



MILLO

A Friend to Hug, A Friend to Learn With

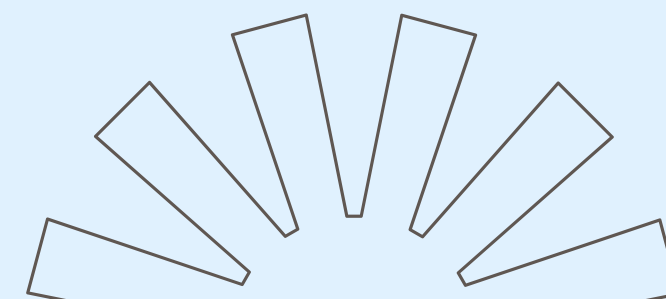
Megi Badashvili

Megi Savoyan

Mariam Barbakadze

Mariam Shamanauri

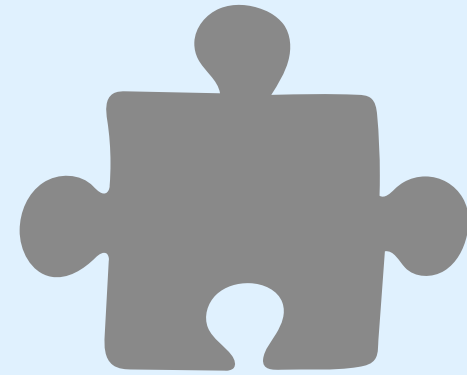
Gigi Tsutskhubaia



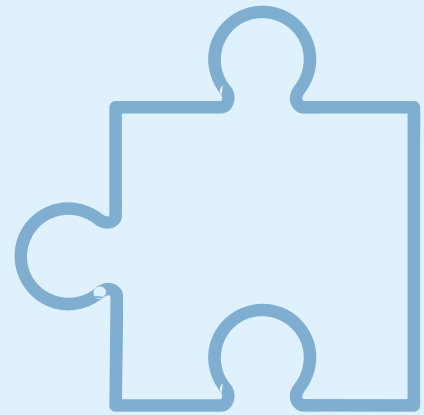
CHALLENGES

- 1** Excessive screen time with low educational value
- 2** High costs of private kindergarten education
- 3** Overcrowded state kindergartens with limited individual attention
- 4** Mass-produced toys that lack emotional and personal value

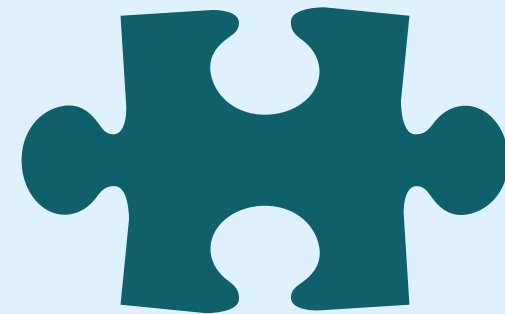




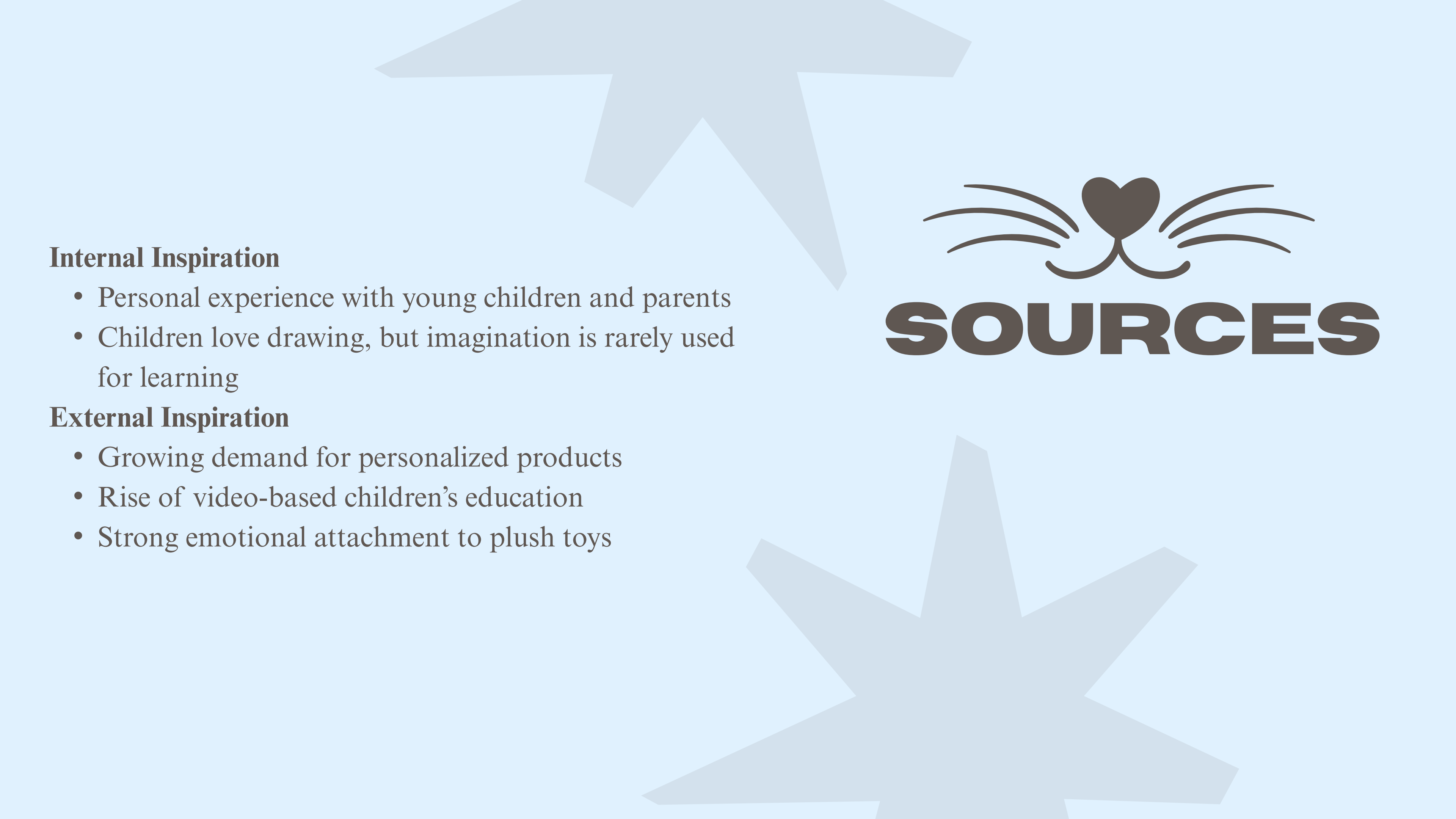
Unworkable: Parents cannot independently combine toy personalization with structured educational content in an effective way.



Underserved: There is currently no Georgian platform that integrates personalized physical toys with digital learning experiences.



Urgent: Rising concerns about early childhood education quality and screen overuse make this problem time-sensitive.



Internal Inspiration

- Personal experience with young children and parents
- Children love drawing, but imagination is rarely used for learning

External Inspiration

- Growing demand for personalized products
- Rise of video-based children's education
- Strong emotional attachment to plush toys





TARGET MARKET



- **Target group:** Middle- and upper-class parents of children aged **2–6**
- **Characteristics:** Educated, modern, creative, emotionally involved in child development
- **Location:** Urban and semi-urban areas in Georgia (Tbilisi, Batumi, Kutaisi, Rustavi, Gori, etc.)
- **Behavior:** One-time toy buyers with **recurring digital lesson purchases** (subscription renewals)

MARKET SIZE

- Georgia has approximately **250,000 children aged 2–6**
- Using conservative segmentation (**8–10%**), the addressable market is **20,000–25,000 customers**
- **Forecast assumption:** 10,000 customers
- ~40–50% of addressable market
- ~4% of total child population



PRODUCT PRICE

Stuffed MILLO (Toy + 1 Lesson)

- Final price (VAT incl.): **149.99 GEL**
- Net price (excl. VAT): **127.11 GEL**

Additional Digital Lessons

- Purchased only by existing toy customers
- Final price (VAT incl.): **49.99 GEL**
- Net price (excl. VAT): **42.36 GEL**
- Price kept below 50 GEL to encourage repeat purchases
- Lower margin compensated by volume





Digital Content Development (Fixed Cost)

Full Lesson Development Cost (3-5 min lessons)

Cost Component	Cost (GEL)
Pre-production (script + storyboard)	700
2D animation + green-screen setup	2,400
Sound & voice (male + female)	800
Post-production	300
Total per lesson	4,200

Course & Total Animation Investment

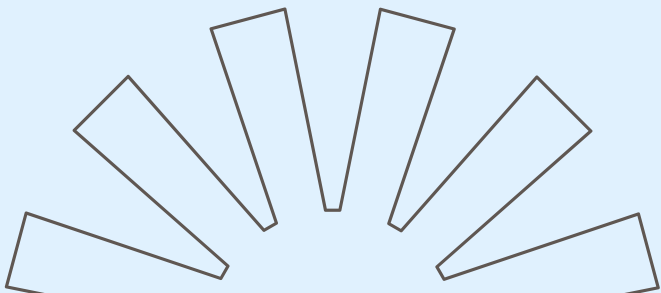
Item	Value
Lessons per course	6
Cost per course	25,200 GEL
Total lessons developed	30
Total animation cost (one-time)	126,000 GEL
Estimated users	7,600–10,000
Cost per user (amortized)	≈ 0.5 GEL

Website & Platform Development (Fixed Cost)

Category	Cost (GEL)
UI / UX design	1,500
Frontend development	2,500
Backend development	3,300
AI integration	1,000
Infrastructure & setup	700
Total website cost	9,000 GEL

Development Cost Summary

Component	Cost (GEL)
Animation development	126,000
Website development	9,000
Total fixed development cost	135,000 GEL



Estimated Development Time

Component	Estimated Time
Digital lesson production (30 lessons)	5–6 months
Website & platform development	2–3 months
Testing & integration overlap	1 month
Total development time	~6 months

Manufacturing Costs

Material Breakdown (40 cm Toy)

Item	Cost
Outer fabric	7 GEL
Stuffing	4 GEL
Thread & embroidery	3 GEL
Care label	1 GEL
Waste allowance (~10%)	2 GEL
Total materials	17 GEL

Labor Costs

Task Group	Time (hours)	Wage (GEL/hr)	Cost (GEL)
Cutting	0.25	5	1.25
Sewing & Assembly	0.80	5	4.00
Quality Check	0.25	5	1.25
Packaging And Going over AI	0.35	5	0.75 4
TOTAL LABOUR COST	~1.45 h		~11 GEL

Total Manufacturing Costs

Category	Cost
Materials	17 GEL
Labour	11 GEL
Packaging	3 GEL
Overhead	5 GEL
Total manufacturing cost	36 GEL

ROI Calculation (Per Unit)

Item	Value (GEL)
Net selling price (excl. VAT)	127.11
Total cost per product	71.5
Profit per unit	56.61

$$\text{ROI} = (56.61 / 71.5) * 100\% \sim 79\%$$

ROI Calculation (Per Lesson)

Item	Value (GEL)
Net price per lesson (excl. VAT)	42.36
Cost per lesson	35.5
Profit per lesson	6.86

$ROI = (6.86 / 35.5) * 100\% \sim 19\%$

ROI Interpretation



- Core product delivers strong margins
- Lessons have intentionally lower ROI

Combined model balances:

- profitability
- scalability
- customer lifetime value

WHAT IS MILLO?

- Personalized educational product for children aged 2–6
- Transforms children's drawings into stuffed learning companions
- Each product is unique and child-created
- Combines:
 - Physical plush toy
 - Digital educational video content
- Learning focus: colors, animals, numbers, geography, fruits, vegetables



EXAMPLES



Megi Qaltevza Savoyan, 6 Years old



Megi's MILLO



Mariam Barbakadze, 4 Years Old



Mariam's MILLO



A Friend to Hug



A Friend to Learn With

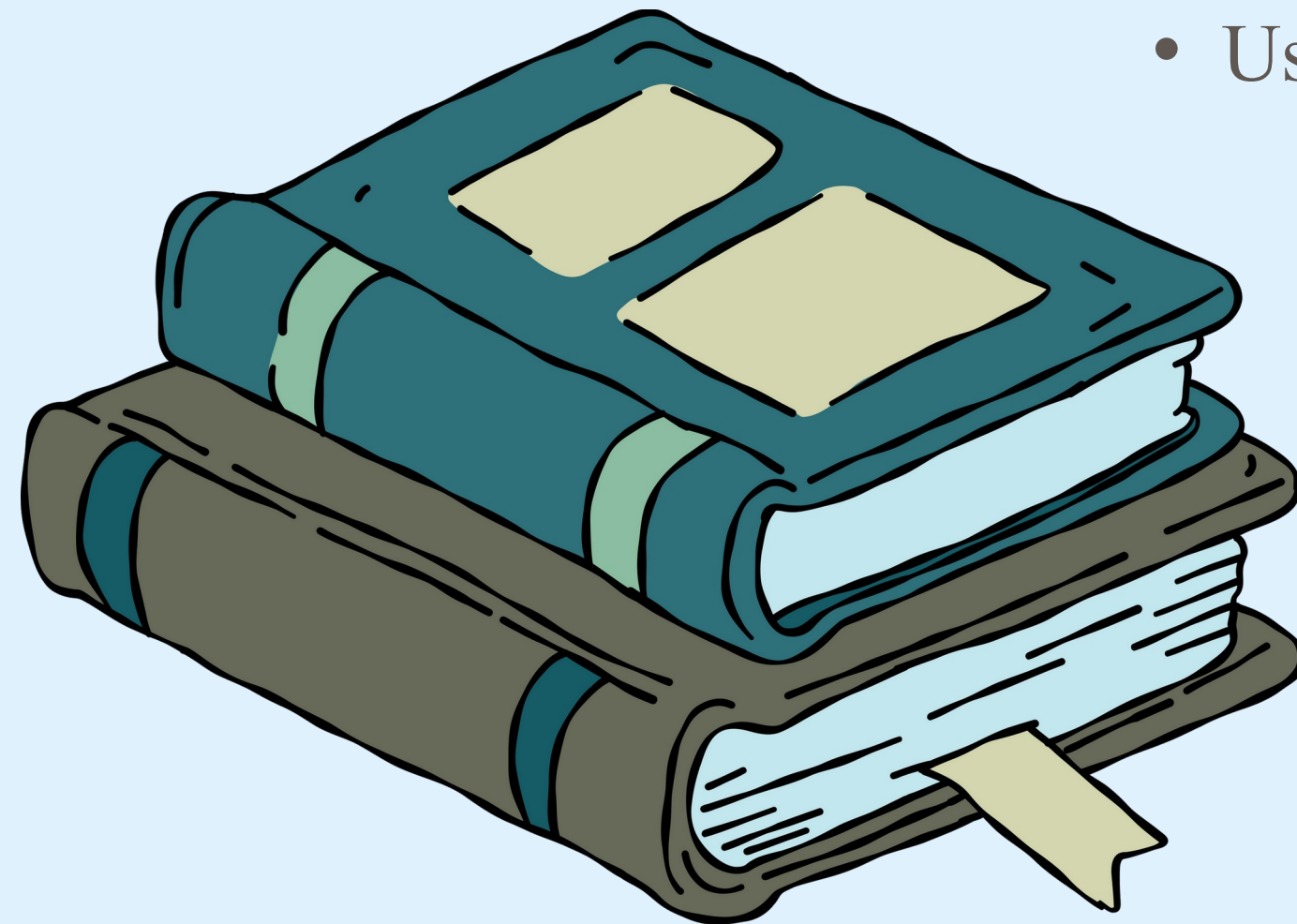
PRODUCT TYPES

Personalized Millo

- Created from a child's own drawing
- One-of-a-kind product

Universal Millo

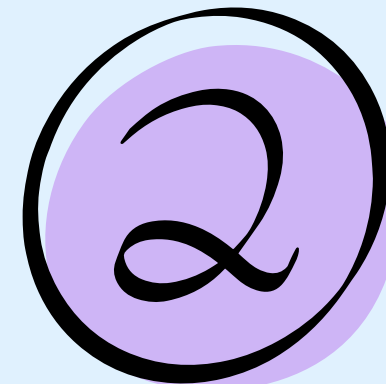
- Pre-designed characters (Cat, Dog, Lion, Teddy bear, Bunny)
- Available immediately
- Uses the same educational system



FUNCTIONAL OVERVIEW



Parents upload child's
drawing via website



Drawing transformed into
plush toy



Toy paired with digital
educational content



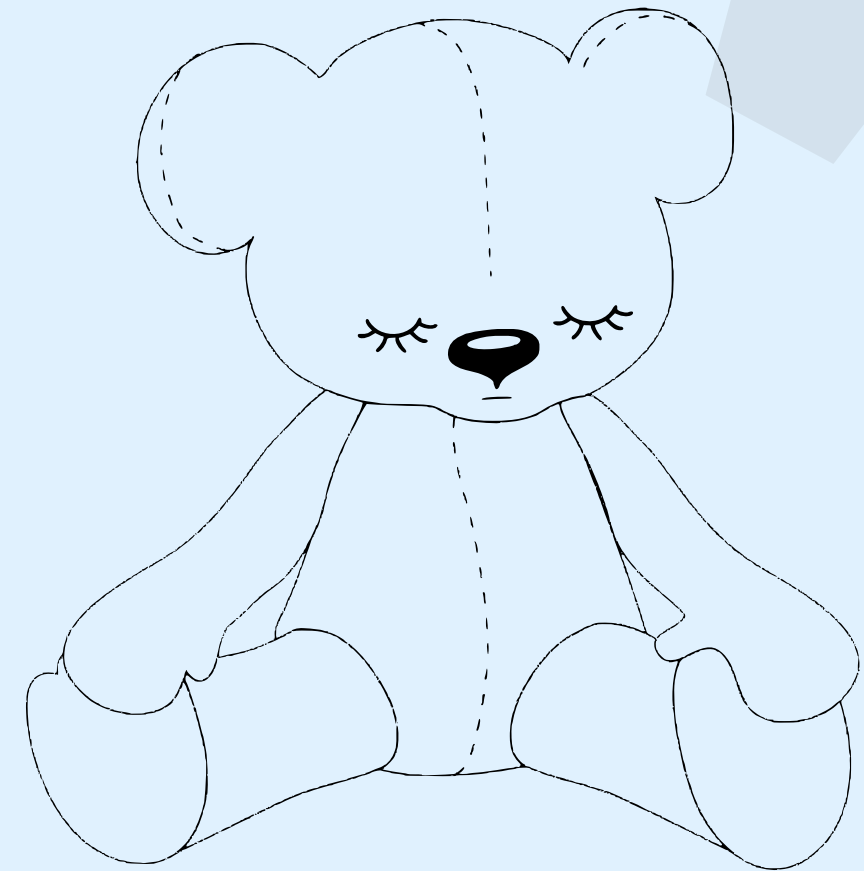
Videos teach numbers,
colors, animals, shapes...



Children learn through play and
emotional attachment

EXTERNAL INTERFACES

- **Website:** order toys, upload drawings, select courses, process payments
- **Production system:** converts drawings into custom plush toys; ships pre-made characters
- **Digital content:** educational videos linked to each toy; additional courses unlocked online
- **Toy interface:** physical play builds emotional attachment and supports learning



- Educational
- Home learning
- Digital–physical
- Market
- Long-term



**PRODUCT
CONTEXT**

THE GAIN / PAIN RATIO

Customer Gains

- Emotional attachment & pride
- Higher learning motivation
- Parent-friendly progress tracking
- Unique, meaningful gift

VS

Customer Pains

- Higher price than standard toys
- Waiting time for personalized orders
- Internet required for digital content

THE GAIN / PAIN RATIO

Gain Type	Score
Emotional	5
Functional	4
Educational	5
Long-term value	4
Total Gain Score	18

Pain Type	Score
Price	3
Time	2
Effort	1
Risk	1
Total Pain Score	7

Total G/P Ratio=

$$18/7=2$$

COMPETITORS

Educational Toy Retailers (Indirect)

Firm	Type	Key Limitation vs. Millo	Why They Are Competitors
Wishlist.ge	Educational toy retailer	No personalization, no emotional attachment	Offers learning toys for preschool children
Pepela	Educational toy retailer	No digital learning component	Focus on creative and educational play
Chita	Children's toy retailer	Standardized products only	Educational toys and games
Toys.ge	Online toy retailer	Entertainment-focused, limited education	Competes for toy purchases

Bookstores

Firm	Type	Limitation	Competitive Role
Biblusi	Bookstore	Passive learning	Children's educational books
Sulakauri Publishing	Publisher / bookstore	No play or personalization	High-quality children's books

Kindergartens

Competitor	Role	Limitation	Why They Compete
Local private kindergartens	Early education services	Not product-based, no home interaction	Teach numbers, letters, basic skills
State kindergartens	Public education	Limited personalization, standardized teaching	Provide early learning

Competitive Advantage

- Lack of direct competition
- Personalized learning experience
- Strong emotional differentiation
- Combination of physical and digital education
- Appeal to modern Georgian parents



Products Features

Physical

Personalized plush toy
Safe, child-friendly materials
Universal Millos available
instantly



Digital

Educational videos
Course-based learning
Parent-controlled access and tracking

Emotional & Functional

Child-created character
Strong emotional attachment
Supports creativity and early learning

Value Proposition Chart

For

Who are you developing the product for?

Parents of children aged 2–6 and their children

Who are dissatisfied with

Defining the problem users are facing

Low engagement in early learning and lack of emotionally meaningful educational products

Our product can

The unique element that distinguishes your product

Turn children's drawings into personalized educational plush toys

Value Proposition Chart

That provides

How it solves the key problem of the customers

Emotional attachment that increases learning motivation and attention

Unlike

How your product is different from existing alternatives

Traditional toys, apps, or plushies that lack personalization and emotional bonding

Concept Testing

Concept Testing Interpretation

The concept is highly attractive and well understood (4.64 / 5)

Respondents show strong willingness to recommend (4.52 / 5)

Premium pricing is acceptable, with manageable sensitivity

Safety, education, and engagement drive purchase decisions

Gift buyers represent a meaningful secondary market



Scan for Survey

Statement

- Personalized educational toy based on child's drawing
- Combines emotional attachment with early learning

Differentiation

- Personalization
- Physical + digital learning
- Emotional engagement
- Safe, high-quality materials

Perception

- Creative, Educational, Trustworthy, Innovative

POSITIONING



Product

- Plush toy + 1 digital lesson
- Optional extra lessons
- Eco-friendly packaging

Price

- Stuffed Millo: 149.99 GEL
- Additional lesson: 49.99 GEL

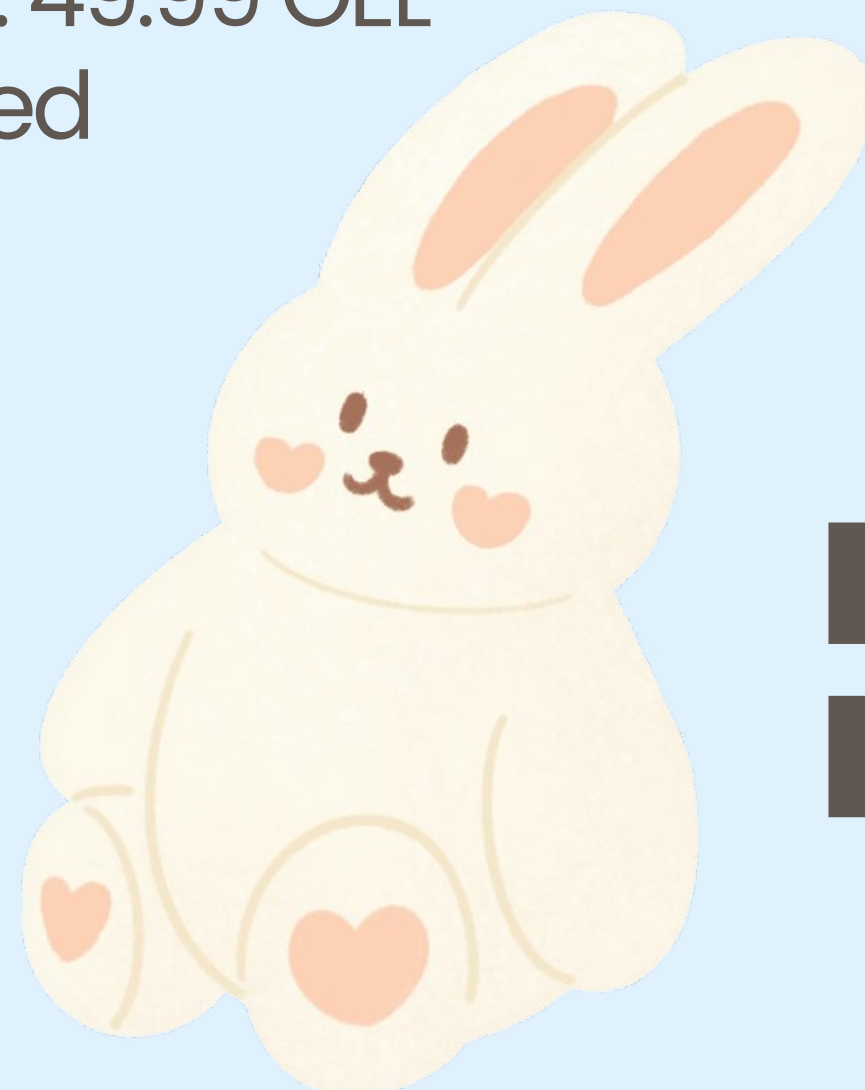
Premium, value-based

Place

- Millo website (direct sales)
- Local delivery (5–7 days)

Promotion

- Facebook & Instagram ads
- Parenting influencers
- Email marketing



MARKETING MIX

Target Market

- Urban parents, children aged 2–6
- Addressable market: 20k–25k

Forecast

- Customers: 10,000

Market Share

- ~4% of total child population
- ~40–50% of addressable market

Item

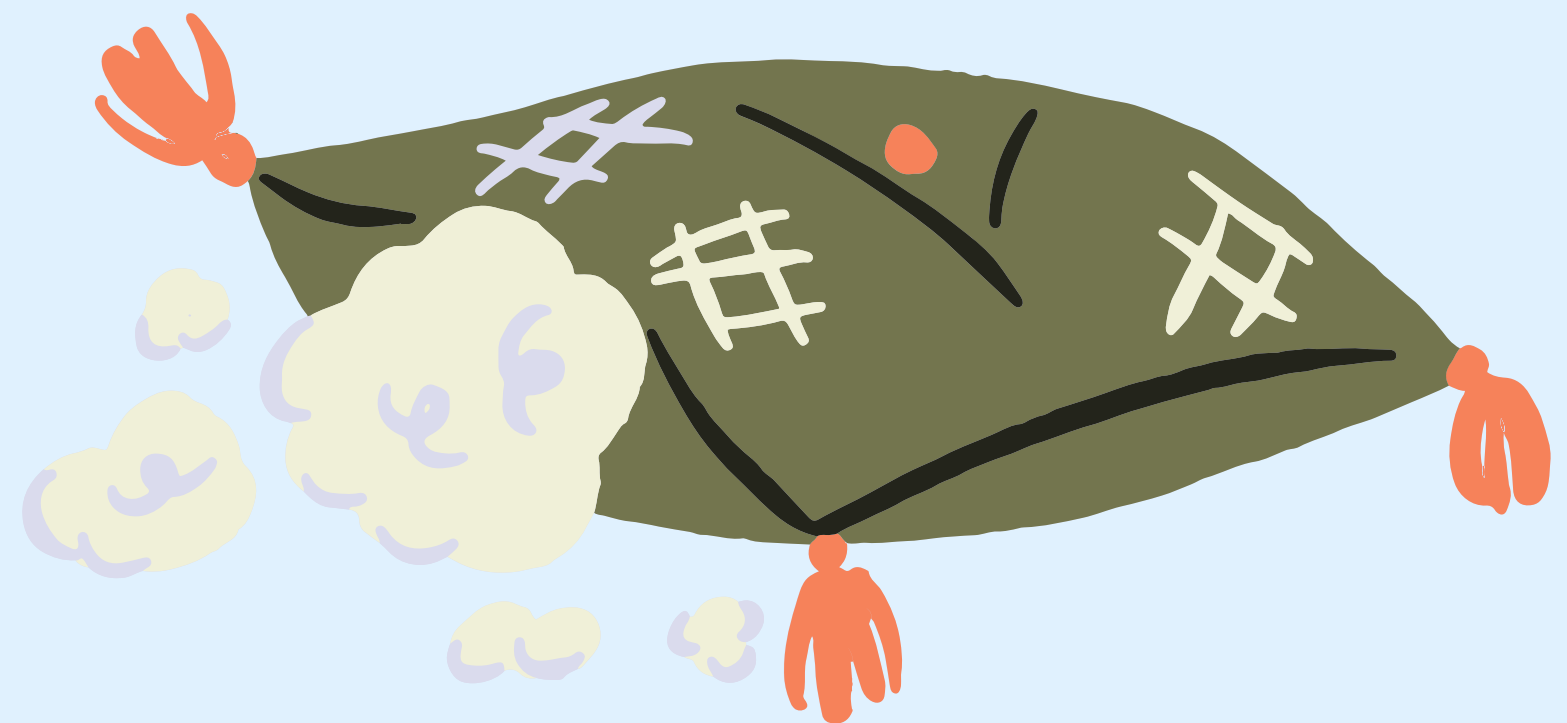
Revenue

Stuffed Millos ~1.5M GEL

Digital lessons ~4.0M GEL

Total ~5.5M GEL

MARKET SHARE & FORECAST



Estimate Product Price

- **Stuffed Millo:** 149.99 GEL (VAT incl.)
- **Additional lesson:** 49.99 GEL (VAT incl.)
- **Pricing strategy:** Premium, value-based

Justification: Price reflects personalization, educational value, and emotional engagement.

BUSINESS ANALYSIS

Market Potential

- Children aged 2–6 in Georgia: ~250,000
- Target: urban, middle-income, education-focused parents
- Addressable market: 20,000–25,000 customers
- Initial target: 10,000 customers

Justification: Conservative segmentation avoids overestimating demand.

SALES VOLUME FORECAST

Stuffed Millos: 10,000 units

Average lessons per customer: 8

Total lesson sales: 80,000

Justification: One-time toy purchase plus repeat digital add-ons matches parent behavior.



COST STRUCTURE

Variable Costs(Per Product)

Component	Cost (GEL)
Physical manufacturing	36
Personalized lesson	35.5
Total	71.5

Fixed Costs (One-Time)

Item	Cost (GEL)
Animation development	126,000
Website development	9,000
Total fixed cost	135,000

BREAK-EVEN POINT

Contribution per customer: 111.49 GEL

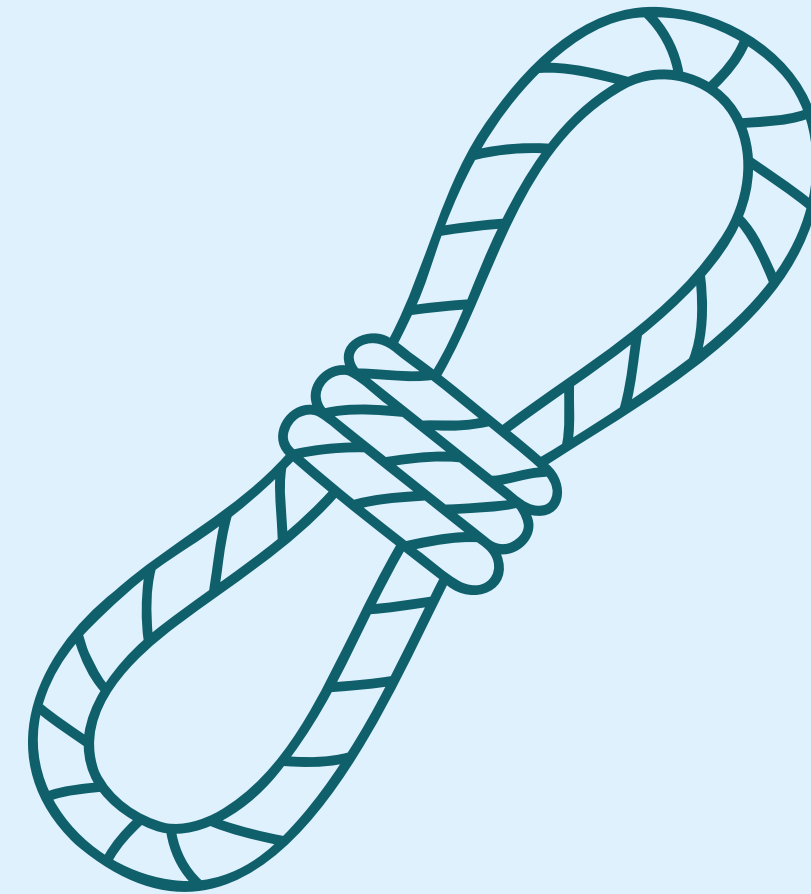
- **Fixed costs:** 135,000 GEL
- **Break-even:** ~1,200 customers

Break-Even= $135\,000 / 111.49 \sim 1200$

Break-Even= $135\,000 / 56.61 \sim 2400$

Break-Even= $135\,000 / 6.86 \sim 19\,000$

Scenario	Break-Even
Toys only	~2,400
Lessons only	~19,700
Combined	~1,200



MINIMUM SALE PRICE

Stuffed Millo

- Cost (net): **70.5 GEL**
- Minimum margin: **30%**(Covers physical product risk, Supports fixed-cost recovery, Standard conservative margin in toys)
- **Minimum Sale Price: 110 GEL**



Digital Lesson

- Cost (net): **35.5 GEL**
- Minimum margin: **15%**(Digital add-on, High repeat volume, Extends customer lifetime value)
- **Minimum Sale Price: 48 GEL**

TEST MARKETING



Advertising Strategy

- Emotional vs. educational messages tested
- Emotional: “Your child draws it — we make it real”
- Educational: “A personalized toy that teaches through play”
- Channels: Instagram, Facebook, parenting influencers
- Metrics: CTR, engagement, ad recall

TEST MARKETING

Distribution Strategy

- Direct-to-consumer via website
- Custom production + 5-7 day delivery
- Evaluated: ease of order, delivery speed

Pricing Strategy

- Toy + lesson: **149.99 GEL**
- Extra lesson: **49.99 GEL**
- Goal: test willingness to pay (no discounts)

Positioning Strategy

- Positioned as **Personalized educational toy based on child's creativity**
- Tests emotional vs. learning emphasis
- Evaluated via interviews & feedback



BRANDING X PACKAGING

Branding

- Brand tested: name, logo, slogan, colors
- Personality: caring, trustworthy, creative
- Evaluated: trust & recommendation intent

Packaging

- Eco-friendly box + child's name
- QR instruction card inside
- Evaluated: gift value & perceived quality



BUDGET LEVELS

50 test units produced

Focus: ads, influencers, samples, analytics

Category	Budget (GEL)
Digital advertising	2,600
Influencer collaborations	1,200
Sample production (50 units)	3,600
Analytics & optimization	600
Total	8,000

SURVEY RESULTS



MILLO

4h · 🌐



ჩვენ ვქმნით MILLO-ს - პერსონალურ საგანმანათლებლო სათამაშოს ბავშვებისთვის (2–6 წელი), რომელიც ინსპირირებულია თქვენი შვილის ნახატიდან! 🎨
MILLO არამხოლოდ განავითარებს ბავშვს საგანმანათლებლო სფეროებში (რიცხვები, ანბანი, ფერები, ცხოველები, ხილი, ბოსტნეული, გეოგრაფია), არამედ გააძლიერებს ემოციურ კავშირს, რითაც სწავლის პროცესი გახდება უფრო საინტერესო და სასიამოვნო.

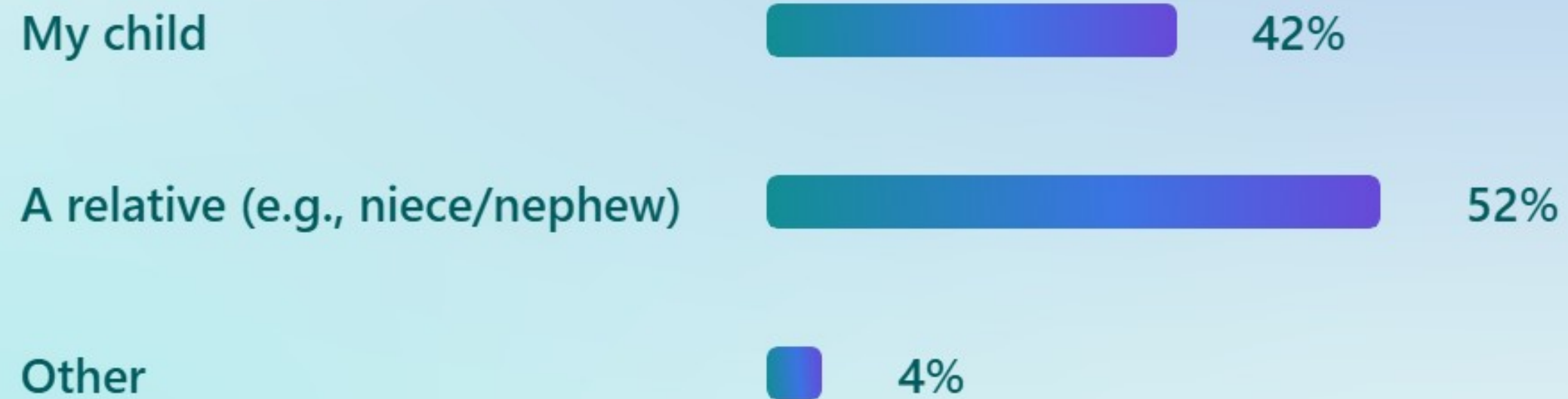
გთხოვთ, დაგვეხმაროთ იდეის დახვეწაში და შევსოთ ეს მოკლე კითხვარი: [https://forms.cloud.microsoft/e/68XMFkB2FX?](https://forms.cloud.microsoft/e/68XMFkB2FX?origin=IprLink)
[origin=IprLink](https://forms.cloud.microsoft/e/68XMFkB2FX?origin=IprLink)

მადლობა დახმარებისთვის! ❤️

SURVEY RESULTS

42 responses submitted

Who would you buy a similar personalized toy



SURVEY RESULTS

42 responses submitted

Age of the child (if applicable)

2–3 years



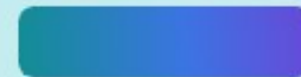
38%

4–5 years



50%

6 years



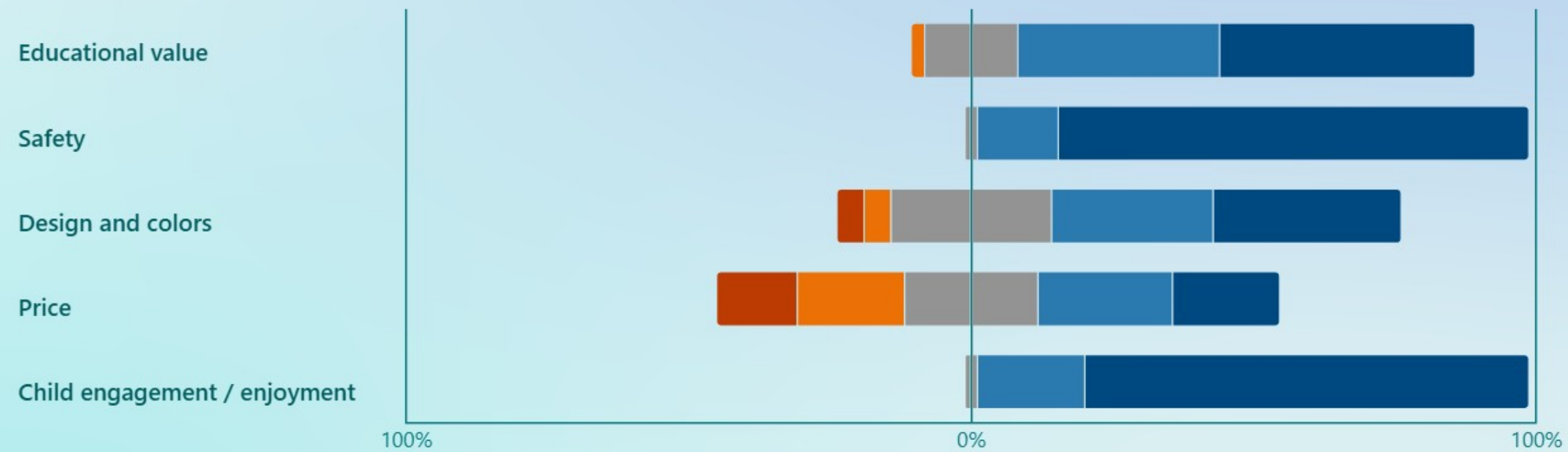
11%

SURVEY RESULTS

42 responses submitted

How important are the following when choosing an educational toy? (Likert scale: 1 = Not important, 5 = Very important)

Not Important Slightly Important Neutral Important Very Important



SURVEY RESULTS

42 responses submitted

How attractive do you find the MILLO concept overall? - (1 = Not at all, 5 = Very likely)

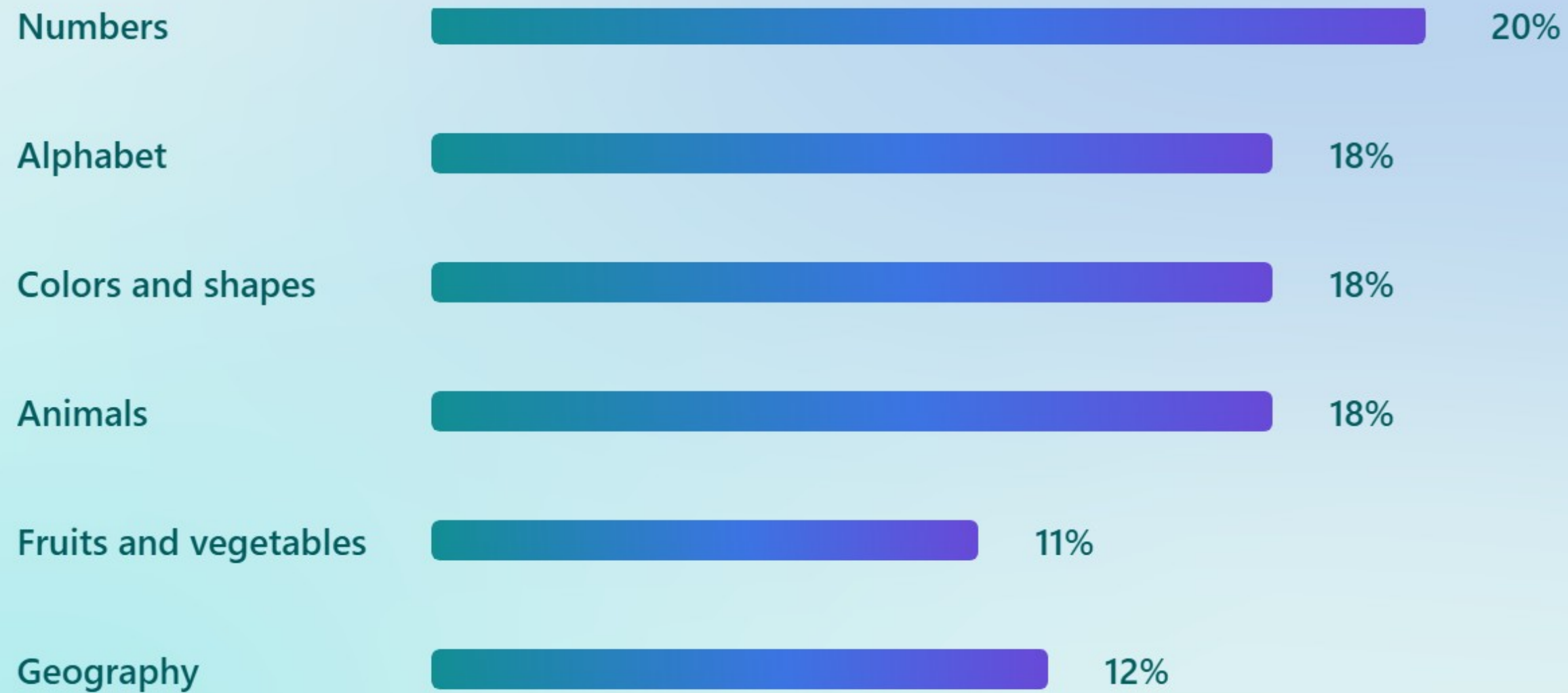
4.64



SURVEY RESULTS

42 responses submitted

Which learning areas make MILLO most valuable to you?- select all that apply



SURVEY RESULTS

42 responses submitted

How likely are you to recommend MILLO to others?

4.52

1

0%

2

0%

3

9%

4

28%

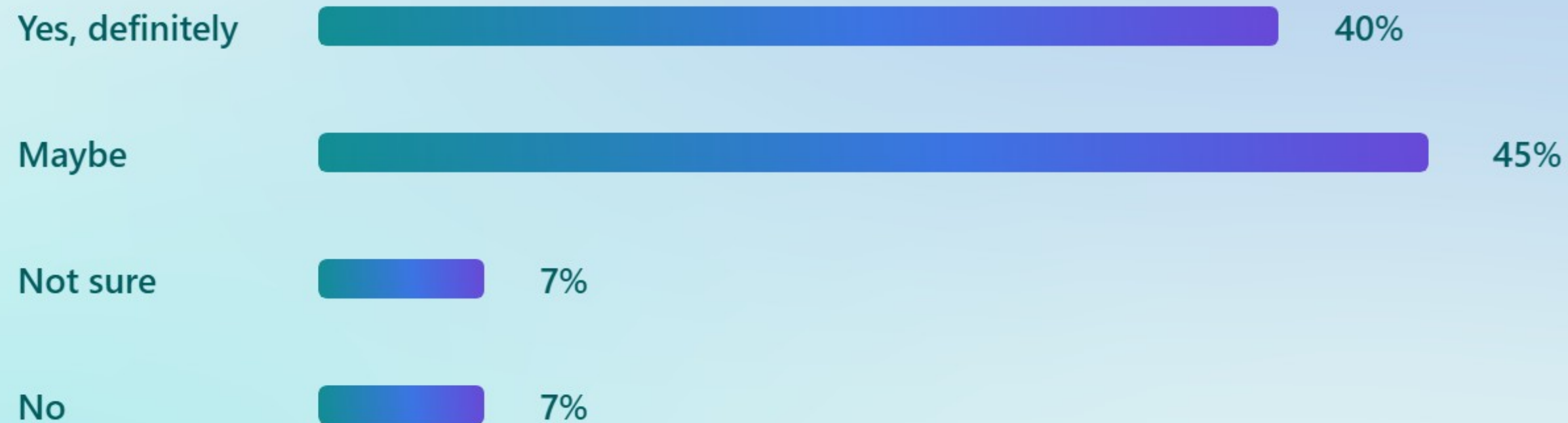
5

61%

SURVEY RESULTS

42 responses submitted

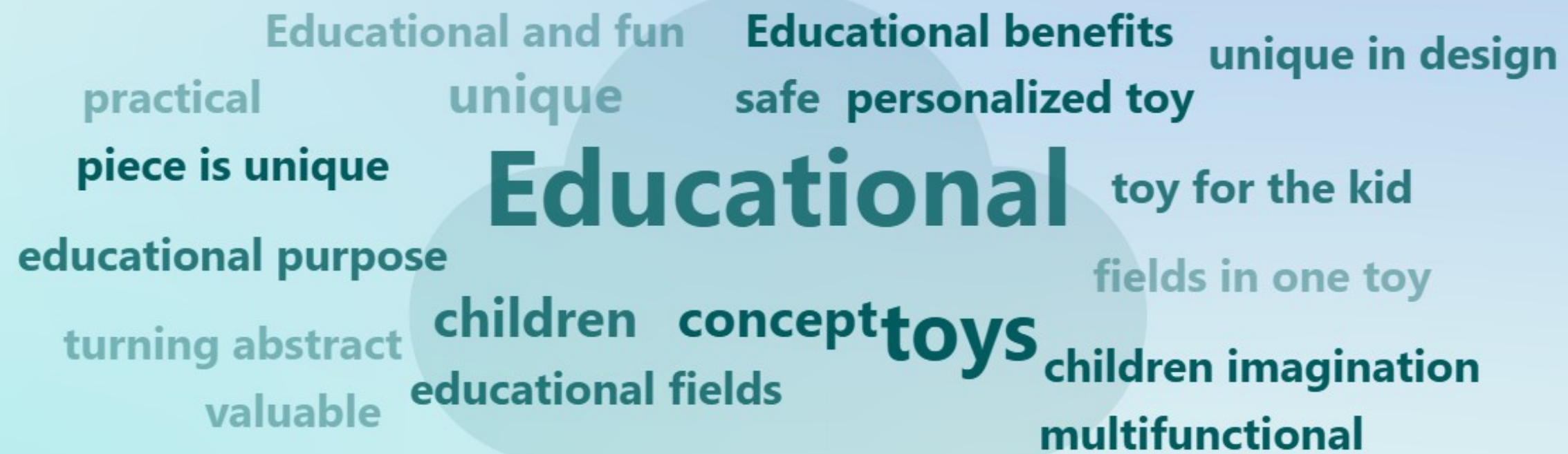
Would you consider buying MILLO toy at a reasonable price? -
(Approximately=150 GEL)



SURVEY RESULTS

42 responses submitted

What do you like most about the MILLO idea? (Short answer)



A word cloud visualization of survey responses. The words are arranged in a circular pattern, with 'Educational' and 'toys' being the most prominent. Other words include 'unique', 'educational purpose', 'children', 'concept', 'multifunctional', 'imagination', 'fields', 'turning abstract', 'valuable', 'practical', 'piece is unique', 'safe', 'personalized toy', 'toy for the kid', 'fields in one toy', 'unique in design', 'Educational and fun', 'Educational benefits', 'children imagination', 'educational fields', 'concept', 'toys', 'multifunctional', 'children', 'turning abstract', 'valuable', 'practical', 'piece is unique', 'safe', 'personalized toy', 'toy for the kid', 'fields in one toy', 'unique in design', 'Educational and fun', 'Educational benefits'.

Educational and fun
Educational benefits
unique in design
practical
unique
safe
personalized toy
piece is unique
Educational
toy for the kid
educational purpose
fields in one toy
turning abstract
children
concept
toys
valuable
educational fields
children imagination
multifunctional

SURVEY RESULTS

42 responses submitted

What could be improved to make MILLO better? (Short answer)



A word cloud visualization of survey responses. The words are arranged in a circular pattern, with the most prominent word, 'price', in the center. Other words include 'emotional intelligence', 'people who are adults', 'details about child', 'audio and other ideas', 'money', 'high', 'possible', 'kid', 'customizable option', 'affordable', 'opportunity', 'great idea', 'Parent Control', 'toy', 'App', 'Parent', 'child', 'treated uniquely', and 'Premium Feature'.

emotional intelligence people who are adults
details about child audio and other ideas money
treated uniquely child **price** Parent high
Premium Feature App possible
great idea Parent Control toy kid
opportunity affordable customizable option

THANK YOU!



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