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This startup says it can help companies establish themselves on voice assistants for as little as \$12 a month

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Alex Farr, Zammo

- Companies are recognizing the need to jump on the voice app trend, but the costs can add up for small businesses.
- A new San Francisco-based startup Zammo claims to use artificial intelligence to build voice apps quickly and affordably, though.
- Zammo says it charges as little as \$12 a month for smaller businesses, while big companies are paying up to \$10,000 a year to use it.
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There's been a lot of buzz about voice technology, and with audio experts predicting conversational AI will soon blow up alongside smart speakers, companies are recognizing the need to get on board.

But developing voice apps like Alexa skills can be costly and time-consuming, especially for small businesses.

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20 years before WeWork

Zammo, a San Francisco-based startup that uses AI to build voice apps for clients, is looking to change that by charging as little as \$12 a month for small brands to \$200 a month for big clients, founder and CEO Alex Farr said.

The company was incorporated in January 2019 but plans to officially launch on Jan. 15. Farr raised seed funding before raising \$3 million from early-stage VC fund OCA Ventures and private tech investors such as Miguel Forbes of the Forbes Family Trust.

That's in the ballpark of most voice startups, which raise \$1 million or \$2 million in their first round, [according to audio investor Marc Ladin of VoicePunch](#).

Zammo's CEO has been advising venture capitalists on voice since 2015

Farr got his start in Silicon Valley consulting for venture capitalists like Sequoia Capital founder [Don Valentine](#) and CEOs like Intel's [Andy Grove](#). But he long had a passion for voice tech, piqued by conversational AI on screen — think Tony Stark's AI Jarvis in the "Iron Man" movies. He sees voice tech as becoming essential to businesses in the same way that having a website and mobile presence are now table stakes for companies.

"Every brand should have a voice presence," Farr told Business Insider. "It reflects automation, it saves them money, and it gives them a chance to directly converse with their customers."

Zammo uses AI to build voice apps for clients so they can avoid expensive, long-term projects

Not every company employs audio experts, and while there are [consulting agencies dedicated to voice](#), their costs can add up. It can also take up to nine months for advanced voice apps to be completed and approved for launch on smart speakers, Farr said.

Zammo claims it can do that work in less than 30 minutes. Its staff of about 20 includes former employees of Xamarin, a [Microsoft-owned](#) software company that provides tools for mobile app developers.

Zammo uses AI to pull from company websites and FAQs to build voice apps for the big voice assistants like Google Assistant, Amazon's Alexa, and Microsoft's Cortana. The plan is to launch with Samsung Bixby and Apple's Siri this year, Farr said.

The pitch is that its apps are compliant with security and privacy policies of voice platforms and upgrades them as platforms change their compliance standards.

Zammo charges based on client usage

Zammo's business model is similar to that of companies like Slack and Twilio, which charge clients based on user interaction. It charges as little as \$12 a month for small businesses that generate a few hundred voice interactions per month, up to \$200 a month for companies that generate closer to 10,000 interactions. The cost

20 years before network, SoftBank raised a massive fund and plowed money into 14 startups. 7 collapsed in the aftermath of the dot-com meltdown, and the fund returned pennies on the dollar.

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includes building the app.

Zammo also uses a pay-per-use model for clients with over 10,000 interactions. Farr wouldn't name any clients, but he said Zammo has some of this size that are already generating \$10,000 per year in revenue for Zammo.

In terms of competition, few startups claim to do what Zammo is. However, Amazon, Google, and Microsoft offer their own technology and tutorials for building voice apps, not all developers are unaffordable, and some companies will prefer to work with a person to build a voice app.

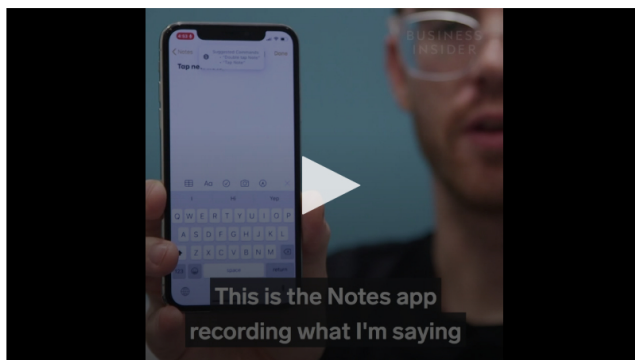
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