

STARTING UP

NEIL SIMPSON speaks with Allan Bennetto from JMango about making a mobile start-up fruitful.

THE TERM 'START-UP' is often associated with the dot-com era of the late 90s, when for a fleeting moment it was easy to attract investors and secure seemingly endless financial backing – until the bubble burst and swarms of eager web entrepreneurs had their dreams shattered by a lack of preparation and commercial uptake. Over the past 10 years the tide has turned and the digital industry has gone from strength to strength. Businesses now thrive on digital products and services that allow us to manage our lives, do business and be entertained.

Curious to know what it's like being a start-up in today's business climate, I spoke to Allan Bennetto co-founder at JMango in Melbourne. While working at the Deloitte innovation labs in 2006 – before the floodgates opened from the iPhone and App Store – JMango's founder, senior software engineer Duc Ngo, created a platform to overcome the issues of developing mobile applications across the various handsets and operating systems. After meeting Ngo, Bennetto and CEO Ilan Oosting used their networks to raise funds to purchase the JMango platform. Now in 2010, JMango is a business on the rise, with offices in Australia, Holland and the Philippines. "Start-ups nowadays are a dime a dozen, which invariably means increased competition across all facets, including innovation, funding and commercialisation," Bennetto explains. "The heady pre-crash days are long gone and I think we are seeing many more business-oriented start-ups entering the space.

"It's no longer just about the big idea, but also a watertight business model and strategy, the right network and a lot of hard work," he continues. "There are also a lot of previously unavailable resources out there making starting-up much easier, such as incubator programs, grants and other resources."

Bennetto goes on to cite technology as the biggest source of change in the industry over the past 10 years. "Due to the amount of competition in the global technology arena the world is now a lot smaller, which means that the commercialisation opportunities for start-ups are far greater than ever before. LinkedIn, Skype, Google Docs, Twitter and the like are all business tools that make it so much easier to operate at an international level, 24/7. From our side, we have managed to put JMango into Europe, South East Asia and South America – all from our office here in Melbourne and all in under a year and a half. That would have been very difficult a decade ago."

"...THE GREAT USER EXPERIENCES START WITH UNDERSTANDING THE CONTEXT IN WHICH YOU ARE DESIGNING YOUR CAMPAIGN."
– ALLAN BENNETTO, JMANGO

Bennetto advises the list of hurdles for start-up businesses is also long. "Funding is probably the biggest issue, and it is tougher this year. I read a recent stat which said that of all tech start-ups, only 10 percent make it past the first year. In most cases, this is not because the idea or plans weren't great – instead it comes back to basic business management, making sure you monitor cash flow, your resources are appropriately apportioned, you have the appropriate governance structures in place, your objectives are set and your strategy is sound. If you have managed to make it past the first year, then the next major hurdle is the expansion phase. Rapid growth can be the downfall of many businesses, particularly if under resourced."

When it started out, JMango had basic functionality and worked only on Java phones. It has evolved through continuous market research, improvements and testing. "Early



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on we were doing some low-level sales activity, although this was secondary because the tipping point of mobile apps and Apple hadn't quite been reached," Bennetto says. "It also allowed us to build the appropriate business foundations to enable us to grow. We released version 2.0 of the platform about a year after we purchased, and it's only in the last nine months that we have focused on the commercialisation process. With the growing momentum from the Apple juggernaut, this process became easier. We now operate across all platforms and have improved our analytics and back-end tools. Functionality-wise, we offer virtually all the latest mobile technologies and are still the quickest application development platform available. As a result, our workforce has tripled and is set to grow again this year."

For a lot of start-ups with the very distant and near-impossible pipe dream of becoming the next Google, finding a backer is a daunting prospect. As well as having a unique product or one that is an improvement on its competitors, you'll need a good business plan that sets out clear and reasonable objectives and financials. "The days of three-page PowerPoint presentations with a price tag are over. The more work you put in on the front end, the better chance you'll have of gaining investor confidence. Funding is also a priority – whether it is self-financed or funded by angels or heavyweight investors, success will often only come if you have adequately financed your operation. While there might be a few 'garage days' stories still floating around, they are few and far between. Overall, it is important to keep everything in perspective and maintain passion and enjoyment."

On the importance of user experience to any mobile start-up, Bennetto advises that context is often overlooked with the mobile experience. "Smartphones bring new power to the handset and this is great for a business like JMango," he says. "However, initiatives that take into account the true value proposition of mobile are the ones that stand out. Whether it be your phone doubling as a credit card/mobile wallet, being able to use location-based services in real time, accessing real-time content on the move such as game stats or schedules, or interacting with the physical world around you as is the case with QR Codes, the great user experiences start with understanding the context in which you are designing your campaign."

Envisaging a future where mobile will eventually become the remote control of our lives; Bennetto sees this already happening in Asia where people, particularly those in poorer regions, use their mobile as a tool to go about their daily business. "They are leading the way with what is possible even with the most basic mobile phones, and the world is slowly waking up to the possibilities. QR Codes are associated with Japan as an example of digital innovation, however, the concept is quite simple and has been commonplace for many years. Hopefully, more of these technologies that are being proven in Asia will roll out to the rest of the world. Interestingly, the Asian market has clearly demonstrated that there are significant revenue opportunities for applications and mobile innovation outside of the iPhone."

As for 2010 it looks like being the biggest year yet for JMango. "We are close to setting up offices in Brazil, Turkey and the US, as well as expanding our footprint in Asia, and we have some pretty unique QR Code technology that we are working on as well as some other JMango-based products in the area of mobile money. It's all coming along very nicely." **DT**

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