

Wobe: Entrepreneurial tech for disadvantaged women in SEA

PUBLISHED ON APRIL 16, 2015

BY GABEY GOH

- At its core, it's a micro-business app with an e-wallet
- At its heart, it's about enabling entrepreneurial opportunities for SEA women



TODAY, April 16, marks the soft launch of Wobe (pronounced 'Woh-Bay'), a small startup with a very big mission: To enable the entrepreneurial will of women in Indonesia.

At its core, Wobe is a micro-business app with an e-wallet, designed to make it easy for anyone with a smartphone and mobile Internet access to start a business in selling prepaid phone airtime, electricity and water payment vouchers, and even bus and train tickets.

It is a business and mission borne out of the time founder Adrianna Tan has spent over the years volunteering at non-profit organisations focused on helping women.

The work she got to do in the field let her see up-close what kind of challenges – and opportunities – there are in Asia. It even inspired her in 2013 to cofound the Gyanada Foundation, which works on creating better opportunities for Indian girls from disadvantaged backgrounds.

“Some of the experiences I had while volunteering stayed with me. A little girl told me once that her father had been beating her mom for years, but the moment her mom started to make US\$1 a day selling stuff at the market, he stopped.

Publication: Digital News Asia

Date: 16 April 2015

Headline: Wobe: Entrepreneurial tech for disadvantaged women in SEA

“It resonated with me, and I wanted to see if I could use my tech background to build something that could make someone US\$5 a day,” she explains in an email interview with Digital News Asia (DNA).

The Singaporean entrepreneur is no stranger to the world of technology, having consulted and worked for well-known startups such as Yelp, Uber, Pozible and mig.me.

She’s also no stranger to entrepreneurship, having founded Pen to Pixel, a small app development outfit run out of Malaysia and Singapore in 2009 after she graduated – funnily enough, with a degree in political science from the Singapore Management University.

“I also spent a year working for Silicon Straits in Myanmar, helping launch ideabox Myanmar, Mobile Monday Yangon, and other community-focused movements.

“It was an exciting time being out there doing startup stuff before there was much connectivity,” she adds.

But her latest venture Wobe is not a case of “technological solutionism,” as Tan doesn’t believe that teaching someone to code is going to lift him or her out of poverty or homelessness – and Indonesia is her starting point.

“I want to create a platform that can give entrepreneurial opportunities to all. Indonesia, for all of its obstacles and problems, is extremely entrepreneurial.

“Everywhere I go, I see immense desire to start businesses and improve lives, no matter how small,” she says.

The ultimate end-goal is to let anyone in South-East Asia with a smartphone and mobile Internet start a business.

For the curious, the name Wobe is cheesy shorthand for ‘Women Benefit,’ which encapsulates the startup’s vision: Build tech that can benefit women in South-East Asia.

“We went with it as it sounded positive and fun in Indonesian, and it also translates well into most other South-East Asian languages,” says Tan.

“Rather than being a social enterprise, we see ourselves as a tech and data startup with social impact – that’s very much focused on building out new business models for the bottom of the pyramid in South-East Asia, starting with Indonesia,” she adds.

Defining the problem



A 2011 article by Direct Action reported that around 6.5 million Indonesian women are illiterate, twice the number of illiterate men, and women's participation in higher education is lower.

According to the Indonesian Statistics Bureau, in the Jakarta region, women are 88% of the unemployed, with workers, village housewives, young women and urban poor women being the most disadvantaged segments.

Tan (pic, above) says that much like every other part of the world, lower income groups – especially women – do not tend to have access to the capital that they need to start conventional businesses.

“But Indonesia also loves its mobile phones and social media, and I set about to trying to find some way to make it happen. I went into every community I could find, and I was surprised to see that women were already using their phones in innovative ways to make some money for themselves.

“There was a middle-aged lady in a pretty lower-middle class neighbourhood who was using her phone to sell air-tickets to her neighbours, and she had already made US\$30,000 in air-ticket sales the past month, making a small commission off each ticket.

“We built Wobe for women like her – women who may not join the formal workforce, but who have plenty of entrepreneurial spirit in them,” she shares.

Publication: Digital News Asia

Date: 16 April 2015

Headline: Wobe: Entrepreneurial tech for disadvantaged women in SEA

Getting into the (right) zone

Wobe's debut takes place during the Demo Day of IdeaBox Arena, a tech business incubator powered by local telco provider Indosat in partnership with Swiss venture firm Mountain Partners and supported by Ooredoo Group, a Qatari telco.

With a focus on early stage startups in telecommunications, media and technology, IdeaBox Arana's flagship 120-day acceleration programme is intended to help bring startups from ideas to product.

Wobe has the distinction of being the first and only foreign startup to participate in the accelerator to date.

"As a Singaporean, it would have been difficult to just come to Indonesia to do a startup. I was very familiar with Indonesia, but starting up here is completely different," says Tan.

"Ideabox gave us space, quite literally, to just come here and learn as much as we could about Indonesia. The workspace we work out of, Kejora, which is the home to IdeaBox and other Mountain companies, is one of the hubs for startup and tech activity here in Jakarta," she explains.

She admits that working independently may have been okay, given that this isn't her first tech enterprise, but the opportunity to collaborate and work among like-minded people made for a "wonderful" experience.

"Doing this alongside the other startups that were in IdeaBox with us made it easier to move forward and get things done even when everything is falling apart, as it can seem sometimes when you are operating independently.

"At IdeaBox Arena, we will also have the opportunity to showcase our work to a large number of regionally accredited investors, for whom IdeaBox is one of the places to start looking when they start looking at Indonesia," she adds.

The Wobe team received US\$20,000 from Ideabox, in addition to a US\$30,000 grant from Ooredoo to make its vision a practical reality.

"Like other acceleration programmes, the equity stake of 20% only kicks in after we reach a certain milestone of US\$1 million in valuation," Tan says.

"We are currently looking to raise US\$200,000 to help us grow across Indonesia for the next year and to reach our goal of 500,000 users in 12 months," she adds.

The team currently numbers nine people, with four manning the business side of things and four on product development, while Tan straddles both worlds in her role as chief executive officer.

"We are still at the very early stage where all of us have to do everything at least once. Our future hires will be largely for community growth and business development roles," she shares.

The mobile model



An interesting thing to note, says Tan, is that as a micro-business app with an e-wallet, Wobe boasts a self-incentivising system – it lets people make money through the wallet, rather than outright spend it.

“This gives me many interesting business models to consider, but for the time being, our main revenue stream will be transactional.

“Making 30,000 phone credit transactions a day will net us US\$60,000 monthly in gross profit,” she shares, adding that market research projects also form another revenue stream for the venture.

With Indonesia being a 98% prepaid mobile market, Wobe’s competitors are the mobile phone kiosk guys who sell vouchers from a scratch card or from their feature phones.

“Buying and selling phone credit is not very sexy here, it’s something that your aunt does. But that’s exactly what we want to do – to let anyone be able to sell phone credits as long as they have a smartphone. We have better margins and better customer support,” says Tan.

“We have a simple user interface and you can sell phone credits to anyone in the country no matter where their SIM card was registered.

“Most of the mobile phone kiosk distribution networks have very geographically-limited phone credit distribution rights. We can have you sell phone credits anywhere in Indonesia, and with a better margin, too,” she declares.

From a technology perspective, Wobe’s solution has three distinct components, with the first being a server-side application that receives all the virtual goods through a supplier’s server, and then pushing it to the agent and her customer when an order is made.

The second is a simple mobile application that lets anyone with an Android phone start their own agent business.

The third is a web-based content management system that can push content updates (like articles and surveys), as well as manage users.

Publication: Digital News Asia

Date: 16 April 2015

Headline: Wobe: Entrepreneurial tech for disadvantaged women in SEA

“We also have integration with an e-wallet solution. The most complex part was the integration with the supplier of our products, as they mostly work with banks and convenience stores rather than apps like ours.

“We had to design and develop that part ourselves, with some tweaks made to their own systems,” says Tan.

She admits that the toughest challenge was in figuring out how they were going to sell phone credits, vouchers and all of the things which form the core of the product.

“It’s not like there’s a directory you can go to or a search you can do to find the people who would sell you that. It was three months of utter frustration, and I also became very well-versed with the insanely complex mobile phone and credit distribution system here.

“I honestly think that I might be one of the few people who have gotten so up-close and personal with it, to the point of wanting to just give up because it was too hard. Luckily, my hustling – fuelled by gado-gado [an Indonesian delicacy] – pushed me to find the solutions we needed, and here we have it,” she adds.

Tan notes that Indian companies PayTM.com and Freecharge.in would come closest to what the Wobe team is building in Indonesia, albeit with a different model in play.

Instead of a site or an app that sells phone credits to anyone, Wobe is building out a ‘distributor’ network through its users – low- and middle-income female entrepreneurs who can go out and sell for themselves.

“By creating a self-incentivising ecosystem, we aim to create the largest network of agents here in Indonesia,” says Tan.

“That’s the only way to tackle a market that has poor infrastructure, in which only 20% of Indonesians have bank accounts.

“By equipping agents with a sustainable business model, each of them can serve 50 or more people in their communities, and that extends our reach,” she adds.

Full steam ahead



Adrianna Tan (standing) in a meeting with Wobe users.

With the Wobe app slated to be available for public download on Google Play and MoboMarket from June 2015, the team's next steps are clear.

"We will be laser-focused on growth in the next six months, with an aim to reach 50,000 users by the end of this time period," Tan says.

The team hopes to meet this target with its value proposition of being able to create an income with very little resources – marketed via ground-level engagement for user acquisition and training, while working closely with on-the-ground organisations, both formal and ad hoc ones, to expand outreach efforts.

According to Tan, some major obstacles would be accessibility to smartphones and to the mobile Internet. Though numbers for both are growing, there is still much education needed, especially outside urban areas.

Wobe already has 100 agents in an early trial programme which began two weeks ago after the team ran a few events for user acquisition, and identified key users they wanted to have as early testers. It will soon announce the start of a 500-agent pilot programme across Indonesia.

"They have been very patient with us in terms of us getting things sorted out as we prepare to launch, so all of their feedback, no matter how small, is extremely valuable to us.

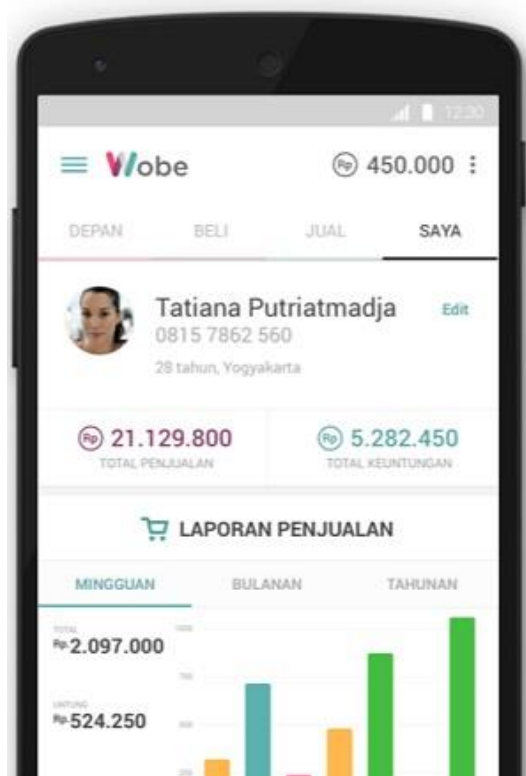
"We did a lot of user research, but there is nothing quite like real life data and results," says Tan.

One lesson already learnt is the need to revise the initial requirement for users to deposit US\$10 into the app before they can start selling items, to US\$5 – the lower amount helps push the ambivalent towards an “Okay, let’s give this a shot as it’s a smaller amount of money to lose if this turns out to be of no use” mind-set.

“We learned also that even though it is commonly believed that middle class women are not sophisticated or adept at technology, they are in fact more well-versed in anything mobile and social than you can imagine,” says Tan.

“They know all about SMS verification codes, connecting their social media profiles, and even had tips for us on UX (user experience) improvements, which we loved,” she adds.

Looking ahead and beyond



Another piece to Wobe’s solution for helping women is the intent to pioneer a new breed of financial literacy and entrepreneurship training courses delivered within the app. This is being done in partnership with Indosat, HaloMoney and e-MITRA.

HaloMoney is an Indonesia-based financial products comparison portal with a focus on improving Indonesians’ overall financial literacy, by helping the public better understand insurance, broadband, banking and loan products.

e-MITRA is a project of the Global Broadband Innovations Alliance, whose work focuses on providing technical advisory services to essential participants in Indonesia’s Digital Financial Services (DFS) sector.

Tackling the issue of education proved to be a steeper hill than the Wobe team originally thought, with the discovery that there was little financial and business information available.

Publication: Digital News Asia

Date: 16 April 2015

Headline: Wobe: Entrepreneurial tech for disadvantaged women in SEA

“We were shocked – if there was any at all, it was targeted at upper-class Jakartans, not to the everyday Indonesian,” says Tan.

“We had to develop, curate and create content that was topical and relevant, and most importantly, delivered in a tone and manner which was neither inaccessible nor irrelevant,” she says.

Written formal Indonesian, which is what most of the content – both online and offline – about money and business tends to be delivered in, is too far-removed from the target user base.

“We aim for content that is fun, useful and applicable. If we were to tell our users about the interest rates of different types of loans or the stock portfolio they should cultivate, they would not be keen,” says Tan.

“What we found interesting was that when we showed different types of content to our users, they were overwhelmingly positive. ‘Wow, nobody has ever taught me about business or money in a way I could understand or care about before!’ was a common refrain,” she declares.

With education efforts an on-going process, the playbook is already mapped out for when the team hits its target of 50,000 users: Unveil new products within the Wobe family to expand the number of ways in which users can make an income.

“We will also be building out our market intelligence layer – when we have 50,000 users, or even fewer, our access to ground-level data on the spending patterns, economic habits and lifestyle preferences of the Indonesian middle class is going to be very valuable,” Tan says.

In terms of potential future market expansion if all goes well for Wobe in Indonesia, she says that Myanmar and Vietnam top the list due to their similarities with Indonesia: They are both developing South-East Asian economies with high growth and huge demographic changes, with a burgeoning middle class.

Despite being a seasoned hand at the rollercoaster ride of building a business, Tan admits that sustaining motivation and drive isn’t easy.

“Most times, when you run a startup, you very often get to a point where you go, ‘What am I doing this for again?’

“I focus on my goals and acknowledge that my team is looking to me for leadership and motivation, and that you really cannot afford to have downtime. You cannot afford to be performing at anywhere less than optimum, especially when you are trying to do something new in a country that you are not from,” she says.

Tan admits that the challenge would have been much harder had she embarked on a venture she had no personal interest in – like selling laundry services on-demand through an app.

“I feel lucky that I was able to build my startup in three areas that my life pretty much revolves around – women, business, and tech.

“When the going gets tough, I either drink negronis [a cocktail] or do yoga, sometimes at the same time. Not really, but close,” she quips.