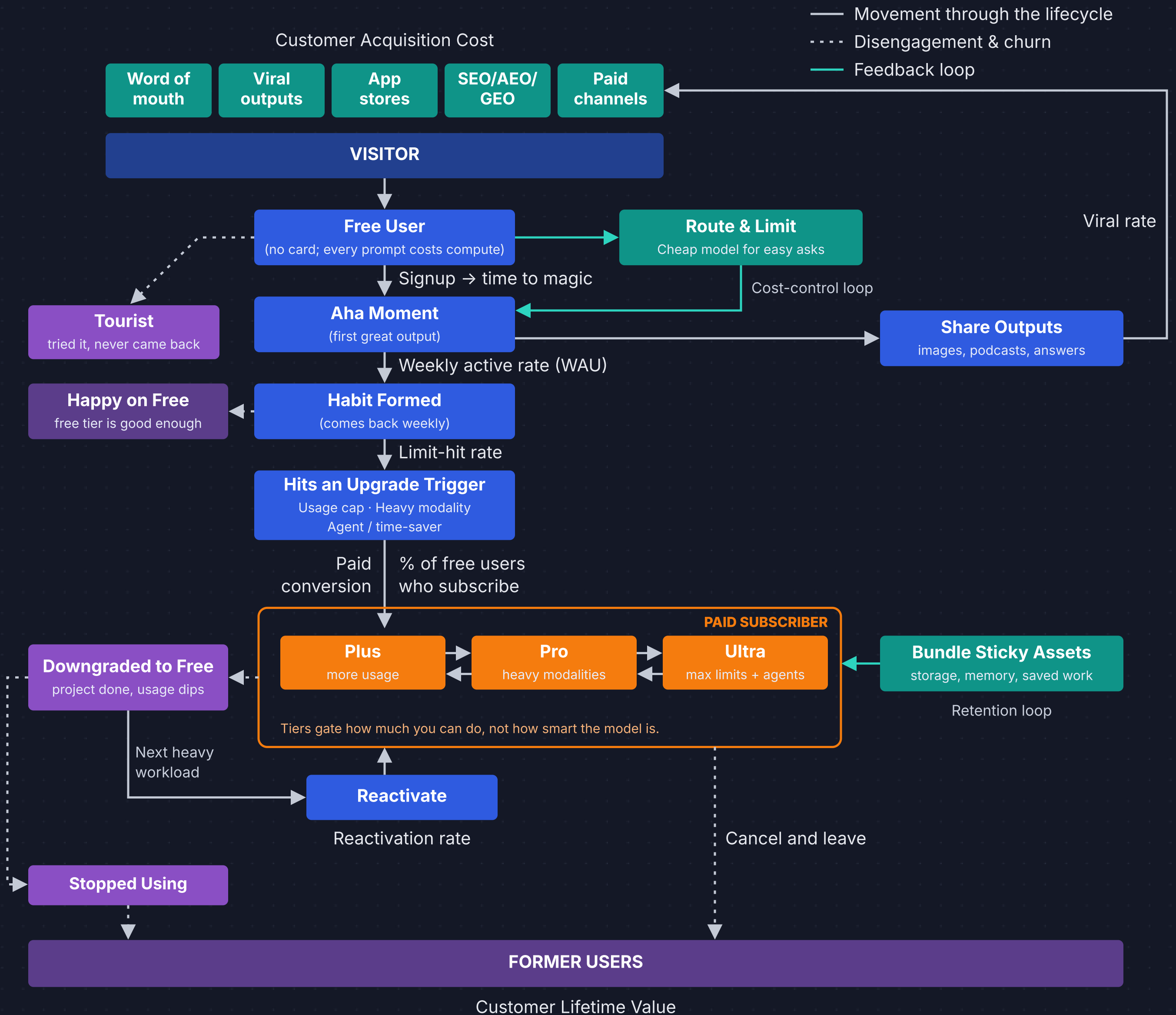


How an AI consumer subscription business works

Freemium AI: a free tier that delivers the magic, paid tiers that gate usage intensity



THE ECONOMICS

How this model makes and spends money (not a stage in the lifecycle)

Revenue =
subscribers $\times$ tier price, plus top-ups

Cost = compute × prompts from every user, free ones included