



10 Start-Ups to Watch Out for Valuable Lessons in Expansion and Customer Diversification

If you are the founder of a start-up, considering floating one, or a business in the making, you would agree that there is no better learning ground than a path already walked by another business. In the words of German author and diplomat Otto von Bismarck, "Only a fool learns from his own mistakes. The wise man learns from the mistakes of others."

And, you sure want to take the wiser way! To help you with the right examples that you can follow, we've curated a list of 10 start-ups that cover a diverse set of geographical pockets, so you can take valuable lessons in expansion and effective diversification of your customer base.

The featured start-ups have had their share of challenges, failures, and hiccups before they climbed the peak of success and made a niche for themselves. One of their major goals in this journey was expansion, with an overarching vision of diversifying their customer base.





Five start-ups in the
Middle East to learn from

1

Swvl

If there are lessons on expansion and good business to be taken, Swvl is the best example. The Dubai-based mass transit and shared mobility services provider Swvl was recently in the news over its plans to go public through a special purpose acquisition company (SAPC) in the fourth quarter of this year. This made Swvl the second technology start-up from the Middle East to list on the Nasdaq stock market and the first from the region with a \$1.5 billion valuation. Under its expansion plans for Europe, the company also bought Shotl, an Uber-like service in Barcelona for bus and van operators.

“A disruptive platform that solves complex challenges and empowers underserved populations. Having established a leadership position in key emerging markets, we believe Swvl is ready to capitalize on a truly global market opportunity,” Victoria Grace, founder and CEO of Swvl, said.



2

Speero

Saudi Arabian entrepreneurs Abdullah Bin Shamlan and Ameen Mahfouz, founded Speero, a Riyadh-based online car parts seller, out of their frustrations with getting a car serviced. The company has grown quickly since its inception in 2017. Speero raised \$1.8 million in an early stage (pre-Series A) funding round and, to date, it has raised nearly \$3m, with backing from international and local investors. The company's journey of expansion will be interesting to watch and one with a lot of handy lessons for aspiring entrepreneurs. Speero is looking at expanding to the UAE in the coming year.

"Vendors seek solutions that will help create access to growth opportunities, while customers today want a convenient, affordable and digital first approach to their vehicle ownership experience. With Speero we are building just that," said Abdullah.



3

Kitch

Another start-up to watch out for and learn about in the cloud kitchen space is Dubai-based Kitch, a hybrid delivery-focused cloud kitchen business. One of the few businesses in the region that were unfazed by the impact of the Covid 19 pandemic, Kitch was founded during the pandemic and flourished at the same time, making it exemplary in a true sense. The company seeks to expand an additional 15 units across the GCC this year.

“Our operational value-chain model and carefully curated portfolio of brands will reimagine the restaurant experience, allowing consumers to enjoy high-quality food from the comfort and convenience of their homes, and at the same time provide food concept owners a platform to explore the market and increase their customer base beyond their physical locations,” Walid Hajj, CEO and cofounder of Kitch, said.



4

Mabaat

Mabaat is a Riyadh-based marketplace for short-term rentals that recently raised 9 million Saudi riyals (\$2.4m) to expand operations, hire new talent, and broaden its reach across the region. Mabaat, which was founded in October 2019, boards properties and administers them on behalf of owners, offering mid-to-high-end private houses and complexes located throughout the kingdom's major areas.

“Mabaat’s innovative platform is unique as it offers property partners higher occupancy levels at attractive rates. With this direct support that we have received from the Saudi government and our partnership with the Ministry of Investment and Tourism, Mabaat is now well-positioned to disrupt the alternate accommodations market throughout the Kingdom,” Talal Al Sorayai, CEO of Mabaat, said.



5

One Moto

One Moto, an electric bike-maker in Dubai, founded by Adam Ridgway, is revolutionising the way people drive and opt for electric vehicles. The company is chasing the goal of raising the number of electric bikes to more than 23,000 in the region by 2023.

“ONE MOTO are more than a provider of sustainable mobility, we are environmentally focused and aligned with the 17 Sustainable Development Goals of the UN,” said Ridgway. “This is an audacious task with a long road ahead, but our vision and team’s dedication will get us there. Customers who purchase the vehicles benefit from the carbon offset, Green PR and government grants, whereas those who lease the vehicles benefit from the profitability and sustainable.”





Five start-ups from around
the world to learn from

1

Moglix

Moglix, an industrial business-to-business marketplace in India, recently entered the UAE market after raising \$120 million in its latest funding round that valued the company at \$1 billion. The company is operating from Abu Dhabi and plans to expand operations across the Middle East. Moglix provides solutions to more than 500,000 small and medium enterprises and 3,000 manufacturing plants and has raised \$220 million in financing to date, giving it a \$1 billion valuation.

“We started six years ago with a firm belief in the untapped potential of the Indian manufacturing sector. We had the trust of stalwarts like Ratan Tata, and a mission to enable the creation of a \$1 trillion manufacturing economy in India. Today, as we enter the next stage of our evolution, we feel this financing milestone is a testimony to our journey of innovation and disruption,” said Rahul Garg, founder and CEO of Moglix.



2

Stripe

Digital payments company Stripe has entered the Middle East market with the opening of an office in Dubai after raising \$600 million last month that valued the company at \$95 billion. The company, which has its main bases in San Francisco and Dublin, has partnered with Dubai-based Network International, one of the top payment processing companies in the Middle East and North Africa, to roll out its services in the region.

“The smartest thing that Stripe did, apart from targeting the payment technology space, was to become a developer-first product,” said Sayid Shabeer, who is the Chief Product Officer of HighRadius. “They used the word-of-mouth growth engine of the developers to create a community that was self-sustaining.”

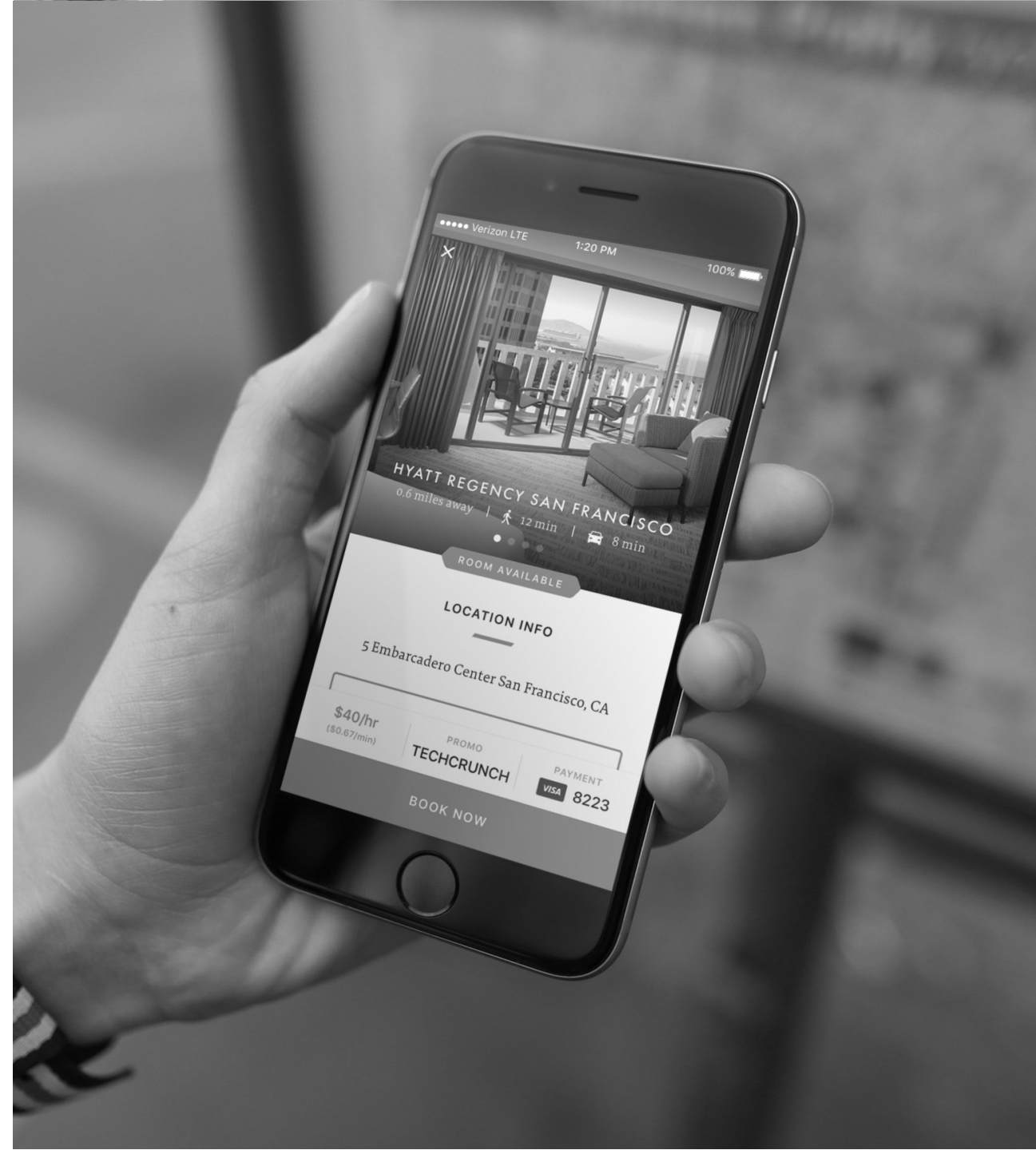


3

Recharge

Branded payments firm Recharge started operating in the GCC market after raising €10 million (\$12.2 million) in debt funding in March 2021. Recharge has launched its services in the UAE and Saudi Arabia, and plans to expand to Bahrain, Qatar, Kuwait, and Oman in the coming months.

Günther Vogelpoel, CEO of Recharge.com, said in a statement: “We live in a world of instant wish fulfillment, from taxis that appear on demand to same-day delivery of consumer goods. Recharge.com gives customers a fast, safe and simple way to fulfill their wishes, whether that’s an essential remittance or access to digital goods and services.”



4

Chipper

An African financial start-up Chipper has seen a strong growth trajectory wherein the company raised \$13.8 million in Series A before raising an African fin-tech start-up raised \$100 million in a Series C round. The company's expansion has been head-turning, to say the least. It has more than 3 million users and processes around 80,000 transactions every day.

“Our approach to growing products and adding products is based on what our users find valuable. As you can imagine, crypto is one technology that has been widely adopted in Africa and many emerging markets. So we want to give them the power to access crypto & to be able to buy, hold and sell crypto whenever,” said Ham Serunjogi, CEO of Chipper.



5

ApplyBoard

A Canadian start-up scaled the ladder from being a start-up to a unicorn in a matter of a few years. The growth is inspiring as well as exemplary. ApplyBoard, a company that works to simplify the study abroad search, application, and acceptance process by connecting international students, recruitment partners, and academic institutions on one platform, was founded in 2015 by Martin, Meti, and Massi Basiri. To date, ApplyBoard has grown to become the world's largest online platform for international student recruitment and was named the fastest-growing technology company in Canada. Last year, ApplyBoard was ranked 3rd on LinkedIn's Top Start-ups List in Canada. The start-up has raised a total of CAD \$600 million in funding, with the last raise valuing the company at CAD \$4 billion, making it one of the few unicorn companies in Canada.

"Now, we are going to replicate our practice in Canada in the other major, core markets as well. Students using ApplyBoard can apply to universities and colleges in the UK, Australia, Canada, and the United States in literally one application. Our mission is to make education more accessible for students around the world," said Martin Basiri, CEO of ApplyBoard.



What lessons are you taking away from this list?

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