

RIDING ON THE DIGITAL WAVE

These days, disruption and innovation seem to be the buzzwords. As firms in Singapore continue to grapple with the rapid changes in technology, companies such as Hashmeta and Cactoz have been embracing the digital landscape and the opportunities that it brings to businesses here



CAPTURING ONLINE MINDSHARE

DIGITAL marketing has been gaining prominence in the last decade, but it is only in recent years that small and medium-sized enterprises (SMEs) are recognising its immense potential. But being able to successfully harness it to propel one's business is a different matter altogether. This is where digital marketing solutions firm Hashmeta comes in.

Started in 2012 by three co-founders, it was born out of a vision to help businesses capture mindshare in an online world where information overload is a real challenge. Even its unique name reflects its focus on digital: "Hash" is from hashtag, and "meta" refers to meta tag – a short line of code that helps tell search engines what a web page is about.

Says principal consultant Terrence Ngu: "We built this company on this simple yet powerful idea that effective marketing and good design go hand-in-hand to produce a 'killer' product."

Together with chief operations officer Monica Zhuang and chief technology officer Peh Sek Boon, the trio combined their different strengths to meet an increasingly glaring need in the market. All three had met at their previous workplace, Creative Technology Ltd, before carving out a niche of their own. But like most entrepreneurship stories, it was not all smooth sailing from the get-go.

Mr Ngu shares that Hashmeta is not his first venture. Previously in China to set up an Internet marketing and operations base for Creative, he decided to strike out on his own after a few years. In that time, he had built a sizeable network of engineers, marketers and application developers.

Together with a team of three other partners, he built an Android marketplace which ranked among the top 10 in China in terms of traffic. While that sounds like an impressive feat, the team did not see an opportunity to outcompete the rest of the third-party Android marketplaces in China – more than 300 of them at the time – and so Mr Ngu packed his bags and returned

home to Singapore. He says: "Although my China venture didn't take off as hoped, the experience was enough to show me that digital marketing was at the cusp of a new golden age for marketing."

In 2012 – this time with Ms Zhuang and Mr Peh in tow – he embarked on a plan to develop a product similar to StarNgage, their current marketplace for Instagram influencers, on China microblogging site Sina Weibo. But they had to switch tack as it was too time-consuming and Instagram as a platform had not fully taken off yet.

Incidentally, that was how the company began offering social media and digital marketing services, says Mr Ngu. "Our entry was timely. Businesses were beginning to realise that social media, Facebook in particular, was gaining relevance as a marketing tool. Terms like SEO (search engine optimisation) and SMO (social media optimisation) were still fairly new but marketers understood that if they want to be found online, they'd better learn these things fast."

The trio started by hot-desking at the Nanyang Technological University, taking on any kind of marketing-related projects that came their

way in order to build their portfolio. Work started streaming in, and a year later they hired their first employee – an account manager – and moved into their very own office space at the Mapletree Inno.Centre at Bukit Merah.

Inno.Centre is among the varied space offerings from Mapletree Industrial Trust (MIT) to help small enterprising businesses establish their roots. The small unit sizes make it a suitable choice for e-businesses which do not require large spaces.

Since then, Hashmeta has been hitting milestones at an accelerated pace. For example, a collaboration with Arctic Fox Studio Asia for Jurong Point's Mother's Day campaign in 2015 went viral after it was uploaded on Facebook, with a reach of over a million people.

IN THE BEGINNING
Started in 2012 by (From left) Terrence Ngu, Monica Zhuang and Peh Sek Boon, Hashmeta was born out of a vision to help businesses capture mind share in an online world

According to Mr Ngu, the post was even shared by Prime Minister Lee Hsien Loong himself.

Despite Hashmeta's many achievements, Mr Ngu still counts its growth from its humble beginnings of three people to a staff strength of 29 today as its most rewarding one. But in a competitive, rapidly evolving industry such as digital marketing, Hashmeta cannot afford to stand still.

Mr Ngu says that the company is aware of the need to stay abreast of the latest trends, as well as to build new capabilities to better serve their clients' needs. He points out that last year, there was a growing demand for more visual, video, animation, gamification and blog content. Quick to capitalise on this trend, the company hired its first animator, established close partnerships with photography studios and video production houses, grew its in-house content marketing team, and expanded its research and development team in Nanjing, China.

In addition, the team is working on innovative in-house products such as StarNgage, which is an influencer marketing platform that allows brands to customise, manage, launch and measure Instagram-based campaigns. With experts predicting that influencer marketing will become one of 2017's hottest trends, it is hoped that StarNgage will become a hotbed for individual content creators to work directly with brands, making for a seamless and effective marketing process.

Mr Ngu says that the firm's ability to span the full spectrum of digital marketing solutions gives it its edge. "Unlike most agencies which specialise in specific digital marketing services, our wide range of capabilities across social media, content influencer and search marketing allows us to understand the synergy across different platforms."

Even with its strengths and advantages, Hashmeta is not without challenges – the biggest of which is talent and resource management. As its capabilities and in-house products grow, both its talent and resources have to be constantly re-shuffled and re-balanced. In order for the firm to scale and stay profitable, it had no choice but to remain agile and selectively allocate resources that will contribute to its bottom line, says Mr Ngu.

In the future, the company aims to scale regionally, especially in China, without compromising on service levels. The first step is to develop and improve its products and solutions to better fit the market, which is what their office in China is focusing on. Says Mr Ngu: "By the second half of 2017, we hope to have a functional platform for us to reach out to regional clients, and for local and regional businesses to penetrate into the Chinese market." ■



ON A CLOUD

WHEN it comes to disruptive new technology that changes the entire business or industry landscape, some instinctively see it as a menace. Others, like entrepreneur Derek Ho, view it as an opportunity. In 2010, he saw how cloud and mobility services were revolutionising the way that organisations do business, and how established technology was getting displaced.

Not wanting to miss out, he formed Cactoz, an IT infrastructure and data analytics solutions provider, together with Pan Xiuling, who is now the general manager. "With the cloud-based innovation, businesses are no longer confined to a specific boundary – it is borderless. What we thought was a threat is now an opportunity to venture beyond Singapore, which is constrained by the small domestic market," says Ms Pan.

They are both no newcomers in the technology scene, having previously worked together in an IT company called NTC Integration that Mr Ho co-founded back in 1993. Ms Pan was the business manager then. NTC focused mainly on hardware infrastructure, networking and IT sourcing. Mr Ho had led NTC through the financial crisis in 2007 and 2008 unscathed, with a record high revenue and profit in 2009.

But after 18 years of hard work in the IT infrastructure business that primarily operated in Singapore, he did some "soul searching" and felt a strong urge to start something different. So in 2010, knowing that the company was in good shape, he decided to relinquish his portfolio and stake to his fellow partners.

Several reasons triggered this decision: one, he felt that he has achieved a certain level within the company; second, he saw the need to evolve and transform with disruptive new technologies on the way, and thirdly, he wanted to venture beyond Singapore. He explains: "I am a firm believer of always preparing for the worst while you are doing well. Seeing the emergence of cloud computing and mobility technology, it was important for us to evolve and transform, to be relevant, so that we can extend our 'shelf life'."

When he left in 2010, he did not have the intention to bring along any colleagues from NTC. The only exception was Ms Pan, who had said that she wanted to work with him in his new venture. As they had worked together for several years and shared the same vision and philosophy, Mr Ho agreed.

With that, Cactoz was started with just a two-person team in 2011. It currently operates in Mapletree's Inno.Centre at Bukit Merah, where a large majority of the tenants are in the trades of creative media production, Web and software development, research and IT support.

Cactoz's key solutions are now targeted to help their customers in the distribution and logistics, retail and hospitality verticals. In particular, the latter has limited resources

and high operating costs, so Cactoz not only helps them to fence off online competition, it also directs online audiences back to the stores.

Where distribution and logistics is concerned, the company emphasises centralised computing leveraging on fast deployment via cloud. “Consolidation of information in the cloud allows users to analyse such data and make timely decisions that may be critical to its business operations,” explains Ms Pan.

Despite being a relatively young company, the team has worked on a number of major projects in the past few years. One of its key successes includes securing a project for a large retailer in both Thailand and Indonesia. The company managed to roll out more than 50 outlets and 250 checkouts within three years despite the “massive system integration work”.

“Leveraging on our contacts that we have built up steadily for the past decades, we have a good connection and strong relationships with our regional partners. Our close collaboration with the partners enable us to reach out to our customers at remote provinces – such as Balikpapan in Indonesia, Korat in Thailand – that we can never do it on our own,” points out Ms Pan.

While the company relies on its partners when it comes to infrastructure roll out, important customer data still resides centrally either on cloud or hosted services in Singapore, which is managed by its team. Its overseas projects in 2016 have contributed more than 35 per cent of its bottom line. Both Mr Ho and

Ms Pan believe that this indicated that they have made the right decision to venture abroad.

The team is also constantly working on new developments to stay competitive. One recent development is the convergence of network and mobile applications to create value for timely data analysis. This aims to increase the interaction with in-store shoppers and improve customer service.

The company now has 23 staff. Ms Ho says that its biggest challenge is getting the right talent. “To have the right candidates with the right skillset and the right domain knowledge can be very challenging in Singapore, as Singapore produces a limited pool of local IT professionals.”

Going forward, Cactoz hopes to build a strong partner eco-system in the region. As Asia is very diverse, it can be complex to penetrate a specific country without the support or partnership of locals. With this eco-system, it will help to build the trust and establish the support structure for their regional customers, says Ms Pan.

She adds: “We also want to grow the company organically, explore overseas joint ventures with partners and possibly acquisition opportunities. We need to build



CLOUD NINE

Having worked together previously and shared the same vision and philosophy, (from left) Pan Xiuling and Derek Ho started Cactoz in 2011

PHOTO: YEN MENG JIN

the company to a size that can widen our coverage and benefit from economy of scale.”

Cactoz is also looking to grow and retain its talent pool, which is considered the company’s “most prized asset”. Mr Ho and Ms Pan say that they are formulating a system where colleagues who play a part in the growth of the company will have a stake. “We are a five-year-old company, and we believe that our biggest achievement has yet to come. Whatever successes we have achieved thus far is a team effort. This will push us to work even harder to scale to the next height.” ■

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