

AI Tutoring Assistant Example for Educational Startups: Citation-Backed AI Learning

AI Ace built a student AI tutor that outperformed GPT-4

AI Ace, a student-founded edtech startup at IE Business School, used CustomGPT.ai to build a citation-backed AI tutoring assistant trained on course textbooks. It answered 1,750+ questions in 72 hours, won a university award and secured a \$1.2M valuation.

\$1.2M

Valuation secured after launch

1,750+

Questions answered in 72 hours

300+

Active students in the pilot

THE CHALLENGE

Generic AI couldn't prepare students for a specific exam

Leon Niederberger first built an AI tutor to help with his macroeconomics midterm and shared it with friends. He and Danil Galkin saw a clear gap: no AI was tailored to a specific course or exam.

Existing AI couldn't cite textbooks and often pulled from unrelated sources, so students risked studying the wrong topics before an exam.

WHAT AI ACE NEEDED**Course-specific answers.**

Grounded in the assigned textbook.

Citations.

Answers students can verify.

A friendly tutor.

Clear, approachable explanations.

No code.

A platform a business student could build on.

HOW AI ACE SOLVED IT

A targeted tutor trained on the course itself

Data-driven training.

Trained extensively on textbook and course content.

A tutor persona.

A friendly, clear tone that guides students.

Anti-hallucination safeguards.

Accurate, citation-backed answers.

Deployed to real students.

Rolled out at IE for live testing and feedback.

ABOUT AI ACE

AI Ace is an edtech startup founded by IE Business School student Leon Niederberger in Madrid, with fellow student Danil Galkin as CTO. It builds AI tutoring and exam preparation tools grounded in official course materials.

AT A GLANCE

INDUSTRY	FOUNDERS	APPROACH
EdTech, educational startup	Leon Niederberger (founder) and Danil Galkin (CTO)	RAG AI trained on course textbooks, citation-backed, tutor persona

WHY DOES CITATION-BACKED AI MATTER FOR STUDENTS?

RAG in education, source citations and hallucination prevention

- 1

Grounded in the textbook.
Answers reflect what the course actually teaches.
- 2

Verifiable answers.
Students can trace every answer to its source.
- 3

Exam-relevant practice.
Questions cover only the midterm topics.

RESULTS

Generic AI chatbot vs RAG-based educational AI

DIMENSION	GENERIC AI CHATBOT	AI ACE
Knowledge source	Broad internet training data	Course textbook and materials
Exam relevance	General subject knowledge	Specific to the course scope
Citation accuracy	Often hallucinated	Grounded in the textbook
Student trust	Variable	High, answers verifiable
Practice questions	Generic	Specific to midterm topics

AI Ace won the Best Undergraduate Start-Up award from IE University, and user feedback rated it above GPT-4 for accuracy and helpfulness.

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AI Ace is already trained on the book, knows the answer to the question, and will give the right answer!

Leon Niederberger

FOUNDER, AI ACE

WHY IT WORKED

- Precision.**
Textbook-only content.
- Trust.**
No double-checking needed.
- Tutor persona.**
Better approachability and retention.
- Community-first.**
Fast feedback and organic growth.

ABOUT CUSTOMGPT.AI

CustomGPT.ai is a no-code platform for building AI agents that answer only from an organization's own content: documents, websites and knowledge bases. Every answer is grounded in verified sources with citations, and the platform is SOC 2 Type 2 and GDPR compliant. Organizations use it for customer support, internal knowledge search, website chat and more, across help centers, apps and the API.