HATCH

Stay Focused

GetHatch.app

Tech overuse is a BIG problem:

"*The rich have grown afraid of screens,*" The New York Times, March 2019

- Kids suffer from a wide spectrum of attention challenges - including executive functioning skills and over 9m US students have been diagnosed with ADHD.
- Teens who spend more time on their screens are more likely to be unhappy.
- Parents struggle to keep screen happy kids focused on reading, studying, and being present with friends and family.

According to the National Institute of Health
Children who spend more than 2 hours a day looking at a screen got lower scores on thinking and language tests

The Hatch Solution:

- **GAME LOOP** makes it *fun* to log focus sessions. Each session incubates a random character from our exclusive catalog of rotating creatures. This focus lock acts as a mental 'speed bump' that trains the user's brain to develop impulse control.

- **POSITIVE BEHAVIOR SUPPORT** keeps kids coming back. One of the most agreed upon scientifically backed ways to encourage learning is through PBS systems. Give students rewards, and they continue to learn.

- **INTERMITTENT VARIABLE REWARDS** This is Hatch's 'secret sauce.' In order to fight fire with fire, we subvert the same strategies big tech uses to keep kids hooked on their apps to help kids get unhooked. At the end of each session, the user doesn't know which creature they will unlock which makes this both a **powerful productivity tool** and a **fun, family game.**

Opportunity 🦄

"I use my phone too much," Tim Cook, CEO of Apple

- There are currently **74.6m** K-12 students in the USA
- 31% 8-10yr have cell phones, 69% 10-13yr, and 85% 14-17yr have cell phones
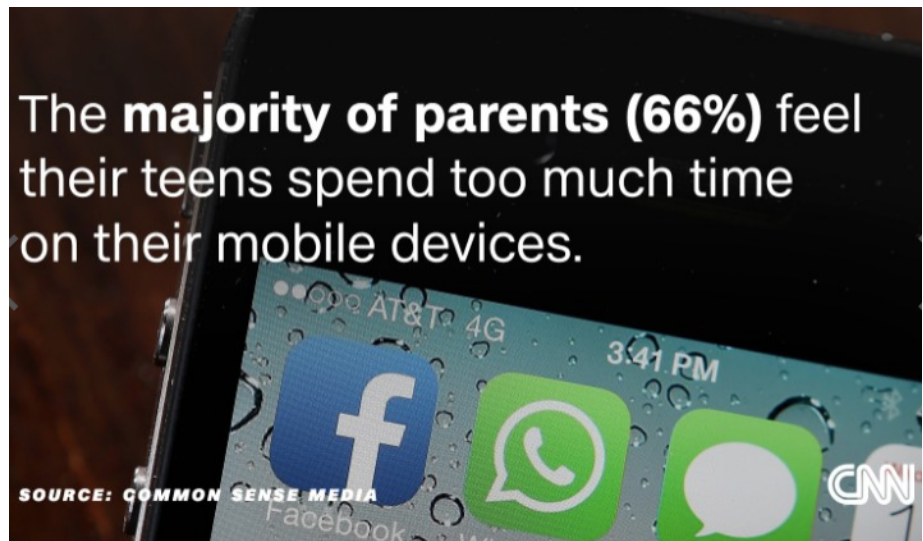- 42% of American kids have an iPad

50% of teens feel they are addicted to their mobile devices.

SOURCE: COMMON SENSE MEDIA

CNN

The **majority of parents (66%)** feel their teens spend too much time on their mobile devices.

SOURCE: COMMON SENSE MEDIA

AT&T 4G
3:41 PM

CNN

*21 million students

*27.5 million parents

Our Story

- We built Hatch as a platform for experimentation in the sector

  - Tested w/ students aging from 4-24.
  - Ideas included: creature 'battles', content trading, family and workplace competitions, even public contests with real prizes.

  SUCCESS! Bootstrapping Hatch allowed us to experiment with most of these ideas while building a solid core (MVP).

- We learned a lot from this process (and the freedom of not focusing on growth early on)

  - Study habits: peak time, days, length of sessions, etc
  - What students and parents value: digital rewards, feedback loops
  - How to motivate users to stay focused: evolving species, trophies, and more

  CURRENTLY: more money is being poured into the space. There is an urgency to take what we have learned and scale it (*Hatch can do for focus what Calm and Headspace are doing for meditation*)

Hatch Works

We launched Hatch in April 2018. People love it.

106,000 hours

of successful focus sessions·

63,000 downloads

5k monthly active users
25k peak monthly active users

· sessions are considered unsuccessful when Hatch is interrupted by other distracting apps

or when the session is cancelled. We don't judge either way, though.

Hatch Works

The **average** user has successfully finished more than 5 sessions.

That's a user engagement* of around 2.7 hrs for *every single user.*

And they come back too, with one-week user retention at 27% and two-month at 15%.

*it's not really engagement but that's the whole point

325k
started sessions

69k
interrupted sessions

225k
completed sessions

7

Demographic

now

18-24 f
30-49 parents

future

7-16 f/m
30-49 parents

- Current marketing initiatives are transitioning from students to their parents.
- Specifically targeting parents with students who have ADHD or other executive functioning concerns.
- Up to 11% of all children 4-17yrs have been diagnosed with ADHD
- 6.1% undergoing treatment (medication), usually diagnosed at age 7

Competition and Potential

Hatch is on the ground floor of one of the most topical, yet underserved multi-**billion dollar markets** that is waiting to EXPLODE

Focus Apps

Moment	June 2014
Forest	August 2014
Flipd	March 2015
Pocket Points	April 2018
Eggzy (IAC)	August 2018

these competitors are popular among college students

+

Early Education Platforms

Khan Academy	(non profit)
Quizlet	50m MAUs
ABCMouse	$2m monthly revenue
Chegg	2.2m active subscribers
Math Learner	$2,000,000 month

- There are currently 2.1 billion cell phones on the planet. (95% of people in the US have cell phones)
- The majority of people have unhealthy cell phone habits and admit they want to be on their phones less.

Monetization Estimates

Currently

- Average of 3.3 timer sessions daily per *active* user
- Mean usage time per day is 21 min across all users
- Current ARPU $2.39 (from cosmetic items / one time revenue)
- Hatch users will pay for in-game content (proven) and they do tolerate pay gating.

Future Revenue Estimates

- Subscription model, $4.99 mo 18+, $3.99 month students
- **Estimate 500,000 subscribers after 18 months ($60m+ annual revenue)**
- Sponsorships, $250,000+ a month ($3m+ annual revenue)
- Sponsorships opportunities include: sports teams, movie studios, and other brands that want to encourage students get better grades and higher test scores.

What's Next

Month 1-3

- Weekly progress email to users and/or their parents outlining the previous week's successes (total sessions, creatures hatched, trophies earned, category tags, etc...)
- Gentle push reminders based on user preferences ('It's time to unplug and read')
- Focus Maps (deep learning into how users are using Hatch and how to keep them more productive)
- Marketing efforts geared towards parents (influencer marketing, educators, and Facebook/Instagram ads).
- **Target = 50,000 MAU**

Month 3-6

- Expand the Hatch universe. Launch new worlds and new verticals.
- Begin completing RFPs from partners to bring in sponsorships (MLB, Kumon, entertainment agencies)
- Launch subscriptions for parents and students. Fixed monthly cost to unlock all worlds and features.
- Build the Hatch community. This includes expanding private groups, leaderboards, and multi user focus sessions..
- **Target = 200,000 MAU (6% monthly subscriptions)**

Month 6-12

- Expand sponsored partnerships
- Continue adding additional content and features.
- Marketing blitz
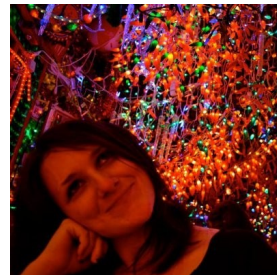- **Target = 500,000 MAU (8% monthly subscriptions)**

Team

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User Growth
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Publisher Monetization
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Brand Management
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Co Founder:
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Julia Velarde
Creative

Lead Compositor
Nick Jr
(Play Along Video)
Animation
Nick Jr. *Bubble Guppies*
Pratt Graduate
Traditional Animation

ASK

Raising $1.2m via convertible note , 20% discount

18 month runway

Next 18 months:

Key Hires:
Developer
Designer (UI/UX)

Customer Acquisition:
250,000 Uniques (USA)
500,000 Uniques (International)

Product:
Android Development
Redesign
E-Mail funnels
Subscription Services

thank you.