


THE CURRENT AI MARKET SIZE

(LOVABLE):

AI builder app market is valued at approx. **\$8.1 billion in 2025** and is projected to grow 2035, at a **CAGR of 31.1%**

Lovable AI, as a focused AI app builder, is rapidly scaling with an ARR surpassing **\$100 million (₹8,000 crore)** within 8 months of launch. 

KEY PROBLEM

- Users **browse templates/tutorials** but **rarely deploy live apps**, blocking activation and monetization.
- Solving this **boosts activation, revenue, and organic referrals**.

Fixing this unlocks user success and business scalability in a ₹2.5 lakh crore AI builder market by 2030.

OBJECTIVE:

TURN TEMPLATE VIEWERS INTO LIVE APP DEPLOYERS TO BOOST ACTIVATION AND GROWTH.



Lovable

FOUNDER

Anton Osika




Lovable AI is an AI-powered app builder that turns plain English prompts into full-stack, production-ready web applications with real editable code and also Create apps and websites by chatting with AI

GOAL:

Drive users from passive template browsing to instant live app deployment

Actors involved:

SMB founders, and solopreneurs:who create and deploy AI-powered apps using templates
API Partners & Auth Providers: Third-party service providers
loavble support & backend team:help uswer for live app and depolyment. 

Lovable AI's revenue model

Subscription Fees: Monthly or annual payments for Pro and usage-tiered plans

Usage-Based Monetization: Charges based on runtime usage, API calls, or deployments beyond the free tier

Enterprise & Custom Solutions: Tailored offerings for larger organizations

MAPPING THE COMPETITIVE LANDSCAPE AND UNCOVERING USER NEEDS

COMPETITIVE RESEARCH

Platform	Lovable AI	Bubble.io
AI App Generation	High	High
Ease of Use	low	High
Deployment Speed	High	low
Security & Secrets	High	low
Customization	High	High
Public Sharing	High	low
Error Handling & Logs	High	low

LOVABLE

100M AAR
(in just 8 months)
1.8 billions valuation
2.3m active users
180k paying subscription

The Problem with Lovable
Discussion
I have now created two complex commercial apps with Lovable. I love the product. It's immature but the potential is enormous, IMO.
The problem, as I see it, is the pricing model. I've been a developer for all of my career. C# for a long time and then BI. Never, in my entire career, did I ever worry about what making a change in my app, or fixing a bug etc. would cost me.

Electronic_Still_274 · 7mo ago
A project in which I had invested a lot of hours and money was going well until it did something that ruined it to such a point that it is going to make me abandon it. Lovable has entered a loop with a persistent error that it doesn't know how to fix and that makes the entire app unusable. Marvelous.

BUBBLE

50M-100M AAR
500M valuation
1million active users



lovable overview

Bubble.io is a no-code platform for building full-stack web and mobile apps visually and competitor of lovable

AI APP BUILDER INSIGHTS

- Generative AI app downloads neared 1.7 billion globally in H1 2025, with in app purchase revenue reaching \$1.9 billion, 67% half-over-half growth indicating explosive consumer and enterprise adoption.
- No-code/low-code AI platforms are accelerating business adoption, allowing SMBs and enterprises to build and deploy AI-powered solutions without specialized programming skills.

TARGET SEGMENT

Young professionals, **solopreneurs, startup founders, and product managers aged 22 to 40**, predominantly based in India's Tier 1 metropolitan cities. This group includes digitally literate individuals with **2+ years of work experience, looking to build AI-powered apps** quickly without extensive coding skills.

WHY THIS USER SEGMENT? startup ecosystem is the world's third largest with **over 1.59 lakh DPIIT-recognised startups in 2025, 12-15% YoY**. Around **30-40% of young professionals aged 22-40 in Tier 1** engage in side projects or early-stage startup

IMPACT SIZING

TAM: ~40 million digitally active young professionals and entrepreneurs **aged 22-40 in urban India's Tier 1 & 2 cities**

SAM: 20-25% (~8 to 10 million) actively building
SOM: Initial adoption at 0.5% (40,000 users) to 3% (300,000 users) within 2 years

ARPU: ₹350/M (₹4,200/Y) 2Y CLTV: ₹8,400/PU
0.5% x 8laks = 4,000 users (₹120 Cr | 2 yrs)
3% x 8laks = 24,000 users (₹720 Cr | 2 yrs)

DEFINING THE TARGET SEGMENT

User Persona



Priya, 28 Y, Freelancer & Startup Enthusiast, Bangalore

PROFILE:

Thoughtful and cautious, Priya is new to AI tools and basic coding but highly motivated to launch a side project quickly without hiring developers.

Pain Points:

Overwhelmed by secrets configuration and deployment steps, anxious about exposing keys, frustrated by lack of live.

Goals:

Seeks a secure, automated way to deploy apps with minimal manual setup, enabling quick validation of business ideas.

Jobs to be Done:

"When I want to launch my MVP quickly without coding skills, I get stuck on complex secret setups. Help me automate secrets and one-click deploy.



Kavya, 30 Y, Product Manager, Delhi

PROFILE:

Kavya manages cross-functional teams and oversees product delivery. She struggles with onboarding non-technical team members to deploy live apps, slowing the feedback loop.

Pain Points:

Friction in non-technical team deployment, lack of visibility into live app status, difficulty sharing early demo versions.

Goals:


Seeks an easy, guided deployment process with public live proof pages to speed up iteration and stakeholder feedback..

Jobs to be Done:

"When my team needs to ship MVPs, onboarding them is slow and error-prone. Help me simplify deployment with one-click deploy and shareable demo.

VALIDATING HYPOTHESIS THROUGH USER RESEARCH

UNCOVERING INSIGHTS WITH SURVEY + 1:1 INTERVIEW

Survey: 36 participants (in detailed  | 1:1 Interview: 5 participants (in detailed )

AHA MOMENTS!

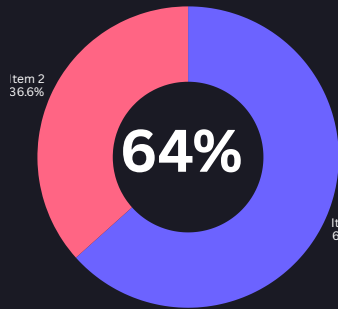
“Seeing my app live for the first time even with sample data was such a boost. It made my idea feel real, not just a plan.”

Instead of waiting to have everything figured out, I learned I could take small actions, get feedback, and improve on the fly.”

Overthinking

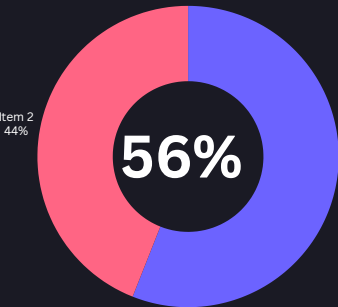
Perfectionism-Based Delay

users postpone launching new projects because they set impossibly high standards, expecting everything to be flawless from the start. This chronic pursuit of perfection causes missed opportunities and delays progress



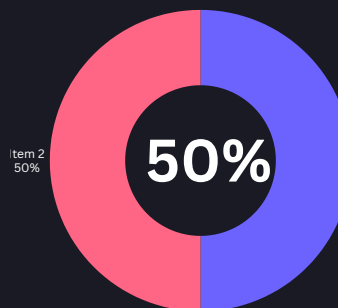
Users find debugging the most frustrating step.

This creates stress and stops them from completing deployment.



Users feel deployment is too technical and overwhelming.

This makes them abandon projects midway.



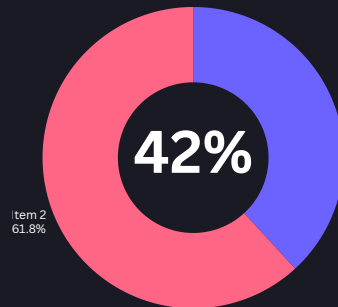
Users fear unpredictable running costs after going live.

This hesitation prevents action.

HYPOTHESIS

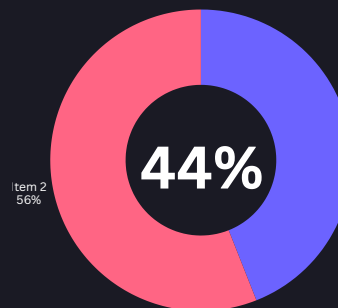
Analysis Paralysis Overthinking

users frequently get trapped by their own planning writing endless strategies without executing. Self doubt, anxiety about making mistakes, and constant revisions prevent them from turning ideas into reality, resulting in inaction.



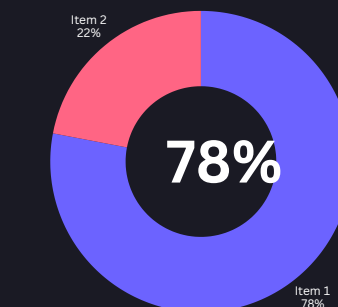
Users lack confidence in security and compliance.

This weakens trust in pressing “Go Live”.



Users would publish more if given one-click deploy templates.

This shows strong readiness when friction is removed.



Users already use Lovable as their primary tool.

But activation is blocked by fear and complexity.

Lack of Clear Next Steps

Procrastination arises because entrepreneurs don't see tangible, actionable steps for progress. When the roadmap is ambiguous or overwhelming and inaction become default responses.

Problem Framing & Impact Mapping: By addressing the identified problem, we can generate approx. 5% more revenue annually.

What is the true problem?

- **Friction in secrets and authentication** setup causes fear or confusion, leading to drop-offs.
- Complex deployment processes with unclear or manual steps increase cognitive load.
- **Lack of sandboxed testing environments reduces user confidence to push to live.**
- Absence of immediate, shareable proof of success lowers motivation for live shipping.

Who are the customers facing the problem?

- The primary customer segment facing the problem is **aged 22-27 years (no code app builder)**
- **Primary cities: India's Tier 1 metropolitan hubs** like Bengaluru, Mumbai, Delhi-NCR, Hyderabad.

How do we know it's a real problem?

- **High drop-off seen in analytics during secrets setup** and deployment stages
- Users report confusion and **fear about managing API keys** and deployment steps in interviews
- Frequent **support tickets highlight deployment errors** and lack of clear error messaging
- Community forums show repeated questions on deployment and secrets challenges

Why should we solve this problem now?

- User onboarding and activation is a **major bottleneck limiting Lovable AI's growth and revenue scaling.**
- Increasing **live app shipments translates directly into higher paying user conversion and ARR growth.**
- Competitors increasingly offer frictionless deployment; delaying puts Lovable at risk of losing users.

What value is generated by solving this for the business?

Solving the problem of users not shipping live projects on Lovable AI can significantly boost business metrics. For example:

Current users who only explore templates and tutorials: **100,000 monthly active users (MAUs)**

Current activation (template→live launch): 5%
Target activation after solution: **25%**

Avg revenue per activated user: ₹2,400/month (approx. ₹30 x 80 INR/USD)

Impact Mapping: Current live users = **100,000 x 5% = 5,000**

Post-solution live users = **100,000 x 25% = 25,000**

Revenue Calculation (annualized):

Current revenue = **5,000 x ₹2,400 x 12 = ₹144,000,000**

New revenue = **25,000 x ₹2,400 x 12 = ₹720,000,000**

Net Revenue Increase: **₹720,000,000 - ₹144,000,000 = ₹576,000,000 (~₹57.6 crore) which is a 400% increase.**

DESIGNING THE RIGHT SOLUTIONS FOR TARGET USER PAIN POINTS

Solution #1



Automate Secrets Handling

Objective:

Create a secure, default secrets vault integrated into the platform, providing sandboxed API keys and OAuth tokens automatically.

Current Challenge:

Users fear misconfiguring secrets, leading to abandonment midway. Manual secrets management is error-prone and cumbersome.

Benefit:

Significant reduction in drop-offs due to errors or security fears. Accelerates trust and first successful deployment.

Top performer

Solution #2

Simplify Deployment Flow

Objective:

Provide a guided, one-click deployment process with step-by-step UI, status updates, and real-time feedback.

Current Challenge:

Users struggle with understanding complex configurations—manual setup of secrets, environment variables, and deployment commands.

Benefit:

More users ship apps faster, increasing activation, engagement, and monetization.

Solution #3

Improve Error Handling

Objective:

Provide contextual, non technical feedback for deployment errors, with guidance on resolving common issues.

Current Challenge:

Frustration from vague or technical logs discourages users from troubleshooting or retrying.

Benefit:

Reduce support costs, improve user confidence, and lower dropout rate.

PRIORITIZING AND SELECTING THE MOST IMPACTFUL SOLUTION



[detailed link](#)

Solution	Business Impact	User Experience	Technical Feasibility	Growth Potential	Overall Score (out of 20)
Automate Secrets Handling	high - 5	high - 5	low -3	high - 5	Top performer 18
Simplify Deployment Flow	high - 5	low -3	high - 5	low -3	16
Improve Error Handling	low -3	low -3	high - 5	low -3	14

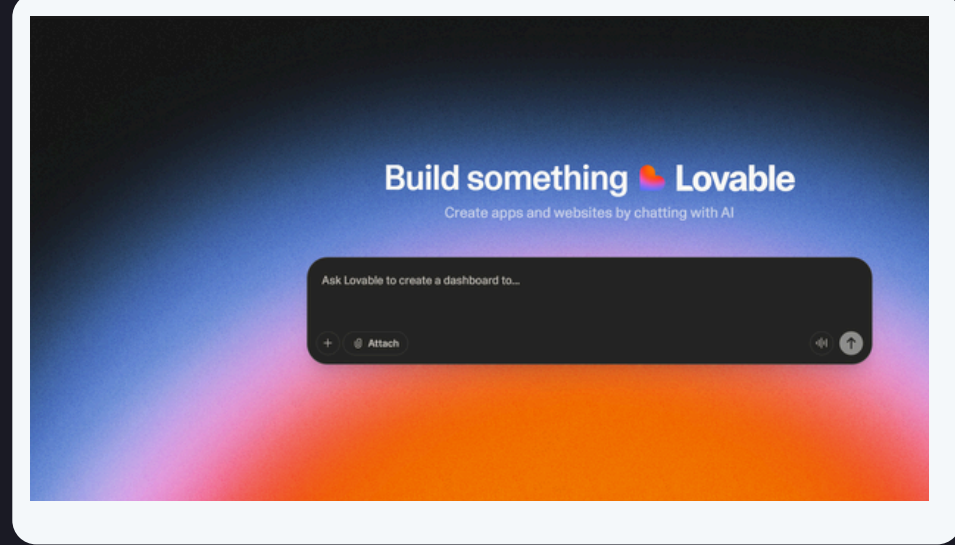
[DETAILED LINK](#)



USER JOURNEY Stage	Touchpoint / Action	System / Feature Response	User Emotion / Outcome
Explore Templates	User browses templates	sandbox demo, tutorial video	Curious, interested
Configure Deployment	User attempts to set secrets and configs	Sandbox secrets auto-populated,	Cautious, hesitant
Ship App Successfully	User live app launch	Confirmation, usage stats	Accomplished, loyal

Wireframes- Visualizing the Experience

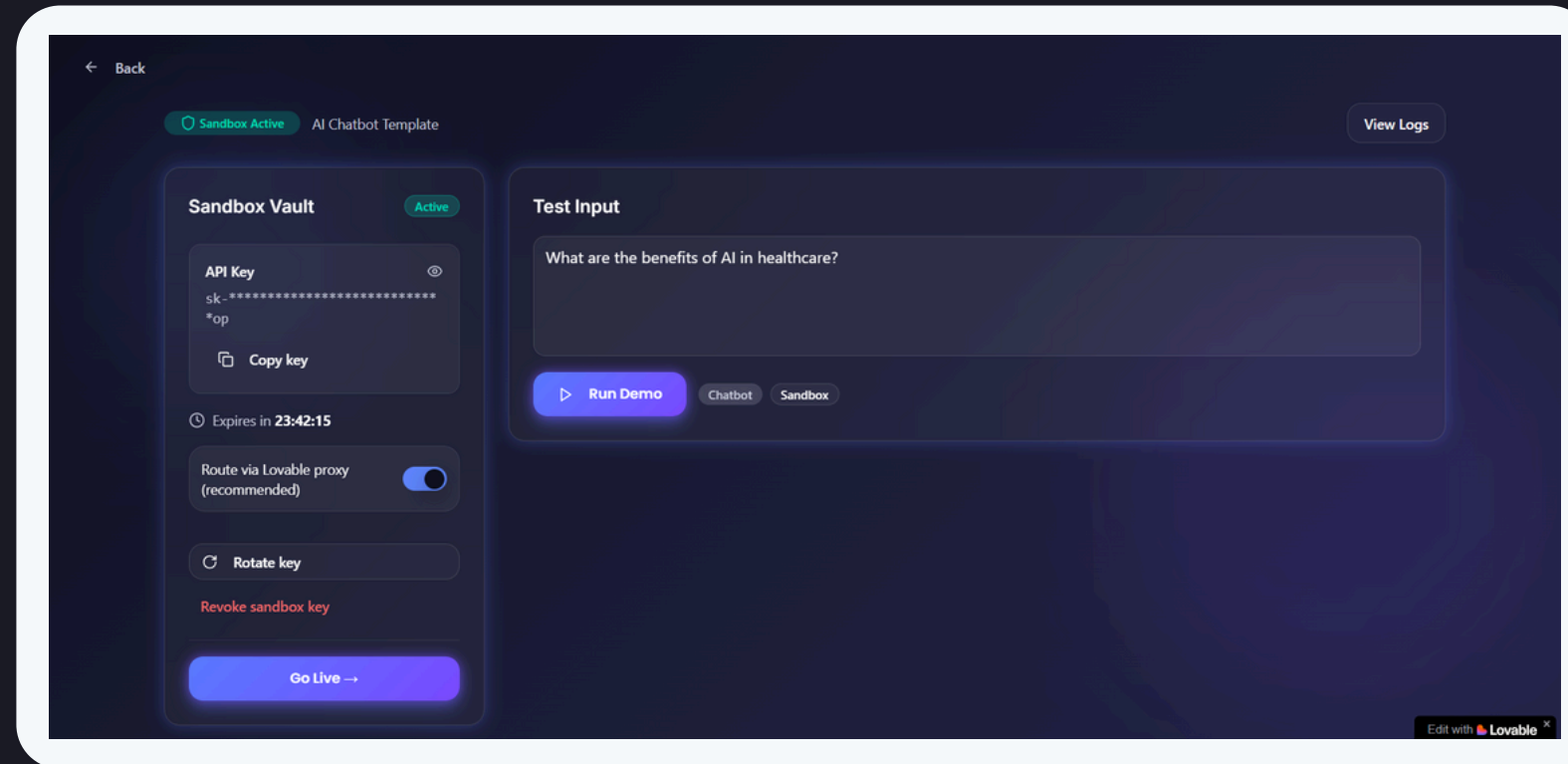
 user flow  indetailed wireframe  prototype



#1 Explore the Templates

User explores a gallery of AI application templates, viewing demo buttons and a search feature.

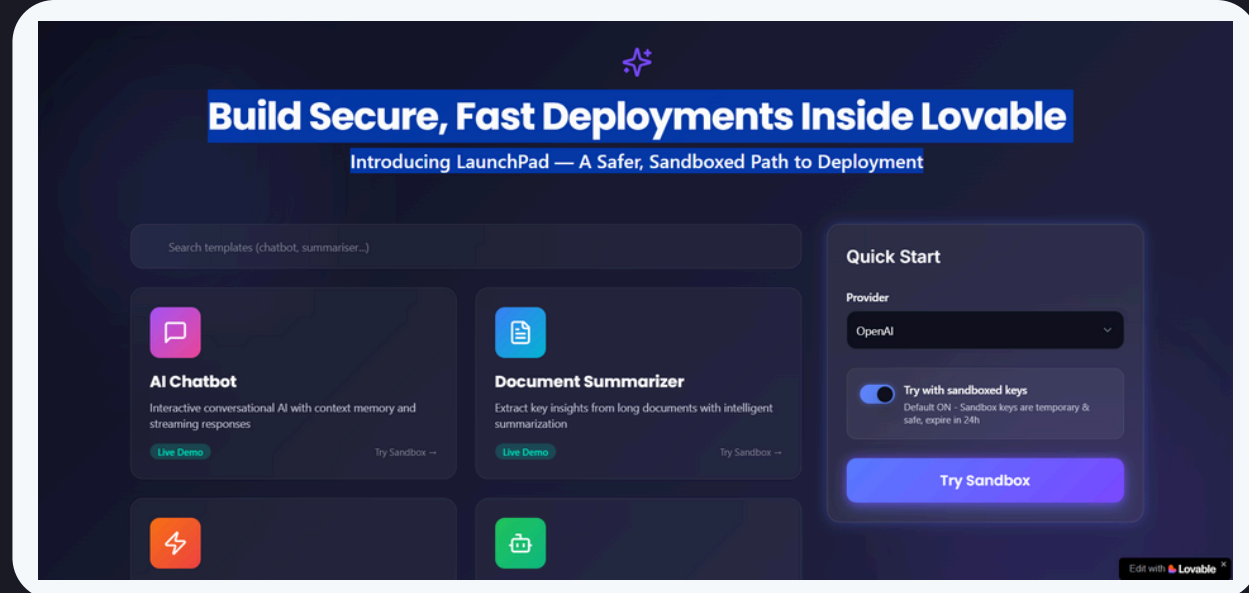
Advantage: Motivates the user and creates a sense of ease and safety in beginning.



#3 Set Up & Verify in Sandbox Vault

Sandbox Vault automatically populates a test API key and highlights expiration information; buttons enable users to showcase their app in a secure setting prior to launch.

Advantage: Fosters trust and assurance prior to implementing anything in production.



#2 Rapid Introduction to Sandboxed Secrets

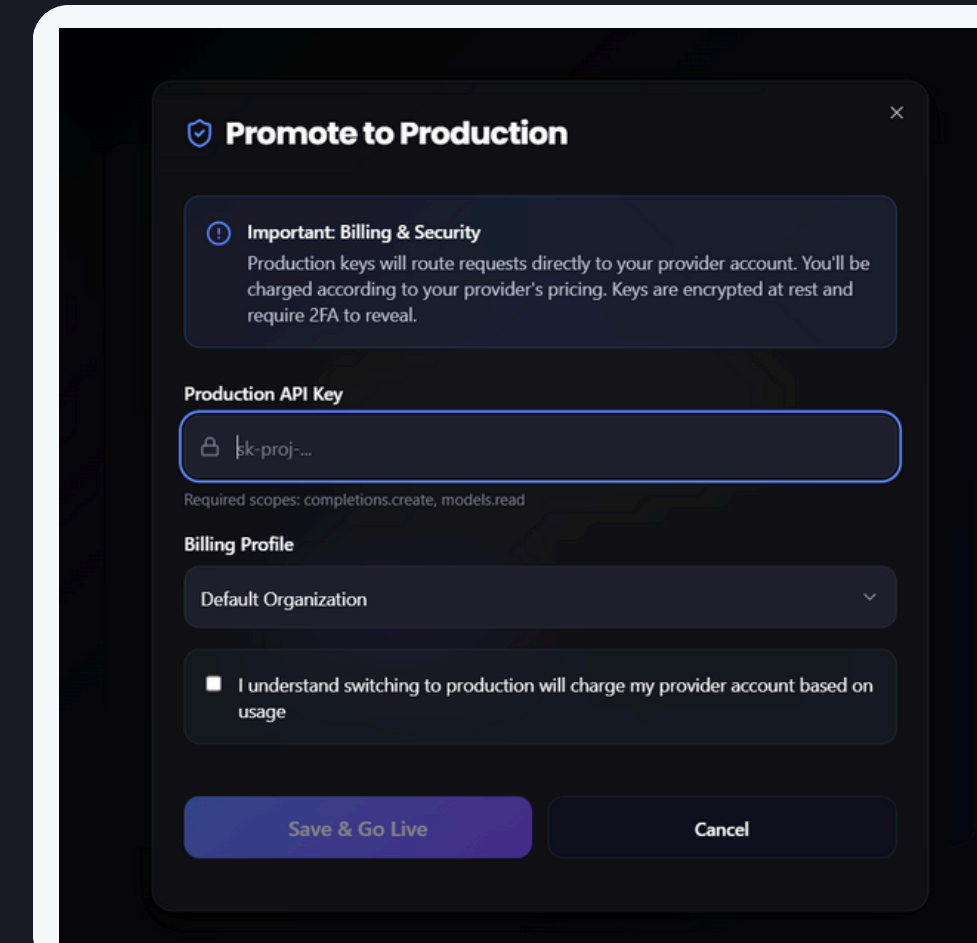
Once a template is selected, the user is asked to select an AI provider and utilize sandboxed API keys (default ON) for secure testing.

Advantage: Eliminates anxiety—users experiment without requiring actual secrets.

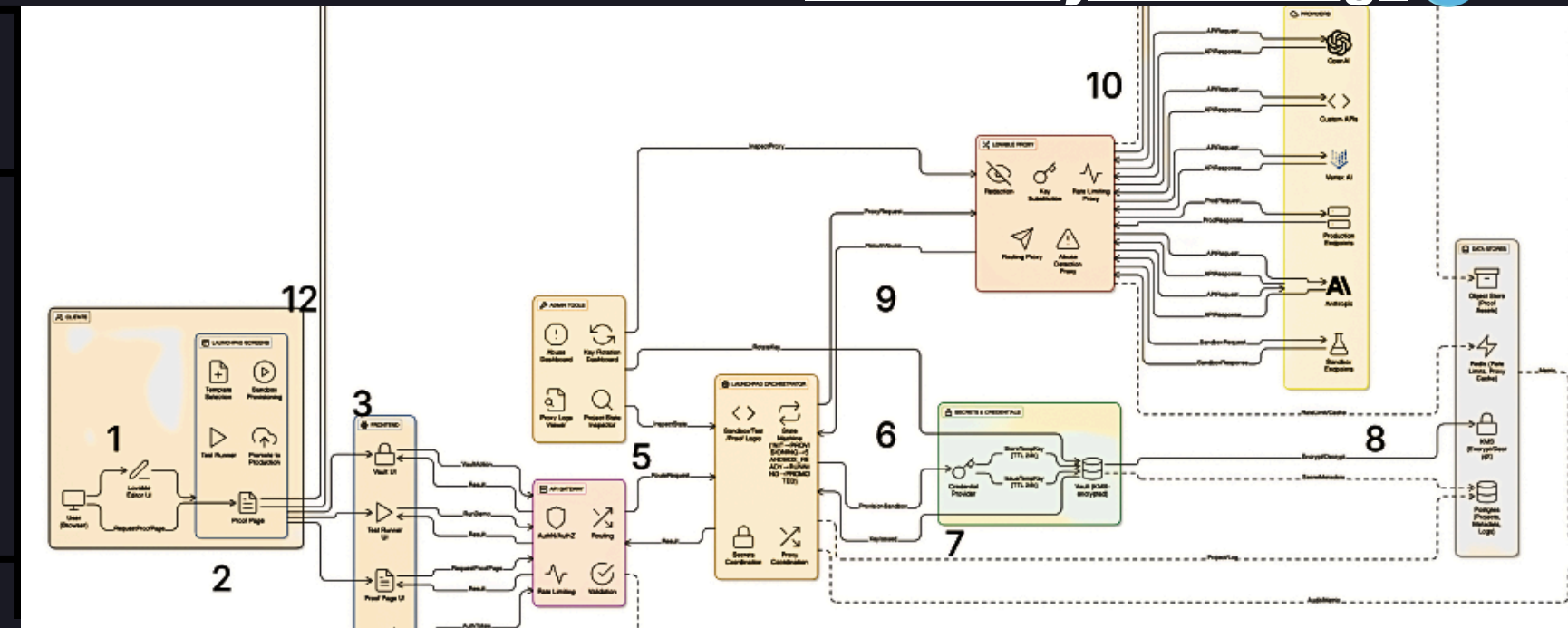
#4 Promote to Production & Go Live

User is directed to input actual API keys and check billing information to elevate the app to a live state, ensuring complete comprehension prior to launch.

Advantage: Delivers safety, transparency, and a distinct feeling of achievement upon launch.



Type	Metric	Why?
North Star	Live App Deployment Rate (↑) (Number of users with $\geq[X]$ live deployments in [Y] days) \div (Total active users in [Y] days) $\times 100$	Drives growth and value
L1 Metrics	Drop-off Rate at Secrets Setup (↓)	Shows where users quit
L2 Metrics	Sandbox Secret Usage Frequency (↑)	Shows trust in automation
Activation %	% of Users Deploying First Live App Within 7 Days (↑)	Measures onboarding success
Retention %	% of Users with Repeated Deployments Monthly (↑)	Indicates continued usage
Guardrail	Secrets Vault Security Incidents (↓)	Maintains trust and safety



Pitfall and mitigation

Pitfall:User mistrust of secrets automation

Mitigation: Provide clear transparency, audit logs, and educational content about security measures to build trust.

Pitfall:Security breaches in vault

Mitigation: Implement strong encryption, role-based access control, and continuous automated monitoring and alerts.

Pitfall:Complexity in integration

Mitigation: Use modular architecture, conduct staged rollouts, pilot testing, and extensive QA before full deployment.

Pitfall:Low user adoption

Mitigation: Offer personalized onboarding, in-app guidance, tutorials, and gather continuous user feedback for improvement.