writing assistance after customer interviews revealed the real pain point.



The Growth Engine:

- "Influence the influencers" strategy: joined Facebook groups for grad students and researchers, built relationships with group admins who became organic advocates
- [Viral X thread](#) drove 10x growth overnight
- TikTok ad with [4M views](#) used "relatable struggle" format
- Freemium model with paywall on advanced features

- 

Why It Works: Niche focus beats generic every time. College writing has specific needs (citations, academic integrity, formatting) that generic AI tools ignore. Positioned as "assistant" not "replacement" to address ethical concerns.
- 

Takeaway: If you're competing in a crowded market, zoom into an underserved niche. Build for specific workflows, not general use cases. Address ethical concerns proactively, don't ignore them.


The Numbers:	
Starting MRR	\$2k
Current ARR	\$10M
Team Size	23 people
Funding	\$850k total (started with \$100k from Jason Calacanis)
Total Users	4M+
Monthly Churn	16% (edtech seasonality)
Margins	~83%
Acquisition Offer Rejected	\$3M


4


Replika

\$24M ARR

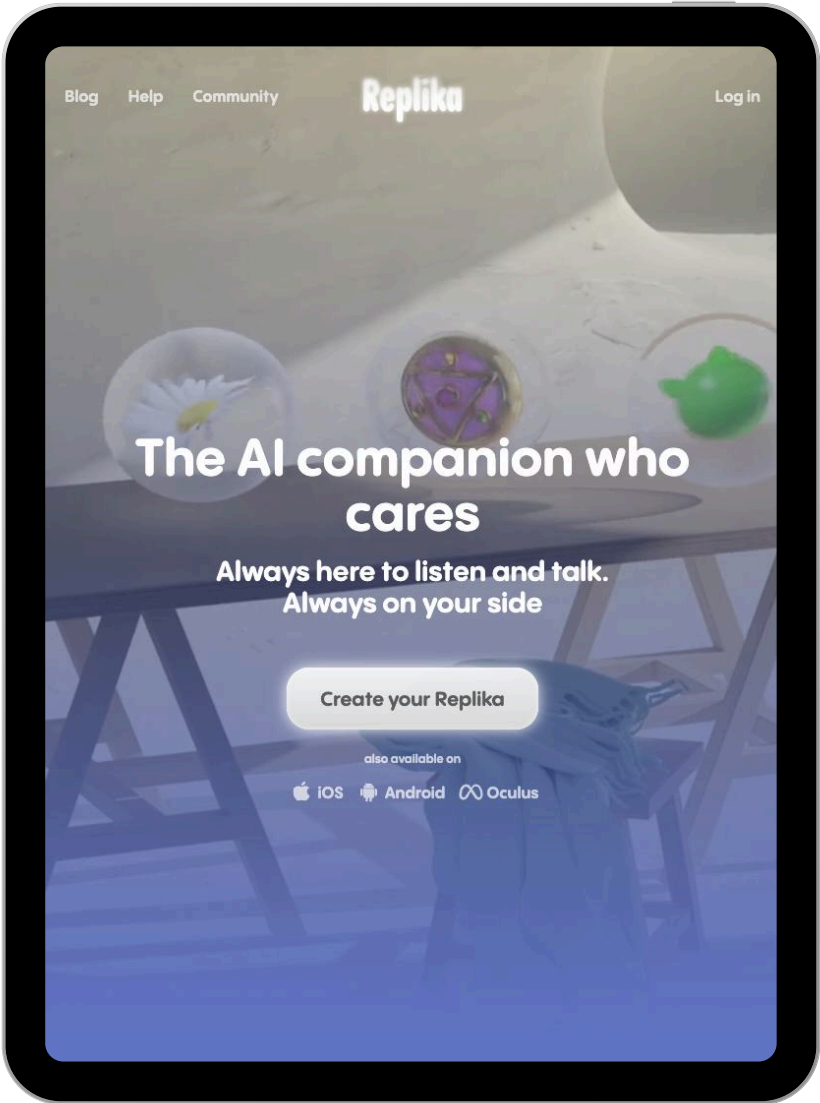
AI companion that became a cash cow

- 

The Problem They Solve: Loneliness. People need consistent emotional companionship. Someone to talk to who remembers you and provides reliable support.
- 

The AI Magic: Having an AI companion you can have deep conversations with, that remembers your history, provides consistent emotional support, and is available 24/7. Users report spending hours daily with their AI companions.
- 

Origin Story: Eugenia Kuyda built this after her best friend Roman died in 2015. She fed their text messages into AI to keep talking to him. Realized others needed this too. Built it as a "very cash efficient business" from day one—focused on profitability over venture scale.



The Growth Engine:

- Word-of-mouth driven by the unique and novel nature of AI relationships — people naturally want to share and discuss such distinctive experiences
- High daily engagement (hours per day) similar to Discord or social media
- Strong retention due to emotional attachment users develop
- COVID accelerated adoption—millions downloaded during quarantine

The Numbers:	
ARR (2022-2023)	\$30M+
Team Size	90+ people
Funding	\$11M
Total Users	30M+



Why It Works: Targets basic human need (companionship) that creates incredibly sticky usage patterns. Users spend hours daily, creating engagement levels that are nearly impossible to fake. High engagement = strong unit economics. Focused on profitability over growth at all costs.




Takeaway: Basic human needs create defensible businesses. Emotional attachment drives retention like nothing else. Hours of daily engagement supports premium pricing.


5


Lindy

\$5.1M ARR

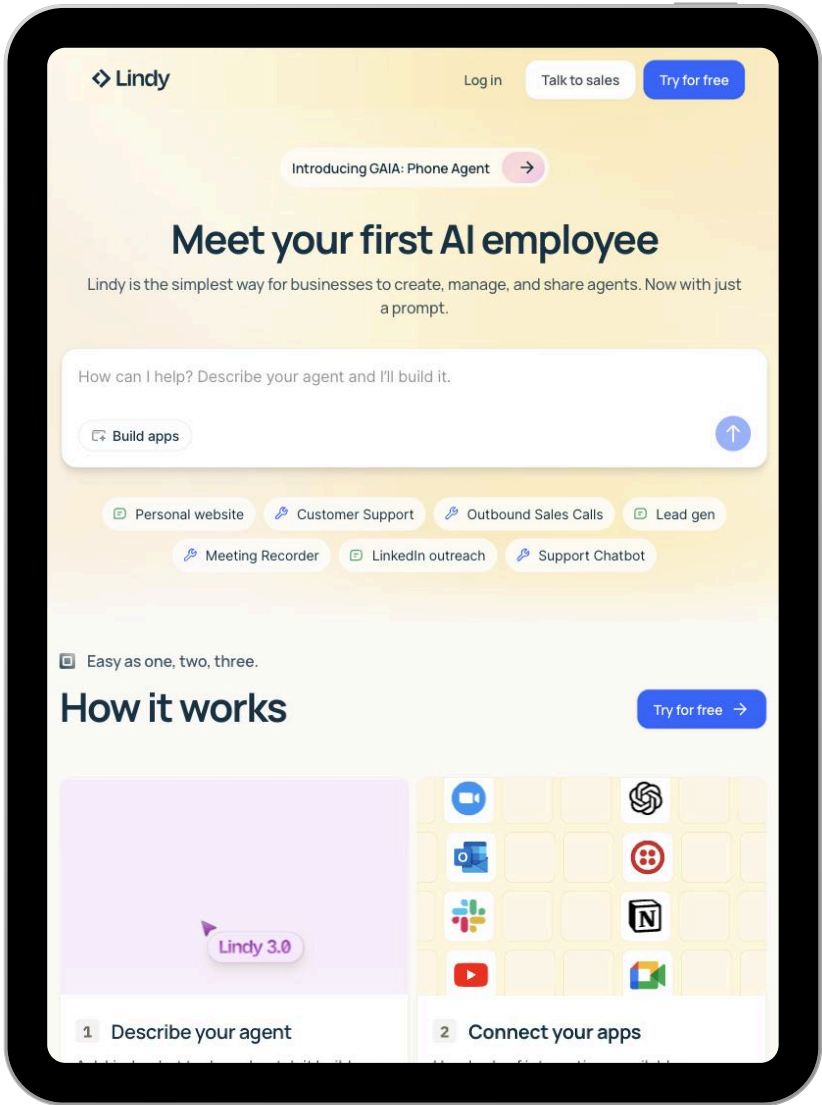
AI agents that actually think

- 

The Problem They Solve: Traditional automation tools can connect apps but can't think or make decisions. They follow basic "if this, then that" rules without intelligence.
- 

The AI Magic: Adds a "thinking layer" to automation. Lindy agents can analyze your calendar, research people on LinkedIn and Perplexity, check your email history, and synthesize all that information into a briefing, sent an hour before each meeting. Can also make phone calls with natural conversation (books restaurant reservations, handles questions about allergies, explains it's an AI if asked), monitor your stock portfolio with custom criteria, and track local events.
- 

Origin Story: Flo Crivello was running [Teamflow](#) (virtual office, raised \$50M+) during COVID. When people returned to offices, growth flatlined. Sales team asked if AI could auto-update Salesforce after meetings. He started building, kept making it more general, realized he was building something bigger—an AI agent platform.





The Growth Engine:

- Product-led growth through power users sharing impressive automations
- Word-of-mouth from "wow moments" that people naturally want to talk about
- Repositioned as "Zapier for AI"—suddenly people understood it
- Direct sales team for higher-value enterprise customers
- YouTuber discovered it, called it best AI agent platform, triggered explosive growth

The Numbers:

ARR (2022-2023)	\$5.1M
Funding	\$52M
Team Size	35+ people
Growth	5.5x in 6 months
Integrations	5k+

- 

Why It Works: Eliminates admin work that requires human intelligence but not creativity. Prevents "drift" that happens with human assistants who get busy or forget processes. AI agents maintain consistency 24/7.
- 


Takeaway: Look for successful tools that could be dramatically improved with AI capabilities. Focus on replacing workflows that require thinking, not just data movement. Build tools that prevent human inconsistency.


6


HeyGen

35M+ ARR

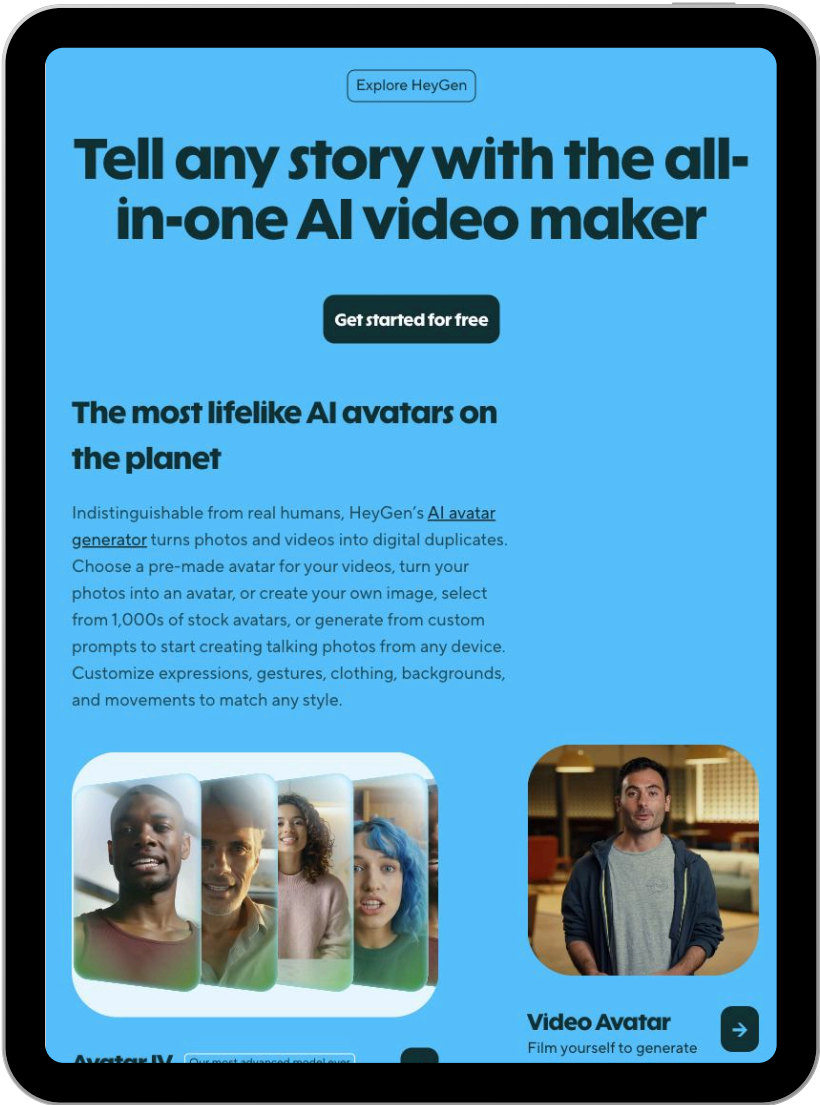
AI avatars that actually look real

- 

The Problem They Solve: Creating personalized video content at scale is expensive and time-consuming. Recording individual videos for each customer, coordinating schedules, editing—it all adds up fast.
- 

The AI Magic: Upload a short video of yourself speaking → generate unlimited personalized videos in your voice and likeness without ever filming again. Quality is now “you cannot tell the difference” from real video.
- 

Origin Story: Founded in 2020 by Joshua Xu and Wayne Liang. Originally called Surreal, later Movio, rebranded to HeyGen. Headquartered in LA. They saw the opportunity to remove the camera as the barrier to visual storytelling.






The Growth Engine:

- Word-of-mouth from business users amazed by the quality and practical applications
- B2B sales to companies needing video personalization at scale
- API integrations allowing businesses to automate video generation
- Crossed the critical quality threshold where output is business-ready, not just demo-impressive

The Numbers:	
Revenue in the first 6 months	\$1M
ARR (Dec 2023)	\$19M
ARR (June 2024)	\$35M
Funding	\$74M
Team Size	35+ people
Paying Customers	40k businesses

Real-World Applications:

- **Sales teams:** Custom video pitches for each prospect without recording individual videos
- **Event follow-ups:** Automated thank-you videos for every attendee using CRM data
- **Customer onboarding:** Personalized welcome videos at scale
- **Training:** Consistent video content without presenter availability issues
- **E-commerce:** AI-generated product testimonials using licensed influencer avatars




-  **The Quality Breakthrough:** HeyGen crossed the critical threshold where "you cannot tell the difference" between AI-generated and real video. This distinguishes it from earlier AI video tools that looked obviously artificial. Even McDonald's used HeyGen for [advertising campaigns](#).
-  **Why It Works:** Finally crossed the quality threshold where AI video is indistinguishable from real video AND made it self-serve rather than requiring custom implementation. Businesses will pay a premium for tools that save significant time and scale personalization. 175+ languages with natural lip-sync.
-  **Takeaway:** Build for real-world use, not just "cool demos." API-first approach enables business integration and automation.

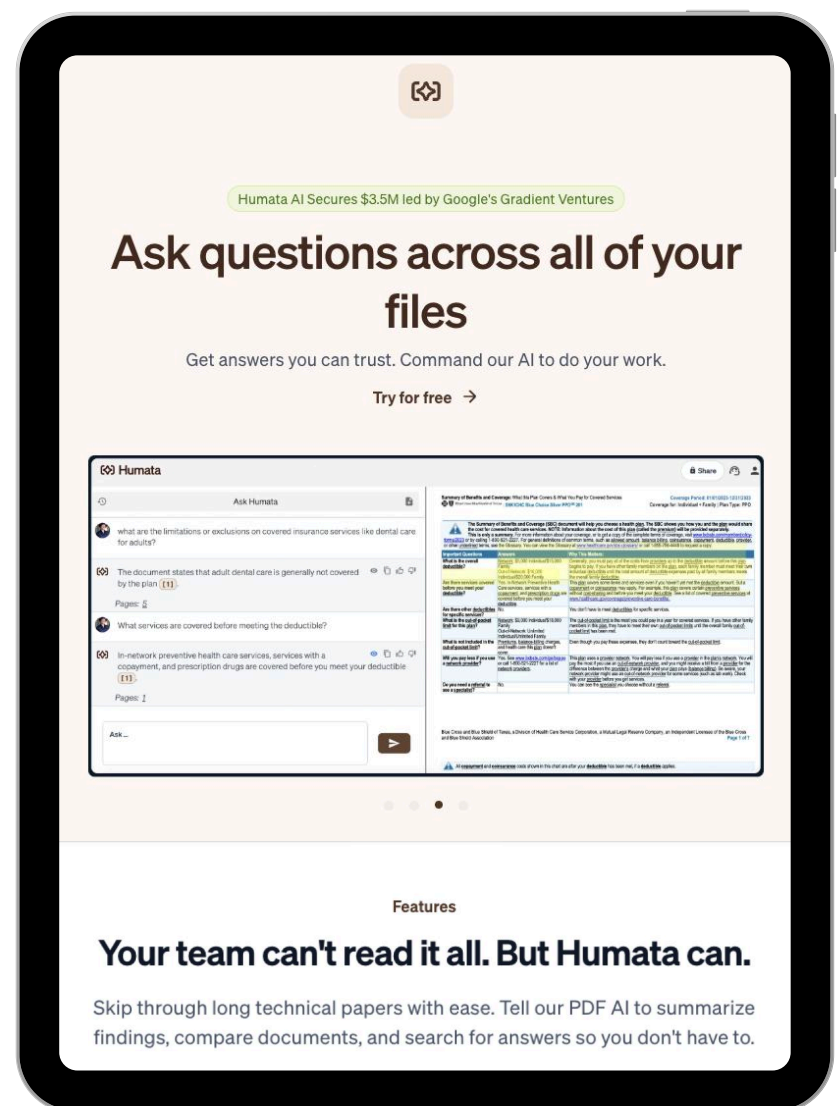
"People love video, but people also hate being on camera or don't have time to be on camera. If we could remove the camera, we'll remove the barrier for visual storytelling."

— Joshua Xu, Co-founder & CEO (quote from [Bloomberg](#))

7 Humata.ai \$3.5M Funding

ChatGPT for your documents

-  **The Problem They Solve:** People spend hours reading through long PDFs, research papers, legal documents, and technical reports trying to find specific information or understand complex content.
-  **The AI Magic:** Upload any document (PDF, research paper, contract) → ask natural language questions about the content → get instant answers with highlighted citations from the source document. No more ctrl+F searching through hundreds of pages.
-  **Origin Story:** Founded in 2022 by Cyrus Khajvandi (Stanford biology grad, former researcher) and Dan Rasmuson. Built because "ChatGPT often produces inaccurate responses with 0 context from your data." Khajvandi struggled staying on top of scientific research while managing his workload.



The Growth Engine:

- Word-of-mouth from researchers and professionals amazed by accuracy
- Viral adoption in academic communities
- Enterprise clients in legal, financial, business document analysis
- Freemium model drives trial-to-paid conversion
- Chrome extension enables use on any webpage
- SOC2 compliance unlocked enterprise customers

Real-World Applications:

- **Legal professionals:** Instantly answer client questions about contract clauses without reading hundreds of pages
- **Business executives:** Analyze financial reports and industry trends for strategic decisions
- **Researchers/academics:** Quick understanding of research papers with citation support
- **Students:** Study assistance for complex academic materials



Why It Works: Solves universal problems across industries—everyone deals with long documents. Provides accuracy and citations that generic AI can't match. Started in academic niche (researchers) then expanded to legal, business, and general use cases.

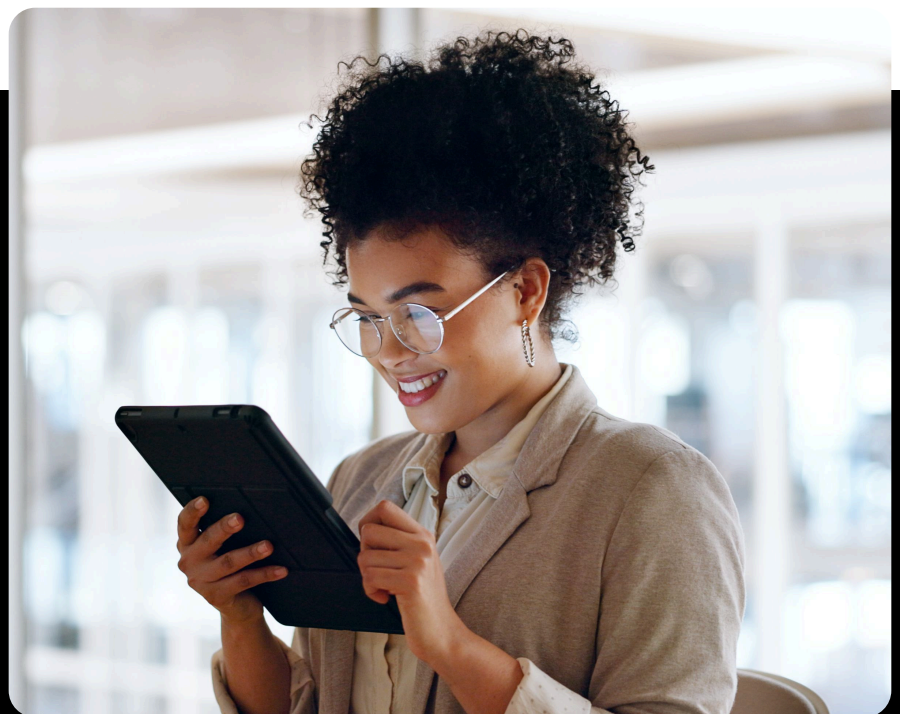


Takeaway: Start with a specific user base (researchers) who have acute pain, then expand to broader markets with similar needs. Citations and accuracy build trust. The freemium model enables viral growth in professional communities.

THE PATTERN BEHIND EVERY SUCCESS

What these companies have in common:

- 1 Solve obvious problems.** Cal.ai fixes calorie tracking tedium, Jenni.ai helps with citations, HeyGen scales video creation.
- 2 Started as “AI wrappers”.** Used existing models (GPT, Claude, vision APIs), added value through application and user experience.
- 3 Picked the timing right.** Launched when AI capabilities met market readiness and cultural acceptance. Too early, you're building demos. Too late, you're competing with giants.
- 4 They focused on ‘magic moments’.** Photo to calories, text to video, question to research. Clear value propositions that demo well and convert.
- 5 They built defensibility over time.** Started with APIs, added proprietary data, custom models, and workflow optimization. The “AI wrapper” was just step one.
- 6 They found distribution that worked.** TikTok influencers, Reddit communities, word-of-mouth, B2B sales...
- 7 They niched down from broad markets.** College writing vs general writing, male beauty vs general beauty, document Q&A vs general search.



THE REAL OPPORTUNITY IS NOW

We're in the "AOL dialup phase" of AI. The technology works and it's impressive, but it's still early enough that small teams can compete with tech giants.

Your Move:

- 1 **Pick an obvious problem** that AI could solve
- 2 **Find the existing AI tool** that could power it
- 3 **Build the simplest possible version** that creates a magic moment
- 4 **Launch fast** and iterate based on real user feedback
- 5 **Focus on one distribution channel** that works
- 6 **Add proprietary features** as you grow

You don't need to be a genius or have a Stanford PhD. You just need to be first to market with something that actually works for real people.



For more business insights like these, follow My First Million.

