FOUNDERS
FORUM
ASIA

ASIA TECH TRENDS 2023

Key Takeaways From Founders Forum Asia

CONTENTS

Andrea Baronchelli
Aspire

Natalie Black
HM Trade Commissioner
for Asia Pacific / GBxAsia

INTRODUCTION

By 2025, Southeast Asia's digital economy will be worth $330b, Generation Z will make up a quarter of the population, and India will be home to 250 unicorns.

So what's driving Asia's standout growth? At FF Asia 2023, leading tech startup founders shared their insider insights on the trends shaping the region's future.

We heard founders share their personal stories of global expansion, $100m+ fundraising rounds, and turbo-charged, product-led growth.

We learned about fintech's next evolution, exciting innovations in ecommerce, and how founders are building brand new business models with ChatGPT.

And we got the inside story of the eleventh hour deal between SVB UK and HSBC.

Over the course of the day, five major themes emerged:

Building the Region. Growth versus profitability.

AI Revolution. ChatGPT's big impact.

Connecting Commerce. Scaling brands and untapped markets.

Next Phase For FinTech. Record raises and neobanks.

Climate Ground Zero. Operating on the frontline.

Read on to discover the trends shaping the future of Asia tech.

Cover (top to bottom):
Anuj Srivastava (LivSpace),
Roshni Mahtani-Cheung (The Parentinc),
Tan Kiat How (Singapore Government).

Content: Marco De Novellis

Design: 7nine.uk

BUILDING THE REGION

> “Southeast Asia can be the world’s next growth engine, especially in the digital space.”

Tan Kiat How
Singapore Government

Talent Wars

Over 60% of the world’s youth live in the Asia-Pacific. Young, tech-savvy consumers, with rising disposable incomes, are the drivers for the next phase of growth. Already, companies are starting in Asia and going global. But for high-growth startups, recruiting tech and executive talent is a challenge.

To attract overseas talent, Singapore offers the Tech.Pass for established entrepreneurs and has just launched the personalised, five-year Overseas Networks & Expertise Pass. Government associations also help companies gain a foothold in overseas markets, while the Skills Ignition SG program, delivered in partnership with Google, has trained over 5,000 Singaporeans in digital marketing and programming..

East + West

China and the US are taking a more protectionist stance, but the wider world isn’t divided between East and West. In Southeast Asia, the new reality is fluid and multidirectional. Companies are being opportunistic, drawing in business and investment from all sides.

For some founders, positioning as a Singapore-based startup, in a ‘neutral’ territory, has helped. Those expanding across the region should hire local talent and build local teams. The first market you enter can be torture, but expanding into one country gives you a playbook for the rest.

While you can’t ignore China, you can’t rely on it anymore. Management systems aren’t standardised like in the West. B2B SaaS companies have to customise their offering for each client, and many are losing money.

Tan Kiat How
Singapore Government

> “We use Singapore as our hub, to create synergies with businesses across the region.”
>
> **Andrea Baronchelli**
> Aspire

Growth < Profitability

Southeast Asia-based VCs closed 31 funds and raised over $4b in 2022, topping their pre-pandemic performance. Yet the second half of the year saw a significant slowdown. Founders in Asia, like the rest of the world, are balancing growth with profitability.

Still, there is capital ready to be deployed. Andrea Baronchelli’s Aspire raised $100m in its Series C round in February 2023. He takes a phased approach to growth. If a decision delivers growth after three months, but doesn’t deliver profitability within a year, he doesn’t take it.

While it took 50 years to build the Bay Area, Asian markets are still in their first cycle. In India, companies have barely started delivering liquidity events for shareholders – the next 10 IPOs will create the next big wave of businesses. Late-stage, profit-generating startups should consider board diversity and independence, implement compliance frameworks, and take decisions now to be ready to list.

Consolidation Curve

From food to ecommerce to mobility, Asian markets are seeing more consolidation. Indonesia’s two biggest startups – the ride-hailing app, Gojek, and the marketplace, Tokopedia – merged to form GoTo in 2021. GoTo is now the largest technology group in Indonesia, capturing around 70% of national household consumption.

Carolyn Dawson (Founders Forum Group)
& Tan Kiat How (Singapore Government)

$4.41 bn

Raised by Southeast Asia VCs in 2022.

DealStreetAsia

Ernest Fung
GoTo

Oliver Tan (ViSenze) &
Roshni Mahtani-Cheung
(The Parentinc)

FOUNDERS FORUM ASIA

AI REVOLUTION

"Chat GPT has triggered a paradigm shift that will impact every industry."

Jeffrey Tiong
PatSnap

ChatGPT Or Else

Jeffrey Tiong started PatSnap with just S$55k from a student startup grant. Now, the R&D intelligence platform boasts 10,000 customers across 50 countries. PatSnap raised $300m at a unicorn valuation in 2021. Now, the whole company is pivoting to embrace ChatGPT.

Companies that don't invest in generative AI today could become obsolete. But building capabilities will take time. In the short term, founders should tap into OpenAI's models. In the long term, founders should invest in their tech infrastructure, recruit the right talent, and build their own

Next-Gen Innovators

You don't need programming expertise to build an app anymore. With large language models, anyone who can write a sentence in their own language can create a web app, ecommerce platform, or even a crypto currency.

Models like GPT-4 will soon be integrated into everyday apps. Generative AI's ability to mimic human-level cognition across text, language, and vision, will bring new breakthroughs in innovation

Jeffrey Tiong
Patsnap

Kay Vasey
MeshMinds

FOUNDERS FORUM ASIA

> "Build strong products that last – that will ultimately drive the next stage of growth."
>
> **Ernest Fung**
> GoTo

Michael Lints
Golden Gate Ventures

Retail's New Awakening

Expedia, Instacart, Shopify, and more retail and ecommerce platforms have already built ChatGPT plugins. Shoppers can use Klarna's new plugin to ask for personalised product recommendations.

Generative AI will awaken the raw digital wallet power of 400 million online shoppers in Southeast Asia, but existing jobs are at risk. Soon, more workflows will be automated, AI will write multilingual marketing copy, and AI-generated humans will model clothes online.

Cristina Ventura
White Star Capital

33.1%

The projected annual growth rate of the Asia-Pacific generative AI market – the world's fastest-growing market.

KBV Research

Dr Angad Chowdhry
Quilt.AI

FOUNDERS FORUM ASIA

CONNECTING COMMERCE

> “Organise the supply side and create the right value proposition – that’s how businesses will win in this region.”

Anuj Srivastava
Livspace

Data Money

Southeast Asia leads the world in ecommerce growth. Revenue is expected to exceed $127b in 2023 and turbo-charged markets, like the Philippines and Malaysia, are growing by over 20%. To diversify revenue, more firms are now monetising the traffic and data they generate.

After Anuj Srivastava’s Livspace acquired Qanvast in December 2021, he started thinking about how to monetise the behaviour of consumers on the platforms. Now, around 20% of his overall business comes from database monetisation. He’s seen interest from financial services, real estate, and homeware brands.

Success By Supply

Asian markets are big but very fragmented. Companies that organise the supply side will win. While Apple and Android gave independent app creators the ability to participate in a managed marketplace system, LivSpace does the same for home interior design and renovation.

LivSpace started by hosting the fragmented ecosystem of manufacturers, designers, and contractors on its platform. It then became the brand and the effective underwriter of the economy, pricing things that nobody else could. The value proposition is stability of demand and income for sellers. Whereas loyalty is limited in an open marketplace, in a closed structure more brands are happy to stay with the platform and make a reliable ROI.

Left to right:
Julien Mialaret (Eurazeo),
Kiren Tanna (Una Brands)
& Ryan Manafe (Dagangan)

> “We want to be a billion dollar house of brands, based in Asia and taking brands global.”
>
> **Kiren Tanna**
> Una Brands

$1 trillion

The projected GMV of Southeast Asia’s ecommerce market by 2030.

Google

Left to right:
Cristina Ventura (White Star Capital), Oliver Tan (ViSenze), Roshni Mahtani-Cheung (The Parentinc), Dr Angad Chowdhry (Quilt.AI) & Steven Wongsoredjo (Super)

Ryan Manafe
Dagangan

Brands That Scale

Roshni Mahtani-Cheung built The Parentinc into the largest content-community-commerce platform for parents in Southeast Asia. She did so with no competitors, targeting pregnant mothers in an ecosystem dominated by men. Now, 70% of pregnancies in the region are registered on the platform and The Parentic manufactures and sells baby products back to the community.

Still, while many B2C brands in Southeast Asia reach $1m in revenue, scaling beyond that is a challenge. With Una Brands, Kiren Tanna is looking to build the next Unilever for the online world, buying and building brands across the Asia-Pacific.

Since its launch in 2020, Una Brands has raised over $100m, acquired more than 20 online-only brands, and helped grow many of them from $1m to $10m in revenue, supporting product launches and new country and channel expansions.

Beyond the City

43% of the Indonesian population lives in rural areas. But the heavy goods they consume make ecommerce deliveries expensive. Instead, people ride back and forth from cities on motorbikes, transporting rice, cooking oil, and building materials themselves.

To solve this problem, Ryan Manafe’s Dagangan has built up a network of over 40 micro hubs in villages across Indonesia to provide rural communities with easier access to daily necessities at a lower cost. The company helps brands enter rural markets, sharing their consumer insights in return for a share of profit margins.

Steven Wongsoredjo’s Super is a social commerce brand that empowers local community leaders to become self-made entrepreneurs. It has raised $106m and is the first Indonesian consumer tech company to be backed by Y Combinator, SoftBank, and NEA.

NEXT PHASE FOR FINTECH

> "Fintech is a great success story of Southeast Asia."
>
> **Natalie Black**
> HM Trade Commissioner for Asia Pacific / GBxAsia

Growing Pains

Fintech startups in the Asia-Pacific raised a record $50.5b in 2022. But 70% of Southeast Asia's adult population is either unbanked or underbanked. To fuel the next phase of growth, founders need more infrastructure and the talent to build it.

Startups are mostly operating on the 'tech' side of fintech, building software and working with existing financial organisations to grow fast, achieve higher multiples, and stay flexible. But, as their companies grow, countries and regulators will expect founders to illustrate their staying power, apply for licences, establish operations, and move towards the 'fin'.

Competing On Cost

While traditional financial services organisations have big teams and high operating costs, fintech startups are finding ways to keep costs low and gain a competitive edge.

Tushar Aggarwal's Stashfin uses automation. Stashfin is India's largest consumer lending platform and has raised more than $440m, but only employs around 130 people. In the customer service team, five people look after millions of customers. Stashfin's revenue per employee is close to $4m.

Tashar Aggarwal
Stashfin

Yinglan Tan
Insignia Ventures

> “We want to be where the action is and where founders see opportunity – Asia is a natural market for us.”

Stuart Tait
HSBC

Target Markets

Of the 1.4 billion people in India, the top 30 million are serviced by incumbents. Half a billion are employed, but don’t have access to basic financial services beyond a bank account. Tushar launched Stashfin for those underserved middle class consumers. While Stashfin does payments, lending, and insurance, it avoids traditional banking areas with tighter margins, like deposits and overseas transfers.

Tushar’s company receives around two million loan applications per month and closed $10 in profits this financial year. Now, he’s looking to expand into customised insurance – partnering with telecom, ride hailing, and food delivery companies – and readying for an IPO in 2024.

70%

of Southeast Asia’s adult population is either unbanked or underbanked.

Bain & Company

Erin Platts (SVB UK)
& Stuart Tait (HSBC)

CLIMATE GROUND ZERO

> “Asia is ground zero for climate risk.”
>
> **Parag Khanna**
> Climate Alpha / FutureMap

On the Frontline

Temperatures are rising two times faster in Asia than the global average. But there’s no pan-Asian climate governance to make economies and supply chains greener, sustainability incentives are being exploited, and founders have to navigate cost-conscious consumers and governments.

For the first time in 2022, Southeast Asia climate tech startups raised more than $1b, an 80% increase on the previous year. But that’s still less than 3% of global climate funding. Founders need working capital to disrupt supply chains and clean up production.

Action Now

There are three Ds for firms chasing net zero to consider: Decarbonisation, Digitalisation, and Disclosure. Founders need to generate data to prove their climate impact and report on it. We can’t wait for the next big breakthrough; we need to use existing solutions to solve climate challenges and protect vulnerable populations now.

Take rice farming. Southeast Asia accounts for 30% of the world’s rice harvest. Many of the estimated 100 million smallholder farmers in the region use diesel-powered water pumps. Replacing these with solar pumps, with low operating costs, is both climate-friendly and profitable

Parag Khanna
Climate Alpha / FutureMap

“This isn’t about the destruction of the planet; it’s about the extinction of the human race.”

Vinesh Sinha
FatHopes Energy

Pricing Geography

If the world’s population will exceed nine billion by 2050, where will we all live? Parag Khanna founded Climate Alpha to provide an algorithmic answer to that question.

Climate Alpha prices the future of geography by pulling together climate models, real estate transactions, and other economic factors, and training them through AI to predict which geographies will be the most resilient and valuable in the future, and what the price of assets should be. Founders too should start pricing climate risk in their business models.

As economies across the continent mature, populations grow, and Southeast Asia tech approaches its $330b market value, climate should be at the forefront of every founder’s mind.

Vivek Lath
McKinsey & Co

2x

The rising rate of temperatures in Asia compared with the global average.

IMF

Stephanie Dickson
Green is the New Black

“Net zero is our north star, and we’re all working towards it.”

Stephanie Dickson
Green Is The New Black

2023 AGENDA

Building a High Growth Regional Company From Singapore	Andrea Baronchelli (Aspire) in conversation with Aakash Kapoor (Sequoia)
Building Growth, Innovation, and Sustainability in Tech in SEA	Dr Angad Chowdhry (Quilt.AI), Oliver Tan (ViSenze), Roshni Mahtani-Cheung (The Parentinc), Steven Wongsoredjo (Super) Moderated by Cristina Ventura (White Star Capital)
Family Offices Unfiltered – Investing Like an Institution	Kevin Bong (GIC), Weiling Chua (One Hill Capital) Moderated by: Rajeev Natarajan (Iconiq)
Famine and Feast, and Famine Again? Building a Global Startup From Singapore and Reflections Over the Last Decade	Jeffrey Tiong (PatSnap) in conversation with Kuo-Yi Lim (Monk's Hill Ventures)
FinTech - What Will be the Next Evolution of FinTech in the Region?	Ahmed Aljunied (Pinhome), Andrea Baronchelli (Aspire), Moses Lo (Xendit), Tianwei Liu (Fazz), Willy Arifin (Koinworks) Moderated by: George Kesselman (Insurtech Asia Association)
FoodTech - What Are the Trends in FoodTech, Agri, and Aquaculture Tech	Caroline Craggs (Intelligent Growth Solutions), Frantz Braha (SaladStop Group), Mihir Pershad (Umami Meats), Xuan Feng Ong (Two Trees Capital) Moderated by: Sameer Mehta (DGSCP)
GreenTech/ClimateTech - Helping the Planet Be Sustainable With Technology	Jianrong Liu (Decarboniztion Partners), Steve Melhuish (PropertyGuru), Vinesh Sinha (FatHopes Energy) Moderated by: Vivek Lath (McKinsey & Co)
HealthTech – Tackling Wellbeing and Mental Health with Technology	Dr Lihan Zhou (MiRXES), Tushar Vashisht (Healthify Me), Wai Mun Lim (Doctor Anywhere) Moderated by: Gavin Teo (Altara Ventures)
How to Build a Tech Giant - From Tokopedia to GoTo	Ernest Fung (GoTo) in conversation with Yinglan Tan (Insignia Ventures)
Increasing Ecommerce Profitability in an Unpredictable Marketplace	Anuj Srivastava (Livspace), Ryan Manafe (Dagangan) Moderated by: Ankit Agarwal (McKinsey & Co)
Insights into the Geopolitical, Geoeconomic, and Geo-Technological Shape of the Future	Dr Parag Khanna (FutureMap) in conversation with Yinglan Tan (Insignia Ventures)
Profitable Sustainability and What That Means for Tech Businesses in SEA?	Djoann Fal (Atlas Capital), Esther An (City Developments Ltd), Sherif Elsayed-Ali (Carbon Re), Szue Hann Tan (Keppel Land) Moderated by: Stephanie Dickson (Green Is The New Black)
Rising Star Bursts - Next Generation of SEA Tech Unicorns	Kiren Tanna (Una Brands), Ryan Manafe (Dagangan) Moderated by Julien Mialaret (Eurazeo)
Sustaining and Building on the Growth and Tech Innovation in the SEA Region	Tan Kiat How, Senior Minister of State for National Development, Communications and Information (Singapore Government)
The HSBC/SVB UK Deal	Erin Platts (SVB UK), Stuart Tait (HSBC) Moderated by: Joe Wei (White Star Capital)
Web 3.0 - How Southeast Asia is Poised to Become a Global Technology Hub By Capitalising On Emerging Opportunities and Innovations	Beatrice Lion (True Global Ventures), Casper Johansen (The Spartan Group), Dominic Powers (Dentsu), Mark Chavez (Giant Monster Pte Ltd), Neeraj G Roy (Hungama Digital Media Entertainment) Moderated by: Kay Poh Gek Vasey (MeshMinds)
What Are the Challenges, Opportunities, and Solutions For Founders Building World-Leading Tech Companies in the SEA Region?	Tushar Aggarwal (Stashfin) in conversation with Michael Lints (Golden Gate Ventures)
Where Will the Creative Economy Lead Founders?	Anuj Srivastava (LivSpace) in conversation with Mercedes Ruehl (The Financial Times)

OUR PARTNERS

adyen

FT FINANCIAL TIMES

McKinsey & Company

SVB UK

SINGAPORE EXHIBITION & CONVENTION BUREAU

WHITE STAR CAPITAL

Erin Platts (SVB UK) & Michele Ferrario (StashAway)

STAY IN TOUCH

Our Upcoming Events

We host our flagship forums across three continents, uniting scaled founders, top investors, CEOs, and global thought leaders to tackle the world's most pressing questions.

Founders Forum	FF Europe	FF North America	FF Asia
LONDON	**BERLIN**	**NEW YORK**	**SINGAPORE**
13-15 June 2023	9-10 October 2023	7-8 November 2023	April 2024

If you're interested in attending one of our events, or partnering with us, reach out to **theteam@ff.co**.

Our Newsletter

Founders News – FF's curated community newsletter – is our fortnightly roundup of the latest startup stories and insights from trailblazing entrepreneurs, top investors and corporate leaders.

Click here or scan the QR code to subscribe

Richard Branson
Virgin Group

Evan Spiegel
Snap Inc.

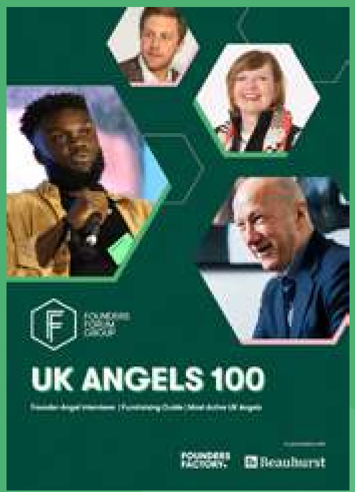
Arianna Huffington
The Huffington Post

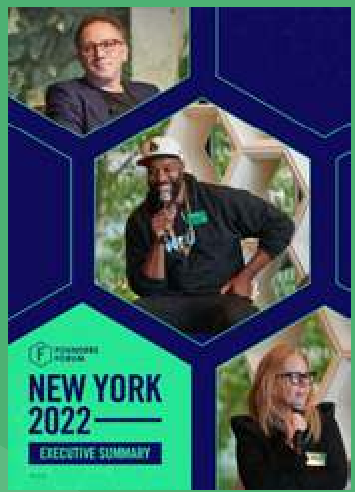
FOUNDERS FORUM ASIA

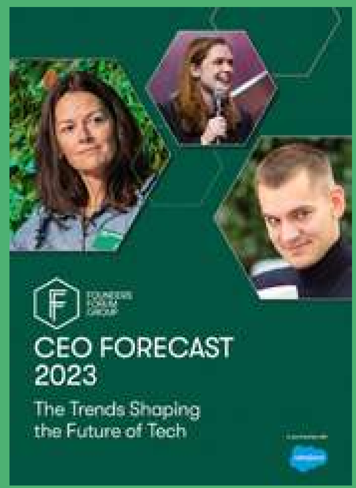
PARTNER WITH US

Want to get in front of our audience of top founders, investors, and corporate leaders?

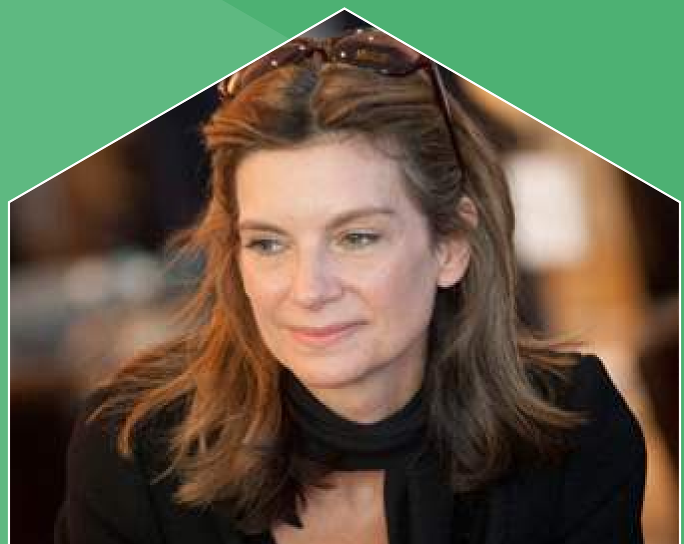
Founders Insights is our digital content offering, delivering cutting-edge insights from the biggest names in tech.







Interested in sponsoring a report like this one?
Contact our Editor, **marco@ff.co**.



Natalie Massenet
Net-a-Porter

500k+
Average reach of our content campaigns.

500+
Downloads of our reports within one month of publication.

60%+
of the leads we generate are C-Suite leaders and decision-makers.

Jimmy Wales
Wikipedia

FOUNDERS FORUM ASIA