

Digitalization areas for Singapore heartland entrepreneurs

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Enterprise Singapore caught my attention with the following statement: “These heartland merchants also find it difficult to curate and source for suitable digital solutions at reasonable costs. In addition, the COVID-19 pandemic has heightened the need to go digital.” This is indeed true. There are literally tens of thousands of solutions out there from various categories.

Furthermore, each business is different. There is no one size fits all solution. Each heartland entrepreneur has to fork out additional time to try out each digital solution outside of their regular work. That statement was released in May 2020 when heartland entrepreneurs were struggling with reduced traffic due to Covid-19.

For most heartland entrepreneurs, their primary motivation for digitalization would be marketing to drive sales to cover their operational cost such as salaries, rent (or what’s required in the long term despite legally enforced rent reduction), financing and other operational costs. This might cause them to neglect other vital areas for digitalization.

Digital Tools for Marketing/Communications

Website, social media (Facebook, Instagram, Twitter), livestreaming are the typical marketing tools to sell any kind of products possible. Besides being a marketing tool, they are also a form of entertainment where people buy from you because they can interact and crack jokes with you.

The famous Singaporean comedian, Wang Lei, naturally attracted a wide range of fish buyers when

his stage was closed by covid-19. It could be that he is a celebrity or due to the novelty of livestreaming, he can easily receive over 500 orders per viewing.

Livestreaming is not limited to selling seafood, it is used to sell everything from promoting merchandise to send political messages. Indeed, for most heartland entrepreneurs, it is natural for them to go to the customers if the customers are not coming to them. They will need to budget finances and resources for various communication aspects such as advertising, search engine optimisation, posts on social media and so on. Every business has its own effective method of marketing.

Tools for Internal Process & Logistics

A new problem will arise if you are successful in your marketing efforts. How would you fulfil your orders? Wang Lei was 'punished' for his success when he had to take 300 to 500 orders physically after each session. He almost gave up livestreaming because it was not worth spending 7 hours to take down his orders. Muhammad Noor had \$400 worth of sales in 10 minutes from his Tekka market store which forced him to stop livestreaming because he didn't know how to deal with it.

Internal process helps you in creating your product or services. They define how you deliver them to your clients effectively and productively. Different industries will have different approaches. For instance, 3E Accounting used double robotics to communicate effectively to their clients which allowed them to deliver their financial statements two weeks faster. If you are selling a product, you will probably require product delivery service from last mile logistics provider such as Ninja Van or Singpost to be integrated to your inventory management system.

For some business, customer relationship management are optional internal process. For others heartland business which are relationship based such as florist, hairdressers and even cafes and sell customized products at higher price points, they might consider to implement CRM as the cost of customer acquisition is high.

Tools for Sales & Payment Process

PayNow is the prime digital tool for payment now for most heartland entrepreneurs. However, you will require better sales and payment service if you are selling packages or large ticket items (e.g. furniture) with deferred payment or contracts. Or you are creating paid seminars for 100 persons per seminar and you are looking at doing 10 different seminars this year.

Then you have to have the software to select the date for each of client, collect payment and get them to agree or e-sign on the terms and conditions. It has to be smooth and fast for it to be effective. You have typically 3 minutes for retail customers to sign a simple package at the counter or 10 minutes for a more complex package once their decision is made.

A more common heartland entrepreneur who needs more complex payment method would those providing long-term regular services such as grooming (e.g. hairdressing, facials, spas), medical (e.g. TCM, chiropractor, fitness instructors). They would sell you a package of service for a period 6 months and then ask you to renew the contract with their terms (e.g. last only for 6 months).

That would be a contract lifecycle for you to manage to have regular sales to sustain your business especially when your business is established with lots of clients and multiple contract expiration dates. Besides using e-commerce platform, another possible way would be for small businesses to build in payment capabilities on their websites.

Growing with Balanced Set of Digital Tools

According to a Deloitte's study last year, 80% of US companies had new customers with the use of digital tools with their company website, social media and customer relationship management as the preferred tools. Companies with advanced engagement tools were three times more likely to experience customer growth.

During this pandemic, larger companies such as HonestBee, Ministry of Food and even the parent company of GNC had shuttered its stores. This represents an opportunity for nimble heartland entrepreneurs to seize the market. Every crisis effectively reshuffles and levels the playing field for businesses. Seize this chance to go digital but remember to have digital tools in all three areas to grow your revenue!