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9B21M013

Moovaz: Moving into the future

Professor Nitin Pangarkar wrote this case solely to provide material for class discussion. The author does not intend to illustrate either effective or ineffective handling of a managerial situation. The author may have disguised certain names and other identifying information to protect confidentiality.

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In September 2020, Junxian Lee, the CEO of Moovaz, was optimistic about the prospects of his company despite the challenging environment. Over the last 18 months, the relocation company had reached two major milestones. In 2019, the company had successfully raised US$7 million[[1]](#footnote-1) of Series A funding from several investors, including the venture arm of YCH Group, a large logistics company based in Singapore.[[2]](#footnote-2) In June 2020, in the thick of the COVID-19 pandemic, Moovaz announced its acquisition of *The Finder*—a publication targeted at expatriates in Singapore.[[3]](#footnote-3) Junxian was confident that *The Finder* acquisition was completed at a reasonable price. He was equally confident that, as industry consolidation increased because of the eruption of the COVID-19 pandemic, his company was in a good position to weather the storm and gain market share from traditional players. To keep the support of investors, however, Moovaz had to demonstrate robust growth (doubling or tripling every year) and, while Junxian was confident of achieving those growth targets, the margin of error seemed small. Moovaz would need to make some effective strategic decisions to achieve such vigorous growth.

The relocation industry: demand drivers

The relocation industry’s history extended as far back as people had been moving from one country to another. Economics and politics were the two key factors driving international relocation. International political trends, such as struggles between the United States (US) on the one hand and China and Mexico on the other, affected the number of relocations. These struggles might trigger repatriations from China or Mexico (of US company managers stationed in those countries), but the struggles would also mean fewer expatriates heading to China or Mexico from the US. The border dispute between China and India and its economic fallout (negative attitudes within India toward Chinese goods and investment) could also prompt the repatriation of Chinese managers based in India.[[4]](#footnote-4)

Economics impacted the relocation industry in many ways. Both strong and weak global economies could trigger relocations. When global economic growth was strong, multinational firms might invest outside their home countries, resulting in the expatriation of managers from their home bases to other countries.[[5]](#footnote-5) A weak global economy, however, could trigger repatriation because firms would aim to save costs by withdrawing expensive expatriates.[[6]](#footnote-6)

Differences in growth rates across countries were also drivers of relocation, with people from slow-growth countries moving to rapidly growing countries in search of better career opportunities. Before the eruption of the COVID-19 crisis, Junxian’s hypothesis was that people would move to China because of its rapid growth and to exploit the opportunities created by China’s substantial investment in the Belt and Road Initiative. Junxian was also optimistic about the prospects of the Singaporean market, believing that Singapore would maintain its status as the gateway to Southeast Asia.

Another factor driving demand for relocation, at least in the short term, lay at the intersection of economics, public health, and technology. The COVID-19 crisis accelerated the trend of remote/virtual working. Junxian expected that the trend of virtual working would trigger relocations to countries and locations deemed to have high-quality but low-cost standards of living (e.g., Bali), coupled with good infrastructure and connectivity.

According to one 2010 estimate, the relocation industry handled over 200,000 relocations for client families each year. Relocation management companies (RMCs) tended to be large companies that had relationships with the HR departments of multinational companies (see Exhibit 1 for some global and Singapore-based players).[[7]](#footnote-7) RMCs provided a wide range of services, including home sales assistance; property management and moving services; assistance in finding new temporary and permanent housing; and the provision of brokerage, title, and escrow services.[[8]](#footnote-8) Key success factors for RMCs included quality of service (comprising fast, efficient, and reliable relocation services and high responsiveness); price competitiveness; and, for some clients (such as multinational customers), a geographic footprint.[[9]](#footnote-9) RMCs contracted many components of relocations to subcontractors, especially destination service providers (DSPs), which tended to be small, local companies, often with less than 10 employees.[[10]](#footnote-10) In this regard, Cartus—a leading RMC—noted, “Because Cartus does not own or hold interests in a transportation company, we bring unsurpassed leverage to clients and customers thanks to the contractual, performance-based relationships we have with the domestic and international suppliers we work with on a global basis.”[[11]](#footnote-11)

Estimates of market size for global relocation services differed, possibly because of differences in the scope of services included in estimations. According to Beroe Inc. (a procurement intelligence firm), the global employee relocation management market was worth around $31.5 billion (in 2019) and was forecasted to grow at a compound annual growth rate (CAGR) of 3–4 per cent until 2021. In terms of regional market size, North America was the largest region at $15.6 billion, albeit growing at a rate of only 2–3 per cent. The Asia Pacific region was expected to have the fastest growth at 7–8 per cent. High-market-maturity regions included the US, the United Kingdom (UK), Australia, and Western Europe, while medium-market-maturity regions included Brazil, China, and Singapore. North Korea, Vietnam, Indonesia, Africa, Chile, Colombia, and Peru represented low-market-maturity regions.[[12]](#footnote-12) In 2017, Technavio, another relocation intelligence firm, estimated the size of the relocation services market at $80.2 billion.[[13]](#footnote-13) The Technavio report also noted that “the best strategic cost-saving levers for the relocation services market is bundling of services where buyers can partner with service providers that offer end-to-end relocation services. This, as per Technavio’s estimation, will help buyers save up to 15 per cent of the total bundled spend area.”[[14]](#footnote-14)

The industry experienced significant changes in key success factors as the profile of a typical internationally mobile employee changed. For a summary of the changes affecting the industry, see Exhibit 2, prepared by Cartus. As noted by the Cartus report, these changes would prompt significant changes in the strategies of relocation companies.

Moovaz: Founding team and capital raising

Moovaz was founded in 2017 by three graduates of the National University of Singapore (NUS) Business School: Junxian Lee, Jerry Chua, and Vishnu Vasudevan. The founders had acquired rich and diverse experience spanning critical business functions before founding Moovaz. Junxian, whose education included Bachelor of Business Administration (BBA) and Master of Business Administration (MBA) degrees, had launched three start-up companies before Moovaz: CashShield (a global big-data analytics enterprise risk-management firm operating in the American, Chinese, European, and Southeast Asian markets) and Fundnel (a regional Fintech company operating in Singapore, Malaysia, Indonesia, Hong Kong, Australia, Brunei, and India). He had also acquired fund and operational/product experience from launching an e-commerce business (Shopee) for a leading Southeast Asian Internet company (Garena) across seven countries in the region. In 2020, he was also operating a café business that had several outlets in tertiary education institutions and business parks.[[15]](#footnote-15)

After obtaining his BBA degree from the NUS Business School in 2008, Jerry Chua served in financial roles and as a commercial director in a large logistics firm, the portfolio of which included relocation services. After graduating with a BBA degree, Vishnu Vasudevan founded Reizo, a tech start-up for bespoke online tailoring services, which was later acquired by a larger company. He joined Jerry to launch Infra Capital Myanmar, which had projects around Southeast Asia. Vishnu also ran Tech-Asia Logistics, a subcontractor in the logistics and removals industry.[[16]](#footnote-16) Speaking about Jerry and Vishnu’s valuable experience in the logistics industry, Junxian said: “Having operated in the industry for the past seven years, they understood the inefficiencies and complexities plaguing the industry, and had an idea for disrupting the conventional way that international relocation was done.”[[17]](#footnote-17)

Having studied and worked overseas and experienced challenging international relocations, Moovaz’s founders believed there must be a more efficient way to move people from one place to another, and this process should not be complex and stressful; hence, Moovaz was established with customers’ needs in mind — to make moving and relocating cheaper, faster, and more transparent.[[18]](#footnote-18)

Moovaz wanted to fulfil its promise to customers in delivering a ‘Life Well Moved,’ which led to its tagline: “We are not just movers; we are lifemovers.” The founders had thought carefully to come up with the brand name and hired brand strategist Benedict Wong to design a logo. The founders explained it as follows:

Moovaz, which phonetically sounds like ‘move us’ and ‘movers,’ was designed with double ‘O’s (resembling truck wheels) to increase our identifiability with the moving industry. From the onset, we were a global company (owing to the nature of international relocation), and we wanted to emphasize our promise to our customers that we will be responsible shippers, moving lives from A to Z (wherever that may be) in the best possible way.[[19]](#footnote-19)

Moovaz’s broad strategy was to “Uberise” moving. From day one, it recognized that the most important opportunity was in the extensive adoption of technology in an industry that was using too little technology, especially in Asia. Moovaz would operate a software-based platform that amalgamated diverse partners and utilized rich data to offer customers curated options for a broad range of services, well beyond traditional logistics services. The technology-rich platform would also serve to differentiate Moovaz from traditional players in Singapore, such as Santa Fe Relocation and Asian Tigers Mobility, which did not offer a comprehensive range of services.[[20]](#footnote-20) In the long term, Moovaz aimed to be the “operating system” of the moving services industry.

Product design

The typical journey of a user started with entering online the origin and destination cities, the volume of movable items, and a tentative moving date. Moovaz’s tool would then propose a plan and calculate a price. Each customer was assigned a “move manager” who would guide them through the relocation steps, such as home surveys and other personalized requirements. Moovaz’s well-defined standard operating procedures aimed to achieve many (or all) of the following: earning the customer’s business through strategic adjustment (e.g., pricing), providing excellent responsiveness to customers, and acquiring important data that would be useful for serving customers and/or expanding its database.

Beyond moving services, the company also helped with visa applications, personal and family insurance, and pet transportation assistance, as well as with smaller services that were offered on an at-cost basis (i.e., with no profit markup). Summarizing this strategy, Junxian told *The Silicon Review*:

Our main service is handling the entire international move journey for our clients: from pre-move, to packing, and finally to delivery day. We also empower our relocates to manage their own moves with the help of an intuitive dashboard. This all-in-one relocation dashboard enables relocates to obtain all the information they need about their moves, upload and download necessary documents, check their move statuses, and much more, all in one place. This reduces the need for multiple correspondences back and forth with our move managers, thus saving everyone’s time.[[21]](#footnote-21)

Moovaz’S strategy

Although Moovaz was established as a relocation company, Junxian and the founding team looked at the logistics business as a means to acquire clients and capitalize on the numerous e-commerce opportunities that were available during the process. Junxian said:

During each international relocation, customers go into a state of hyper-consumption as they look to both cancel services and dispose of goods they hold in their current locations and also to purchase new ones in their new locations. Being in charge of their logistical relocation allows us to be able to best tap on the information we know about our customers; for example, when they will be leaving and arriving; if they are moving for the purposes of studies, retirement, or for work; or even if there are services that might be relevant to them in their new neighbourhoods. Our research shows that customers spend, on average, close to US$20,000 within three months of their moves. Sixty-four per cent of purchase decisions are made prior to a move, customers are 10 times more likely to try a new brand, and 85 per cent of them would end up trying the first brand they are presented with. This is a golden opportunity for companies to share information about their products or services offerings.

Value proposition and pricing

Being a two-sided platform that depended not only on business from customers but also on co-operation from suppliers, Moovaz needed to offer good value propositions to key stakeholders on both sides. To suppliers, Moovaz offered the ability to contextualize and visualize meaningful data that pertained to their operations, whilst also providing industry benchmarking. Moovaz was also able to provide actionable insights into potential inefficiencies, allowing suppliers to remain competitive in their respective industries, such as trucking, warehousing, and freight.

Its digital strategy helped Moovaz overcome any potential trust deficit with customers due to its newness. Since most customers discovered Moovaz via the Internet, having readily available customer ratings and reviews online reassured potential customers about Moovaz’s service levels and responsiveness. With its sophisticated data capability, Moovaz also offered customers real-time information (e.g., notifications) on where their shipments were at a particular point in time. With far less sophisticated data and weaker digital capabilities, the traditional players were unable to serve customers effectively in this regard (see Exhibit 3 for a summary of ratings by customers on different online platforms).

Moovaz was a one-stop shop for customers for moving their physical goods from one city or country to another and linking them with providers of key services, such as real estate agents and insurance agents. It also provided information about telecom services, schools, and shopping, among other facilities. Moovaz’s value to customers was embedded in the quality and reliability of its recommendations to its customers, and Junxian emphasized that, while Moovaz’s prices were 20 per cent lower than the market median, Moovaz was careful to avoid positioning itself as a budget mover. Moovaz’s value-centric pricing model won it the opportunity to start conversations with customers, and Moovaz was, in fact, competing based on the experience and connections it offered its customers.

Data-driven operations: automation and agility

Moovaz was a data-driven company. Junxian said:

Our emphasis is on collecting and structuring the data we harness, which allows us to better identify and prioritize which problems to first solve, and then to engineer automation for each of these processes. The conventional response in traditional companies, when faced with a potential problem, would be to hire someone with the expertise to resolve it. Tech-driven companies like Moovaz, however, must seek to resist that urge and, first and foremost, explore if the issue can be resolved (or at least alleviated) via automation, even if that might entail spending a larger amount of money and a longer amount of time to do so. We view such circumstances as opportunities because it is only by swallowing the bitter pill of expending money and time upfront that we can create scalability levers for the long run.

Moovaz had taken great pains to ensure that its database was optimally organized, so that insights could be derived. Junxian said, “Unstructured data is purposeless and, unless the data is deliberately and meaningfully structured, we will certainly not be able to get to the answers and insights we desire.”

Being a digital-first organization, Moovaz also depended heavily on internal data points as leading indicators to determine trends and spot market directions. Junxian believed that, in a traditional, non-tech-driven setup, by the time the market and financial reports were prepared and analyzed, critical time might have elapsed and opportunities been missed. During the COVID-19 outbreak (based on the popularity of Google search terms such as “How do I leave Singapore and COVID?”), Moovaz quickly realized that the market was no longer strong for expatriation, but instead for repatriation.

Moovaz deployed a mixed-integration strategy (in-house versus procurement) to perform a portion (around 10 per cent of its total volume) of operations (e.g., packing, warehousing, and trucking) in-house to gain an understanding of the operational aspects, sourcing the remainder from external independent providers. Moovaz also generated and captured relevant data on the performance of its employees and partners. Customers provided ratings of each service (and sometimes individual employees). This data helped Moovaz maintain high levels of service quality and customer satisfaction, essentially by choosing its high-performing partners more frequently than poorly performing partners.

Customer segments

Moovaz’s focus was somewhat distinct from that of RMCs, such as SIRVA and Cartus, which leveraged relationships with the HR departments of large corporations to fulfil all their worldwide relocation needs. While one major contract with a multinational company could lead to numerous relocation assignments for a large RMC, Moovaz’s leads were generated mostly online. In other words, Moovaz was often operating as a business-to-consumer (B2C) provider, rather than a business-to-business (B2B) provider.

Several new trends identified by Cartus, and listed in Exhibit 2, also favoured Moovaz’s strategy over the B2B business model of large RMCs. These included self-initiation of moves by lower-level employees (a greater proportion than in the past); higher employee expectations of technology (e.g., messaging and bots); and a desire for real-time information and price sensitivity, especially for fixed-budget moves. Relying heavily on online lead generation and digital data-driven operations, Moovaz’s strategy was designed to appeal to the segment the company called “global locals.”

Expansion and international presence

Moovaz was careful in choosing the countries it operated in. While the market size (and potential) of a country was important, Moovaz took into account the likelihood of success in that country, which was a function of many factors, including entrenched competition. Moovaz chose not to have a sales force in Japan because it found that Nippon Express had a dominant presence and high awareness in the market. It further assessed that being a non-Japanese company would make it difficult to earn the trust of Japanese customers.

In 2020, Moovaz had sales offices in Singapore, Australia, and Hong Kong. Using its network of partners, it could initiate relocation projects to and from many countries around the world, as long as the origin or destination was in one of the above three countries. Moovaz next considered the Chinese market but intended to focus on serving international people moving into and out of China, not necessarily within the local Chinese market. It also considered the UK and South Korea since the South Korean market was somewhat more open (and less consolidated) than that of Japan.

Organization and decision making

The three founders were heavily involved in Moovaz’s day-to-day operations. As the CEO, Junxian was intimately involved in the operations of the company, including hiring, enabling the company to execute its strategies. He leveraged his prior experience in venture capital investing and the launch of a leading e-commerce player in Southeast Asia to set up internal systems.

The founders brought different perspectives to discussions. Vishnu represented the supplier perspective, whereas Jerry would typically address the customer perspective. Despite the different perspectives, the three founders shared the same values because of their extensive shared history, including attending the same school.

Impact of COVID-19

Junxian had an interesting perspective on the COVID-19 crisis and the consequences it had for those seeking relocation. He believed that, since the crisis affected all the players, it offered a great opportunity to a company that could solve the problem quickly and effectively. He believed that the rigidity of traditional companies, especially their entrenched organizational structures and systems (e.g., yearly budgets), would make them vulnerable. He went as far as to say, “COVID-19 is a real blessing for us.”

Moovaz further believed that its agility would be a particular advantage in the new environment. Moovaz had bi-weekly budgeting, its project-based teams ran agile sprints, and the squads could be reconfigured to achieve multiple objectives. In addition to greater agility, the fluid organizational structure made use of every employee’s talents. Junxian was confident that his co-workers were empowered by the nimbleness and fluidity of Moovaz’s organizational structure and the opportunities that were created.

Marketing and customer acquisition

Moovaz spent most of its marketing budget (around 90 per cent) and generated most of its leads online. Offline marketing was conducted primarily through industry or community events, for instance, at Chambers of Commerce or international schools. The online marketing budget was again divided into paid and organic. Under the paid category, Moovaz optimized search engine marketing by purchasing Google keywords. It also used the Facebook ads engine. While the overall division of the online and offline business had remained unchanged over time, the proportion of leads generated through organic means had increased from 15 per cent to 60 per cent from 2018 to 2020. To identify market trends, Moovaz used some online tools for signal and trend tracking, including SEMrush, a SaaS service, Google Trends, Ahrefs, Ubersuggest, MOZ, and MOSAIC.

Moovaz also gained several customers through reciprocity, which was an established industry practice; for instance, if Moovaz gave 10 moving jobs to its DSP in San Francisco, the partner would reciprocate by passing a few jobs back to Moovaz (e.g., for customers moving from San Francisco to Singapore).

Ecosystem and partnerships

Moovaz had up to 2,000 partners. While the number seemed large at first glance, Junxian emphasized that it was probably below the industry average, since partnerships with a broad range of partners, such as packers, trucking companies, warehousing companies, customs agents, and freight forwarders, were the norm. To manage its partners, Moovaz made extensive use of internal scoring systems and algorithms. It established clear criteria for evaluating each type of partner and captured customer ratings for every interaction. The scores were aggregated and tracked to guide decisions about the choice of partners for future assignments. Moovaz did not expect the number of partners to increase over time because it did not believe that having more partners would be beneficial. In fact, Junxian observed that, despite having as many as 15 partners in Japan, it channeled 90 per cent of its business to 4 trusted partners.

Performance

Moovaz’s roadmap to profitability was clearly charted and, in October 2020, Junxian assessed that it was trending correctly. Moovaz believed that, as a technology (tech) company, growth was more important than short-term profitability for the company and its key stakeholders, such as investors.

Moovaz assessed and charted its performance and goals by monitoring its unit economics and several financial indicators. Top-line revenue and revenue growth were seen as indicators of its market share and the rate at which it was gaining traction in each market. Gross Profit 1 (GP1 = Revenue – Cost of Goods Sold [COGS]) was in turn seen as a measure of unit profitability, taking into account the direct costs of servicing each relocation job. Gross Profit 2 (GP2 = GP1 – Cost of Sales [COS]) was seen as a strategic lever that influenced how aggressively Moovaz would go to market. In its roadmap to profitability, Moovaz sought to turn a profit first on a GP1 basis, by stabilizing both the revenues and direct costs of the business, and subsequently on a GP2 basis, by optimizing and stabilizing its client acquisition costs.

Whilst its GP1 and GP2 were negative in the first year of its operations, by August 2020 Moovaz had successfully become profitable on both a GP1 and GP2 basis, demonstrating its proof of concept (POC) milestone to its stakeholders. In addition, Moovaz had also managed to successfully achieve two-to-three times year-on-year growth between 2018 and 2020, boasting seven-figure revenues each year despite being a relatively young company. Moovaz seemed on track to hit net profitability shortly, but Junxian was cognizant of the trade-off between profitability and growth.

Junxian had his sights set on the next milestone, which was to raise series B funding, and was well aware of the criteria set by potential investors. Throughout the POC phase, Moovaz had already proven the fundamental viability and unit economics of the business, and its next goal was to prove its international scalability and incremental value creation. The Series B investment would provide sufficient resources for Moovaz to move into the international growth phase, especially in terms of financing its marketing spending, which could subsequently decrease Moovaz’s GP2 through rapid growth in client numbers.

*The Finder* acquisition

On June 4, 2020, Moovaz announced the acquisition of *The Finder*—a publication house that pitched itself as an “Insider’s Guide to Living Well in Singapore”—from Singapore Press Holdings (SPH).[[22]](#footnote-22) The deal for the publications, which were available free of charge to consumers, was initiated by Junxian. He said:

We were on an active lookout for potential acquisitions. We evaluated and ran due diligence on several prospective companies, talked to their customers and owners, and ultimately decided to move forward with *The Finder*. It was a deliberate effort. We are ecstatic to be able to partner with *The Finder* to help our clients not just to move well, but also live well. What struck us the most about *The Finder* was how authentically its brand and content had resonated with the expat community over the past quarter of a century.

Under the agreement, SPH—a large listed blue-chip conglomerate and one of Singapore’s leading media companies, with interests in newspapers, magazines, radio, and television—would become a shareholder of Moovaz and collaborate on the latter’s regional outreach efforts through its media platforms. *The Finder’s* portfolio included eponymous quarterly print and digital magazines targeted at expatriates in Singapore, *The Finder Kids* magazines, web content, and social media in Singapore and Malaysia.[[23]](#footnote-23) *The Finder* had more than 300,000 users (in 2020), of which 71 per cent were expatriates. Its readers were typically high-income people, with nearly 80 per cent earning more than SG$10,000[[24]](#footnote-24) a month and 47 per cent earning more than SG$20,000 a month. The majority (59 per cent) of *The Finder’s* readers were parents.[[25]](#footnote-25)

Junxian highlighted the tech companies’ different perspectives, particularly regarding the valuation and synergies of acquisitions. He said:

Many people do not realize this, but *The Finder* is, based on our scoring, one of the top websites in Singapore. If you look at it from a monthly active users perspective, it’s fairly phenomenal, given that it is almost entirely organically driven. We were confident of the synergy between both the businesses and the teams, and that essentially, the sum of the whole would be greater than its parts. As an independent content publication, *The Finder* would be better able to focus on the journalistic aspects of its business and less on the advertising portions, while Moovaz will benefit from having both a proven channel of client acquisition, but more importantly, to be able to broaden its service offerings beyond just the logistical portion of a relocation. It also provides our partners with a voice and ability to tell our side of the story: the story of the life of a mover. We are confident that this will bring tremendous value to our communities online.

Junxian believed that communities in technology industries were notoriously difficult to build because meaningful relationships were based on authenticity, built from the ground up, and very often took time. In his view, “*The Finder* was perfect as it had already cultivated this community over the 28 years of its existence and its brand resonated strongly within its circles.” The acquisition of *The Finder* also brought Sara Lyle Bow—an American who had been with *The Finder* since 2015—to Moovaz. She assumed the role of director and head of community for Moovaz. As an expatriate, Sara also added a new dimension to the collective experience of Moovaz’s senior management.

Exit Strategy

Junxian believed that Moovaz’s strategic execution might make it an acquisition target (through a trade sale) within the next five years. He did not see an initial public offering (IPO) as either a likely or desirable option in the near term. He evaluated the possibility and stated:

Traditionally people go through IPOs to achieve one of three things: liquidity, valuation and credibility. If you look at private markets now, liquidity is rife. Valuations also seem to be higher in the private sector. In the absence of these, the key driving factor for a public listing might be for credibility. We would therefore postulate that most of the arrows seem to be pointing toward a trade sale and less likely an IPO as a potential exit (a way for investors to cash out their investments).

Junxian was also clear that a healthy scenario would mean Moovaz being acquired by another tech company. He said:

Tracking other large traditional players in the industry, an acquisition by a traditional player would likely be concluded at a 3–4 times revenue multiple, which may not be the desired outcome for us, nor for our stakeholders. Tech company acquisition multiples are at an average of 16–20 times revenues, which would be a stronger exit. For this to be tenable, we would most likely need to be acquired for our data and the underlying processes as well as the community we actively engage with and the customer journeys and flows we have constructed.

The road ahead

Although Moovaz had undoubtedly created an interesting tech-enabled business model, it needed to overcome some challenges and make sound decisions to achieve superior performance in the future. The first challenge related to the global COVID-19 pandemic. While the short-term effect of the pandemic was to increase demand for relocation due to repatriation, if the crisis persisted for too long, lockdowns could have significant negative implications for the global economy and, consequently, the demand for relocation. Cosmopolitan and globally connected cities, such as Singapore and Hong Kong, would be particularly vulnerable to downturns of this kind. In many countries around the world, including Singapore, companies were considering restricting imported talent, and there was a possibility that the number of expatriates in Singapore would significantly decline. Another challenge related to the continued availability of funding. Because of its ambitious plans, Moovaz would need to seek another round of funding and, while Junxian was optimistic about receiving investor support, an element of uncertainty existed. A third challenge was increased competition. Cartus, a leading RMC, had already started an initiative called MicroMove, which was targeted at loads of 5,000 lbs or less and/or under three rooms, thus supporting self-financed relocations and those handled by employees at lower levels of the hierarchy.[[26]](#footnote-26) Would Cartus’ competitive advantages, such as its portfolio of relationships with partners, deeper pockets, and established processes and reputation, enable it to effectively counter agile, tech-enabled competitors such as Moovaz? Another threat came from the possible imitation of Moovaz’s business model by other players, especially in other countries. Successful imitation could stymie Moovaz’s growth plans. Clearly, these were exciting and challenging times for Moovaz. Junxian had to move quickly and decisively if Moovaz was to maintain its performance and successfully raise its next round of funding.

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Exhibit 1: key competitors providing Relocation services

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| --- | --- |
| **Global/multinational providers** | **Singapore-based providers** |
| SIRVA (acquired Team Relocations in 2018)  https://www.sirva.com/en-gb | Astro Worldwide Movers  https://astro-movers.com/ |
| Cartus  https://www.cartus.com/ | SIR Movers  https://www.sirmove.com/ |
| Crown Worldwide  https://www.crownworldwide.com/ | Shalom Movers  https://shalom.com.sg/ |
| Santa Fe Relocation  https://www.santaferelo.com/ | KNT Movers  http://www.kntmovers.com.sg/ |

Source: Cision PR Newswire, “SIRVA Worldwide Relocation & Moving acquires Team Relocations,” August 3, 2018, www.prnewswire.com/news-releases/sirva-worldwide-relocation--moving-acquires-team-relocations-300691231.html.

Exhibit 2: The changing Relocation market

|  |  |
| --- | --- |
| **Today** | **(Almost) Tomorrow** |
| Standard policies | Customized and personalized policies |
| Core/flex relocation allowance plans chosen by the business | Core/flex relocation allowance plans chosen by the employee |
| Delivered services | Self-service |
| E-mail communication | Chat/bot/Instant messaging |
| Prescriptive analytics | Predictive analytics |
| Long-term assignments | Shorter-duration assignments |
| Traditional employees | Non-traditional employees (contract workers, gig employees, retired workers) |

Source: Cartus, “Mobility Insights,” Cartus, September 2019, www.cartus.com/files/6215/6804/9940/Cartus-Insights-2019\_World\_Trends-Impact\_on\_the\_Future\_of\_Global\_Mobility-0919.pdf.

Exhibit 3: Online reviews of Moovaz

|  |  |
| --- | --- |
| **Reviewing organization (number of reviews)** | **Score** |
| Sg.Sirelo.org (4) | 8.5/10 |
| Google (79) | 4.7/5 |
| Facebook.com (11) | 4.8/5 |
| Trustpilot.io (26) | 5/5 |
| International-movers-reviews (7) | 4.7/5 |
| Expat Choice (4) | 7.85/8 |

Source: Scores obtained from the following review websites:

Client reviews, Sirelo, accessed August 15, 2020, https://sg.sirelo.org/moving-companies/singapore/moovaz/; Client reviews, Facebook, accessed August 15, 2020, www.facebook.com/MoovazNow/; Client reviews, Google, accessed August 15, 2020, www.google.com/maps/place/Moovaz+-+International+Relocation+Services+from+Singapore/@1.2967926,103.786762,15z/data=!4m7!3m6!1s0x0:0xf6bb04d80ec1452c!8m2!3d1.2967926!4d103.786762!9m1!1b1; Client reviews, TrustSpot, accessed August 15, 2020, https://trustspot.io/store/Moovaz; Client reviews, ExpatChoice, accessed August 15, 2020, www.expatchoice.asia/home/movers-storage/moovaz.

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3. Alanna Tan, “S’pore Relocation Startup Moovaz Acquires SPH’s Expat Publication The Finder,” Vulcan Post, n.d., accessed September 16, 2020, https://vulcanpost.com/700657/moovaz-acquires-the-The Finder-sph/. [↑](#footnote-ref-3)
4. Toru Takahashi, “Can India economically decouple itself from China?,” Nikkei Asia, August 18, 2020, accessed September 16, 2020, https://asia.nikkei.com/Spotlight/Comment/Can-India-economically-decouple-itself-from-China. [↑](#footnote-ref-4)
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10. GB News Reporter, op. cit. [↑](#footnote-ref-10)
11. Cartus, “Moving services,” Cartus, n.d., accessed September 16, 2020, www.cartus.com/en/relocation-services/moving-services. [↑](#footnote-ref-11)
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13. Ursula Florene, “More than just moving,” KrAsia, June 4, 2020, accessed November 10, 2020, https://kr-asia.com/more-than-just-moving-moovaz-wants-to-help-rebuild-life-in-a-new-place-startup-stories. [↑](#footnote-ref-13)
14. Technavio, “Global Relocation Services Market - Cost Saving Strategies,” Businesswire, February 2, 2017, accessed September 16, 2020, www.businesswire.com/news/home/20170202005041/en/Global-Relocation-Services-Market---Cost-Saving. [↑](#footnote-ref-14)
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