

What We Learnt About Micro-Enterprises After Pivoting a Tech Startup 3 Times During the Pandemic

People, Process, Performance: 3 Pivots in Covid-19 and Different B2B Channels Used, and What We Learnt About Micro-Enterprises

About Me



- Consultant, Growth.sg
 - LeadGrowth
 - VentureGrowth
 - BusinessGrowth
- Founder & CEO, Swapie
 - Swapie (versions 1, 2, 3)
 - “SwapieSocial”
 - Gifting.sg



Who This Session Is For



- **Disclaimer:** Non-technical session in terms of B2B, the focus instead is recounting of a journey
- Those who would like to hear about an inside story of running a tech startup
- How startup pivots are more frequent than they usually appear in the media
- Those who are interested in innovation and technology platforms and would like to launch a startup in future

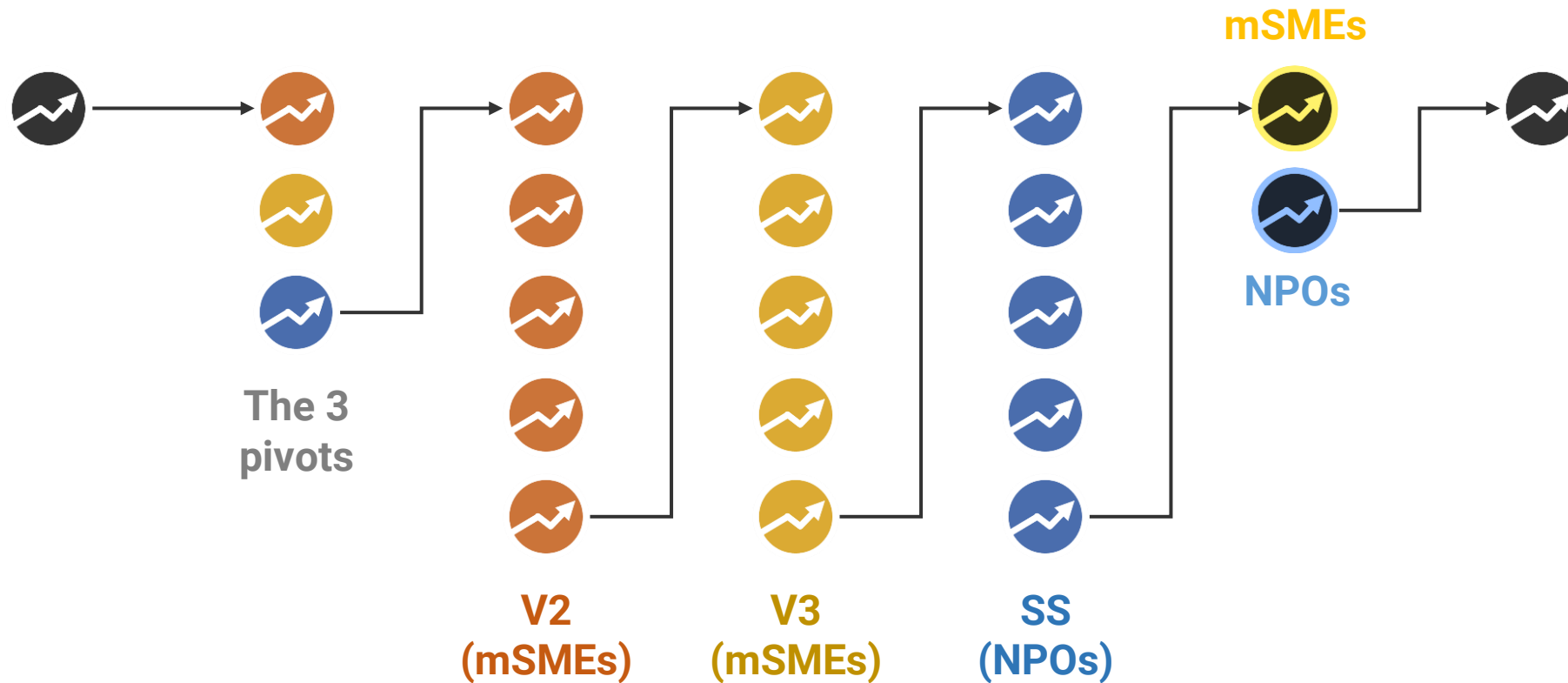


Agenda



- The background story of the fintech startup
- The three (or five) different ideas at each stage
- At each stage:
 - The general “VC” hook & target segments
 - Prospect identification & acquisition
 - Tools, methods, tips/tricks, and whether a funnel works
 - What we learnt about People, Process, Performance
 - A reflective note on product-market fit
- Concluding learnings about micro-enterprises and non-profits
- What lies in the road ahead

The "Street Directory"



An Idea Over Dinner...



- Total Bill: \$100
 - Frank: \$50; Kang: \$50
 - Kang pays first and gets a 2% cashback from the bank (\$98 nett)
 - Is Kang willing to receive just \$49 from Frank?
- Commercialization of this idea with as a C2C platform (2019)



Three Different Stages & Ideas



Kang and Frank
(C2C)



Swapie V2

Within-month invoice financing at lower interest rates, powered by credit card cashback



Swapie V3

Procurement tool that saves micro-SMEs 1% to 5%; cashback for SMEs due to credit card cashback



SwapieSocial

Same as V3, but cashback of 20% to 50%, to be given to charities, grace of credit card cashback & donation



Gifting.sg

Donating items to charities, by teaming up a local SME and donor. Moving away from credit card cashback.

Swapie V2: Introduction



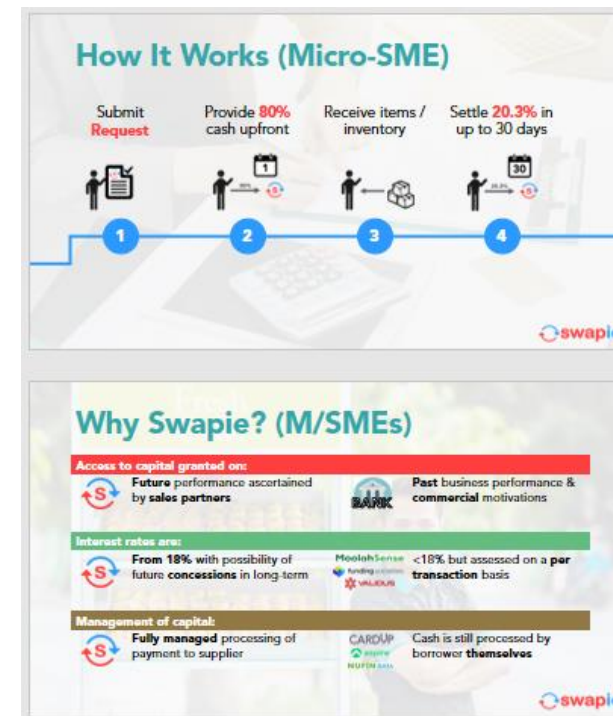
- The 'fluff':
 - We decided to move from consumer to B2B, and found the #1 pain point to be business credit
 - Micro-SMEs are underbanked and need 30-day growth capital
 - There is a potential to fund 'pushcarts' in the emerging SEA region (Indonesia, Vietnam, etc.)
- The prospects (Singapore):
 - Traditional, cash-flow focused sole proprietors
 - Small e-commerce websites (targeting both B2B/B2C), run by the owner themselves
 - Procurement is possible through credit card



Swapie V2: Channels Overview



Campaign	General Result/ Conclusion
Facebook Ads	Good clicks, average conversions
Inside Sales	LOIs signed, limited real eventual transactions
Email Sequencing	Poor response rate due to over-automation
Partnerships	Lack of trust, credibility as a startup



Swapie V2: B2B Execution



- Initial thoughts:
 - Let's not do cold calls, we're a tech startup and should 100% automate this
 - Sent out emails using Mail Merge, sequencing, etc.

💡 Inside sales with our V1 customers who happen to run side businesses

The image displays four screenshots of WhatsApp messages, likely from a customer service or sales chat. The messages are in a dark theme with green bubbles for outgoing messages and grey bubbles for incoming messages. The conversation appears to be about a sale or business transaction.

Screenshot 1 (Left):

- Outgoing (Green):
 - 1) pause USD and focus SGD for
 - 2) USD card -
 - 3) new biz model for advance purchases (as good as loan) - I'll be spending some time to work on this too - will also need LOI from you to show investors if you don't mind signing off
 - 4) - yes just let me know - weekly is fine we can avoid fraud
- Incoming (Grey):
 - yup
 - LOI i can do for you
 - Nice thanks a lot man

Screenshot 2 (Second from Left):

- Incoming (Grey):
 - earliest is monday, but sale today
 - able to pay first today? earliest i receive payout is on monday for both paypal and shopee
- Outgoing (Green):
 - Ok sure, maybe you could do a 50% first? The other 50% you can transfer over when you get the cashout. I'll absorb the \$0.50 FAST fee of the 2nd transfer also + no interest will be charged
 - $\$1088 * 96\% = \1044.48
 - Today: \$522.24
 - By 15 Oct: \$521.74
 - Need delivery?
- Incoming (Grey):
 - can't pay today yet, just paid another bunch of suppliers actually
 - i can definitely do FAST once i have the entire sum on monday

Screenshot 3 (Third from Left):

- Incoming (Grey):
 - can help me buy? i'll pay you all on monday
- Outgoing (Green):
 - So I see same-month cashflow is a major issue in your business ^thinking about it on the new quick loan idea I shared with you
 - can help me buy? i'll pay you all on monday
 - yup sure
 - ok free delivery you can?
 - And final amount \$1044.48
 - Do confirm and I will proceed

Screenshot 4 (Right):

- Outgoing (Green):
 - You
 - So I see same-month cashflow is a major issue in your business ^thinking about it on the new quick loan i...
 - same-week more like
 - cashouts are on monday, wednesday
 - by friday all the money is out for another round of goods
 - ok order done
 - able to provide invoice? cust asking
 - thank you!!

Swapie V2: B2B Execution



Subsequent thoughts (Channel):

- Email sequencing response rate <1%
- Do micro-SMEs even open their emails?
- Should we go through partner channels?
 - Associations, trade fairs, company unions, etc.
 - How fragmented were they?

Subsequent thoughts (Product):

- How would we assess their business cases?
- Are we able to cope with demand?

Swapie V2: 3Ps



People

- Building trust with clients, users, and partners is key
- Small wins on the heart-ware

Process

- Over-automation leads to lack of human touch
- Tapping on current communication (with current users)

Performance

- A marketing message is not important, it needs an authoritative channel

Swapie V2: Reflective Note



General conclusion:

- Not a great product-market fit
- No stickiness/demand

Takeaways for entrepreneurs:

- Speak to more experts before launching
- Pre-determining fragmentation will ease market entry
- Find a channel that:
 - Is volumous enough shows a success case quickly
 - Able to allow you to identify the general conversion rates
 - Enables you to put across a strong, assertive message

Swapie V3: Introduction



- The 'fluff':
 - As a 'small player', we were unable to play the credit game; consumers were unwilling to lend too
 - We shall now stick to the operating model of V1 (Kang & Frank) but continue serving MSMEs
- The prospects (Singapore):
 - Pretty much the same users and qualifying procurement criteria: credit card enabled suppliers
 - Cast the net wider to source them on major e-commerce platforms



Swapie V3: Channels Overview



Campaign	General Result/ Conclusion
Google Ads	Relatively slow leads, ~\$1.20 CPC (not bad!)
Platform “Sequencing”	The hidden goldmine + “humano-mation”
Events, Thought Leadership	Average results. Got attention from a VC publication
Content Marketing & User Stories	More ‘humane’ LPs, ~10% increase in conv. Rate

Cashback for SMEs | Swapie | Register Your Interest

Ad www.swapie.co

Pay-Upfront Get Cashback (PUGC) Platform for SMEs. We are a Pay-Upfront, Get Cashback (PUGC) platform for SMEs.

Supercharged Growth Series: Marketing & Financing your e-Commerce Venture



Stanley Kan
Co-Founder
SECONDS

Topic:
The Advent of the Connected (Chinese) Consumer



Koh Kang Liang
Co-Founder
swapie

Topic:
Practical Financial Forecasting Models for Scalability

Edward, Director of e-commerce Distributor

As a points junkie myself, I'm always looking out for these solutions. Am quite glad that Swapie has been of some good help so far.

Jennifer, Partner of Beauty Line

Never knew tapping on rebates can help me see some savings. Thankful for fellow businesses keeping a lookout for each other.

Jason, F&B Franchise Owner / Shareholder

Honestly speaking, in F&B margins are thin and every cent matters. Good to be able to cut some minor corners with Swapie's help.

Swapie V3: B2B Execution



Initial thoughts:

- In V2, we correctly identified e-commerce sellers and those doing such side businesses as potential micro-SME users of a procurement system.
- We only targeted those with websites and failed, and web-scraping bots were not the most scalable thing to build and run.
- Why not go for those on Lazada and Shopee as well?

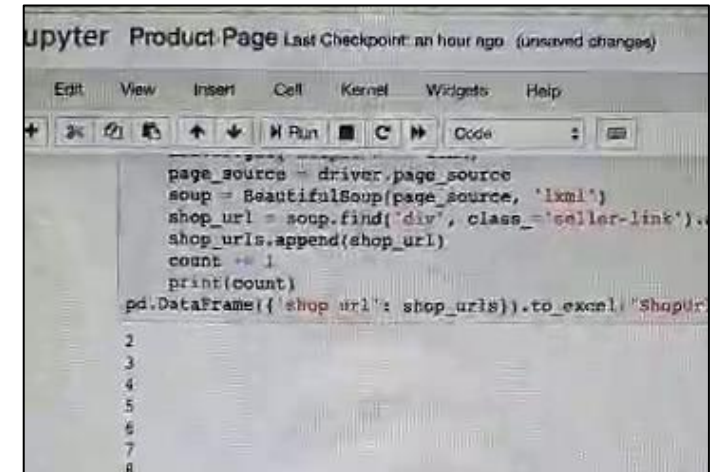
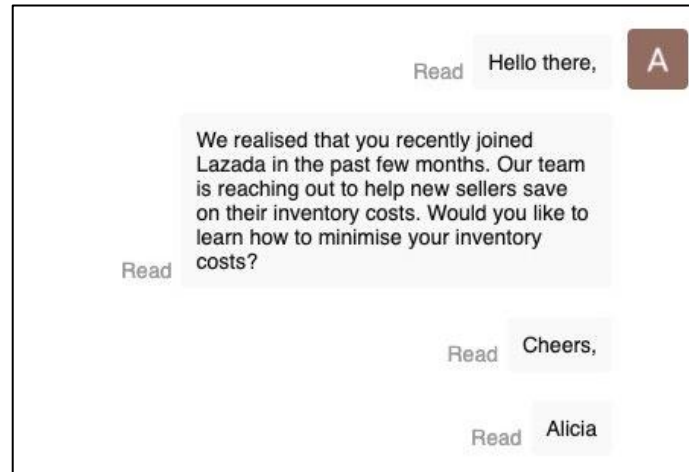
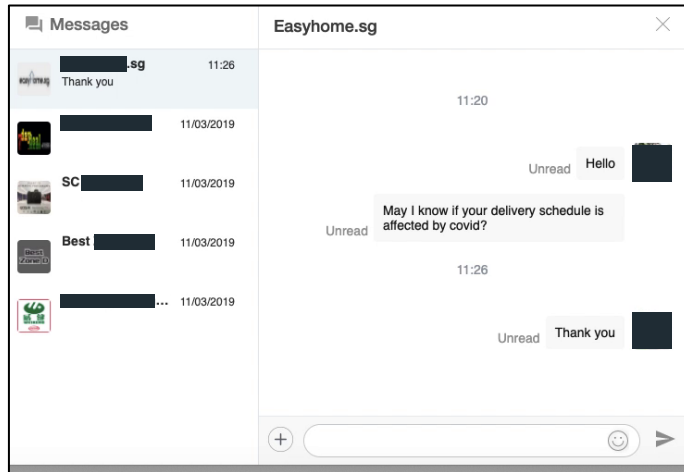
What we probably did better:

- 💡 Targeting sellers at where they sell: e-commerce platforms (+automation)
- 👍 WhatsApp as the main communication channel (our blind spot, if you asked me)
- 🤫 Pretending to be postgrad students or official platform staff (accidentally!)

Swapie V3: B2B Execution

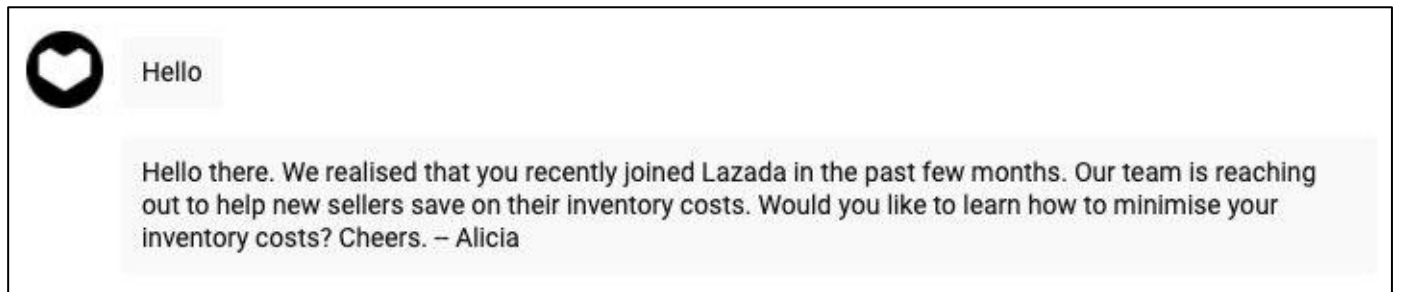


💡 Targeting sellers at where they sell: e-commerce platforms



The “garnishes” we added:

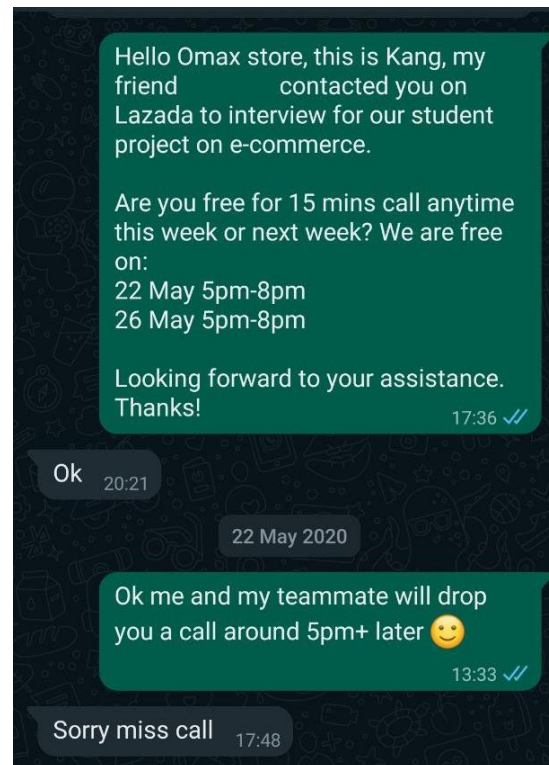
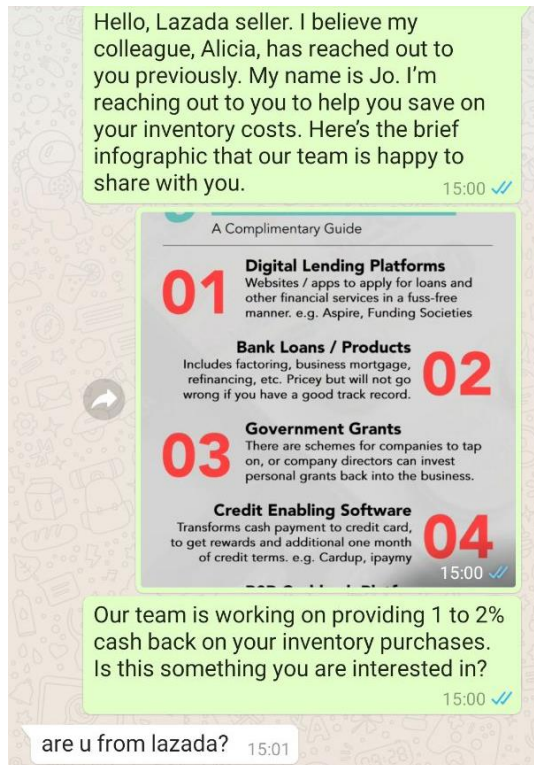
- *Fake names*
- *Inflated team size*
- *Automated bots (not 100% legal!)*



Swapie V3: B2B Execution



👍 WhatsApp as the main communication channel



REGISTER NOW

Register your interest today and we will make cost savings on your purchases happen for you. You'll get the following:

- **Accelerated processing** of your purchase request
- **No service fee** during Covid-19 and your first \$10,000 GMV
- Other **perks and free trials** for our value-added services

Name _____ Company _____

Email _____ Contact No. _____

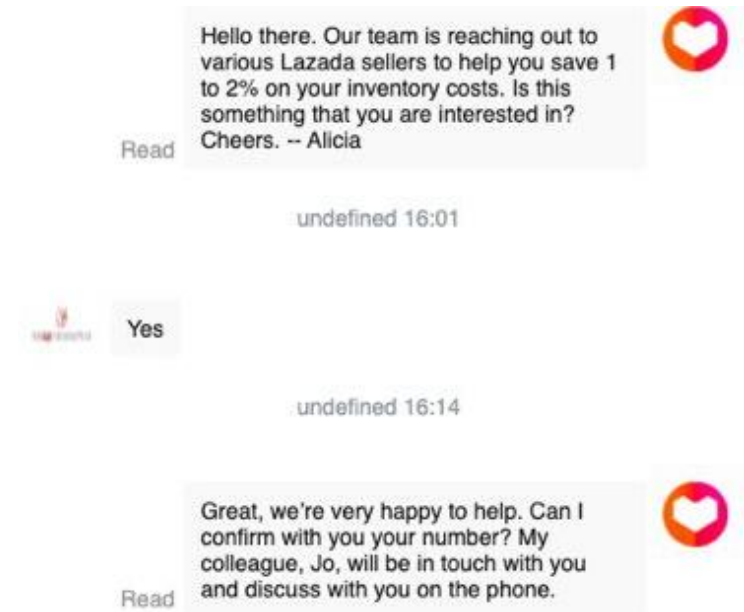
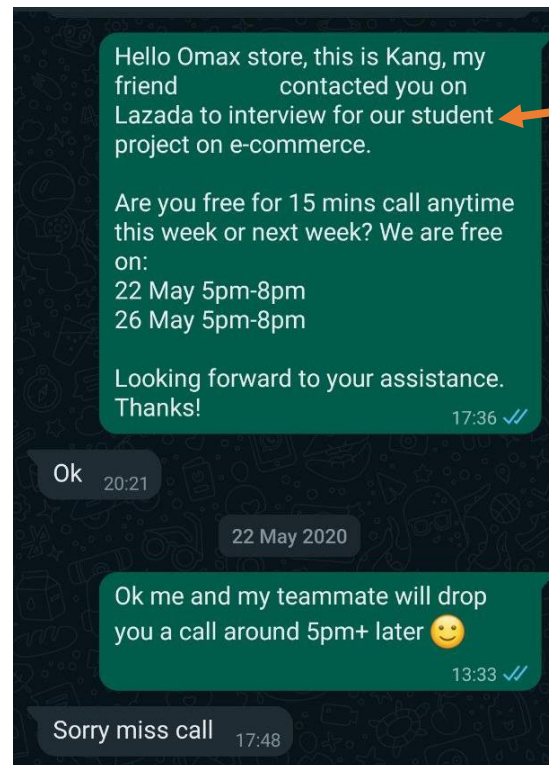
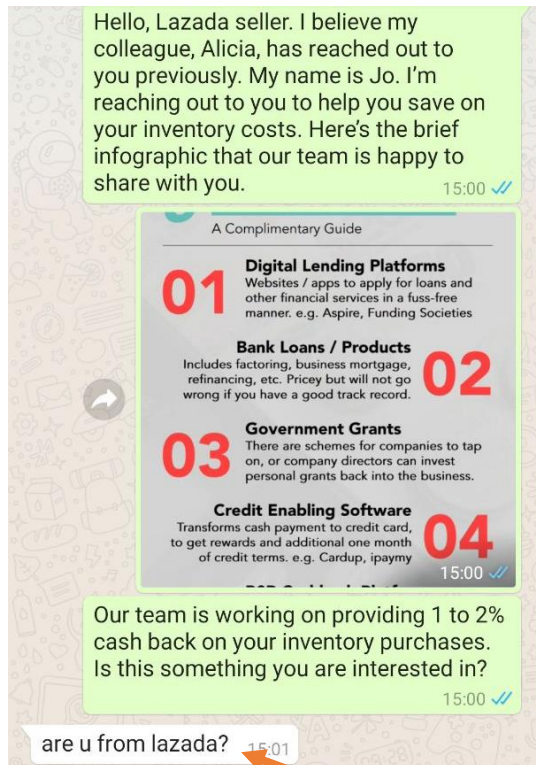
Start Saving Today!

Impact: Easily 60% reply rate vs. email
Our obsession with automation cured!

Swapie V3: B2B Execution



🙋 Pretending to be postgrad students or official platform staff



Impact: Further increase in reply rates

Swapie V3: 3Ps



People

- The right team members who do scrappy stuff and can 'wing it'

Process

- Setting up a fake team-based SOP
- Multiple hand-offs does increase credibility at times

Performance

- Reply rates are the key metric, not final conversion
- Again, messaging and trust

Swapie V3: Reflective Note



General conclusion:

- Slightly better product-market fit
- Did not find the exponential breakthrough

Takeaways for entrepreneurs:

- Gather the right people with the right mindsets, repeat a process
- Keep believing and keep pushing
- When playing 'under the radar' of the 'big boys':
 - Use multiple accounts to skip bans – we bought a couple of SIM cards
 - Throttle between various messaging approaches (with subtle changes, maybe)
 - Once you get to the WhatsApp, massively build trust

SwapieSocial: Introduction



- The 'fluff':
 - We're a for-profit fintech, and realised our products don't benefit society during Covid-19.
 - Hence, we're building a 'procurement' platform where social workers request items, and people can 'buy' them for the needy.
- The prospects (Singapore):
 - Charities – especially those who needed to buy necessities during the pandemic
 - Family Service Centres with beneficiaries needing particular item(s)





SwapieSocial: Channels Overview



Campaign	General Result/ Conclusion
Email Sequencing	No one rejects help, so why not?
LP as Donation Request Form	Limited shares. Does no one want to share good resources?
Social Worker Communities	Limited discussions about tech to improve work (wrong messaging angle?)

Submit a Request
One minute, eight steps, endless goodwill support.
(You are submitting information on a secure website.)

Request Form for Social Workers
Fill in this form to request a Swapie user to purchase items for your clients.

 kangliang@swapie.co (not shared) [Switch accounts](#) 

*Required

Social Worker's Particulars

Full Name *

Your answer

Contact Number *

Your answer

Name of Agency / Centre *

Your answer

Why and How YOU Can Join Tech Today

Want to join a career in tech? Want to be the next Mark Zuckerberg? Want to differentiate yourself to employers in tech?
Want to bring the next Google to life?
Join us for this LIVE webinar & discover how to start your career in tech.

John Lim
Founder, [Quintessence Labs](#)

Kang Liang
Founder, [Swapie](#)

John is excited about helping young people to understand, create and unleash their fullest potential.
In his free time, you can see him singing [Singaporean](#) whilst lifting dumbbells.

Kang Liang is founder & CEO of Swapie, a fintech marketplace that transpires legal relations for consumers while helping them do good. Over the past 1 year, the startup has joined various incubators and achieved awards such as 1st place in the [Tech Startup Challenge](#).

SwapieSocial: B2B Execution



- What we kept from the previous two pivots:
 - Be where the prospects are & where they will expect us to be
 - Give them a hand – offer as much value as possible in the approach
 - Automate as much as possible, but with a human touch!
- Prospect identification
 - Social workers asking for item donations
 - Reaching out to them one-by-one? How would we add a human touch?

💡 Find them on donation platforms...

SwapieSocial: B2B Execution



💡 Find them on donation platforms... >> passiton.org.sg

LATEST WISH LIST

12 Oct 2021

[See more](#)

Diapers Request

Mum aged 19 year old requires the following diapers donation for her toddler. 1)Huggies Gold Pants - Size L. Her spouse is currently serving detention barracks and not able to prov...

Delivery costs will be covered by donor

Monfort Care - Big Love Child Protec

12 Oct 2021

[See more](#)

Milk Powder Request

Mum aged 19 year old requires the following milk powder donation for her toddler. 1) Nestle NAN Optipro HA Stage 3 - 4 tins. Her spouse is currently serving detention barracks and

Delivery costs will be covered by donor

Monfort Care - Big Love Child Protec

12 Oct 2021

[See more](#)

Blood pressure measuring machine

Patient aged 57, divorce with 1 daughter. Daughter is currently no longer in contact with patient. Patient is currently living together with the son in law and 5 grandchildren in a...

Delivery costs will be covered by donor

Alexandra Hospital - Care & Counsel

12 Oct 2021

[See more](#)

Bicycle

Family of 5 would like 2 second-hand bicycles for their teenager sons. Parents are struggling with sons' over exposure to digital devices and would like to use outdoor activities t...

Delivery costs will be covered by donor

Fei Yue FSC @ Yew Tee

12 Oct 2021

[See more](#)

Child Wheelchair

Family consists of single mother and 5 young children living in a rental flat. Client's 7-year-old daughter had an accident several days ago resulting in bruising and 2nd-degree bu...

Delivery costs will be covered by donor

AMKFSC Community Services Ltd - F

12 Oct 2021

[See more](#)

Milk & Diapers

Family is unable to afford specific brands of milk, (Pediasure Triplesure Ready to Drink Bottled Milk - Vanilla flavour) and diapers (Huggies platinum diapers, size L) for her 2...

Delivery costs will be covered by donor

Care Corner FSC - Toa Payoh

12 Oct 2021

[See more](#)

Mamypoko Standard Diaper Pants - L

Family of 4 with young children aged 3mo and 3yo. Mother is suffering from postnatal depression and is unable to care for the children. Hence, father is the main caregiver of child...

Delivery costs will be covered by donor

AMKFSC Community Services Ltd - S

12 Oct 2021

[See more](#)

Mamypoko Extra Dry Organic Tape Diapers - S (3 - 8kg)

Family of 4 with young children aged 3mo and 3yo. Mother is suffering from postnatal depression and is unable to care for the children. Hence, father is the main caregiver of child...

Delivery costs will be covered by donor

AMKFSC Community Services Ltd - S

[See more](#)

ID	DESCRIPTION DIMENSIONS	VWO POST DATE COLLECTION/DELIVERY	DONATE
99667	Diapers Request Mum aged 19 year old requires the following diapers donation for her toddler. 1)Huggies Gold Pants - Size L. Her spouse is currently more	Monfort Care - Big Love Child Protection Lilys Amirah Abdullah 64450400 lilys.abdullah@montfortcare.org.sg 12 Oct 2021 Delivery costs will be covered by donor	Please click here to donate Share: f t @
99666	Milk Powder Request Mum aged 19 year old requires the following milk powder donation for her toddler. 1) Nestle NAN Optipro HA Stage 3 - 4 tins. Her more	Monfort Care - Big Love Child Protection Lilys Amirah Abdullah 64450400 lilys.abdullah@montfortcare.org.sg 12 Oct 2021 Delivery costs will be covered by donor	Please click here to donate Share: f t @
99665	Blood pressure measuring machine Patient aged 57, divorce with 1 daughter. Daughter is currently no longer in contact with patient. Patient is currently living more	Alexandra Hospital - Care & Counselling Tan Zhi Tong 63793260 zhi_tong_tan@nuhs.edu.sg 12 Oct 2021 Delivery costs will be covered by donor	Please click here to donate Share: f t @

...and claim we want to make a donation! (more on this later)

SwapieSocial: B2B Execution



⚙️ Automation with a human touch:

Contact Person	First Name	Email	Item	VWO	Domain
Tessa Nai	Tessa	[REDACTED]s.org	watercolour paint set	Fei Yue	fycs.org
R.Sangeetha Ivy	Sangeetha	[REDACTED]@amkfsc.org.sg	wardrobe	AMKFSC	amkfsc.org.sg
Anthea Chua	Anthea	[REDACTED]A@hcsa.org.sg	washing machine	HCSA Highpoint	hcsa.org.sg
Norashikin Bte Mohamed Yusoff	Norashikin	[REDACTED]rans.org.sg	refrigerator	TRANS	trans.org.sg
Tan Yi Shin	Yi Shin	[REDACTED]ontfortcare.org.sg	refrigerator	Montfort Care	montfortcare.org
Jane Chua	Jane	[REDACTED]cs.org	refrigerator	Fei Yue	fycs.org
Nur Syahirah Binti Idris	Syahirah	[REDACTED]fsc.org.sg	fridge	Montfort Care	27fsc.org.sg
Rachael Ho	Rachael	[REDACTED]vcs.org	washing machine	Fei Yue	fycs.org
Muhammad Farhan	Farhan	[REDACTED]rhan@amkfsc.org.sg	mountain bike	AMKFSC	amkfsc.org.sg
Amanda Zee	Amanda	[REDACTED]ensociety.org.sg	fridge	SCS	childrensociety.org.sg
Tan Wei Wen	Wei Wen	[REDACTED]kkcs.org.sg	washing machine	KKCS	kkcs.org.sg
Nisa Nurdini Binte Johar	Nisa	[REDACTED]ensociety.org.sg	fridge	SCS	childrensociety.org.sg

SwapieSocial: B2B Execution



Automation with a human touch:

Other typical sequencing tricks: Constant nudging, gradual USP selling, FOMO, etc.

Email

Hey {{first_name:there}}, requesting items for donation?

Dear {{first_name:Sir/Madam}},

I came across your request for {{Item:an item}} on Pass It On – I hope you are doing fine and it has been fulfilled.

On that note, I'd like to introduce to you Swapie, a request system that you can consider using in future. We have been running as a fintech startup, and would now like to expand to serve VWOs as well.

If you're looking to get items that can't be donated (e.g. bread or other perishables), this is the platform for you. How it works is:

1. Submit a request form for the item you'd like to purchase and we'll blast it to our base
2. Pay anywhere from 50% to 98% of the cost upfront
3. Provide our good-doer with instructions e.g. delivery address, time, etc.

With this platform, we aim to build a solution where VWOs can access daily necessities for beneficiaries at a lower cost, while improving transparency for donors, which will hence increase net donation rates.

Would you have 30 minutes for a quick call anytime this week for us to understand if there's such a need within {{company_name:your organization}}?

Regards,
Koh Kang Liang
Founder and CEO | Swapie

RE: Previous email subject line

Hey {{first_name:there}},

Just like to share that I found your email on Pass It On, which is a platform where you have to divulge contact details for donors to contact you.

With Swapie, we will keep your contact details safe from the Internet crawlers like us, and manage the process from request to fulfillment.

Thought this is a rather cool feature that many of our clients have been telling us about – do let us know if this is something important to you.

If there's others, happy to hear from you too. Thanks in advance!

Cheers,

RE: Previous email subject line

Hey {{first_name:there}},

Since this is my final attempt to reach out to you, I'll admit that I'm a bot using my owner's name :(

The alternative is you could have a real 30-min conversation with my master, who's a real human being.

If we don't hear from you, he will likely program me to reach you again in a couple of months' time.


Regards,
011000100110111101110100

SwapieSocial: B2B Execution



Results:

PIO_Generic_FirstName_Jun24

List: PIO_Generic_FirstName_Jun01
Send from: natalie@swapie.co
Total Recipients: 42
 24 Jun 2020, 6:04 PM

132

16 48%




4 12%

● Completed



PIO_Items_Jun02

List: PIO_Items_Jun02
Send from: kangliang@swapie.co
Total Recipients: 50
 11 Jun 2020, 5:03 PM

145

31 62%




19 38%

● Completed



PIO_Items_Jun01

List: PIO_Items_Jun01
Send from: kangliang@swapie.co
Total Recipients: 47
 7 Jun 2020, 7:57 PM

143

37 78%



21 45%

● Completed



SwapieSocial: 3Ps



People

- Once again, highly adaptive people at the process core
- Ability to code-switch and pitch to charities
- By this stage, consistent learning & growth

Process

- The importance of automation with a human touch is again crucial

Performance

- Response rate no longer the next most important, moving ahead it will be fulfillment
- Charities surely are less challenging to reach/approach

SwapieSocial: Reflective Note



General conclusion:


- The solution they somewhat need, but can't really see they want
- Charities do not pay, and cashback couldn't come into play

Takeaways for (social) entrepreneurs:


- Have a clear impact statement before launching anything
 - No budging on that impact statement regardless what users say
- Do not mix rewards/rebates with doing good
- Help is always valued. Take the high ground (appropriately)
 - Our mention of "we're a tech company that suddenly finds that we want to do good in a sustainable way" was rather well-received
 - Opening an approach with "if you're doing X, let me assist you" is good

Gifting.sg: A Quick Note



**GIFTING.SG**


Effective Charitable Gifting Platform



Who Are We?


Gifting.sg works with local SME merchants to reduce prices of essential items, such that everyday donors can co-sponsor them at lower-than-retail prices. These items are then gifted to charities or communities in need.

[read more...](#)




Direct Impact

Every dollar goes to co-sponsoring the product, no overheads.



Bulk Negotiating Power

We work with merchants so you can bless at less-than retail prices.




Reward Points

You actually purchase on merchant website, hence still eligible for rebates!


[Grant a Gift Today!](#)

Gift Now! Support Our Current Causes




BP Monitors

Item Description: Blood pressure monitor for lower-income elderly to monitor their own health at home




Schoolbags

Item Description: simple cartoon schoolbags for lower-income children



Test Item

Item Description: NA
Justification: NA Test



Test Item

Item Description: NA
Justification: NA Test

Learnings: Micro Enterprises



Channels

- Use WhatsApp!
- Whatever gets the message across
- Be pragmatic and spartan



Behaviours

- 90% increase revenue, 10% save costs
- 100% convenience
- Intangibles/visions are the worst pitch possible



Aspirations

- Don't really care about changing the world
- Just want a 1.01x increase in whatever metric matters

Learnings: Non-Profits



Channels

- Use email! Might help in 'formalizing' things
- Be slightly tech-y to break the boredom



Behaviours

- A good 70-80% of their time spent on doing case work on the ground
- Take a quick call that solves an immediate need



Aspirations

- Knock off at 5pm
- Get what my beneficiaries need at the minimal effort
- Community engagement? (minority)

The Road Ahead



- Fintech is not for everyone: an extensive product-market fit study sounds clumsy, but is necessary
- Nothing done in good faith is worth ridicule: consider 20% of your time on doing good
- If there is one customer, there is one one-customer market: keep faith!



About Growth.sg



LeadGrowth

Monthly retainers, brand consulting, paid advertising, channel execution. With a mind of handing over and/or working with new/current in-house staff for longer-term impact.

Useful for organizations in turnover/state of change & need 'plug-and-play' solutions. Usual out-sourced agency work. Full-service agency with all implementation done in-house.

VentureGrowth

Intensive, short-term engagement with entire digital-focused management consulting package: research, proposals, execution, with digital launch channels in mind.

Expect 7-10 ideas/campaigns executed in 3 months. Useful for new product lines or business units with a fixed 'trial' or POC budget.

BusinessGrowth

Ongoing engagement as a cloud, IT, digital services & marketing/channels consultant, provider / implementation arm of the company's IT/marketing department.

Useful for organizations with smaller efforts in both of the above. Hourly consulting model. Best to expect perspective exchanges and ability to work with executives/senior management.

Contact Information



e

klkoh@klkoh.me

(personal email, ideal for any agenda)

pdf

growth.sg/b2bm2021

(download a PDF version of this deck)

in

[/in/klkoh](https://www.linkedin.com/in/klkoh)

(let's connect!)